

70A-9a-323 Future advances.

- (1) Except as otherwise provided in Subsection (3), for purposes of determining the priority of a perfected security interest under Subsection 70A-9a-322(1)(a), perfection of the security interest dates from the time an advance is made to the extent that the security interest secures an advance that:
 - (a) is made while the security interest is perfected only:
 - (i) under Section 70A-9a-309 when it attaches; or
 - (ii) temporarily under Subsection 70A-9a-312(5), (6), or (7); and
 - (b) is not made pursuant to a commitment entered into before or while the security interest is perfected by a method other than under Section 70A-9a-309 or Subsection 70A-9a-312(5), (6), or (7).
- (2) Except as otherwise provided in Subsection (3), a security interest is subordinate to the rights of a person that becomes a lien creditor to the extent that the security interest secures an advance made more than 45 days after the person becomes a lien creditor unless the advance is made:
 - (a) without knowledge of the lien; or
 - (b) pursuant to a commitment entered into without knowledge of the lien.
- (3) Subsections (1) and (2) do not apply to a security interest held by a secured party that is a buyer of accounts, chattel paper, payment intangibles, or promissory notes or a consignor.
- (4) Except as otherwise provided in Subsection (5), a buyer of goods other than a buyer in ordinary course of business takes free of a security interest to the extent that it secures advances made after the earlier of:
 - (a) the time the secured party acquires knowledge of the buyer's purchase; or
 - (b) 45 days after the purchase.
- (5) Subsection (4) does not apply if the advance is made pursuant to a commitment entered into without knowledge of the buyer's purchase and before the expiration of the 45-day period.
- (6) Except as otherwise provided in Subsection (7), a lessee of goods, other than a lessee in ordinary course of business, takes the leasehold interest free of a security interest to the extent that it secures advances made after the earlier of:
 - (a) the time the secured party acquires knowledge of the lease; or
 - (b) 45 days after the lease contract becomes enforceable.
- (7) Subsection (6) does not apply if the advance is made pursuant to a commitment entered into without knowledge of the lease and before the expiration of the 45-day period.

Enacted by Chapter 252, 2000 General Session