

2020 Kansas Statutes

84-9-325. Priority of security interests in transferred collateral. (a) Subordination of security interest in transferred collateral. Except as otherwise provided in subsection (b), a security interest created by a debtor is subordinate to a security interest in the same collateral created by another person if:

(1) The debtor acquired the collateral subject to the security interest created by the other person;

(2) the security interest created by the other person was perfected when the debtor acquired the collateral; and

(3) there is no period thereafter when the security interest is unperfected.

(b) Limitation of subsection (a) subordination. Subsection (a) subordinates a security interest only if the security interest:

(1) Otherwise would have priority solely under K.S.A. 2020 Supp. 84-9-322(a) or 84-9-324, and amendments thereto; or

(2) arose solely under K.S.A. 84-2-711(3) or 84-2a-508(5), and amendments thereto.

History: L. 2000, ch. 142, § 45; July 1, 2001.