

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

440.9326 Priority of security interests created by new debtor.

Sec. 9326.

(1) Subject to subsection (2), a security interest that is created by a new debtor in collateral in which the new debtor has or acquires rights and is perfected solely by a filed financing statement that would be ineffective to perfect the security interest but for the application of section 9316(9)(a) or 9508 is subordinate to a security interest in the same collateral that is perfected other than by such a filed financing statement.

(2) The other provisions of this part determine the priority among conflicting security interests in the same collateral perfected by filed financing statements described in subsection (1). However, if the security agreements to which a new debtor became bound as debtor were not entered into by the same original debtor, the conflicting security interests rank according to priority in time of the new debtor's having become bound.

History: Add. 2000, Act 348, Eff. July 1, 2001 ;-- Am. 2012, Act 88, Eff. July 1, 2013