

**554.9325 Priority of security interests in transferred collateral.**

1. *Subordination of security interest in transferred collateral.* Except as otherwise provided in subsection 2, a security interest created by a debtor is subordinate to a security interest in the same collateral created by another person if:

- a. the debtor acquired the collateral subject to the security interest created by the other person;
- b. the security interest created by the other person was perfected when the debtor acquired the collateral; and
- c. there is no period thereafter when the security interest is unperfected.

2. *Limitation of subsection 1 subordination.* Subsection 1 subordinates a security interest only if the security interest:

- a. otherwise would have priority solely under section 554.9322, subsection 1, or section 554.9324; or
- b. arose solely under section 554.2711, subsection 3, or section 554.13508, subsection 5.

2000 Acts, ch 1149, §45, 187