

554.9209 Duties of secured party if account debtor has been notified of assignment.

1. *Applicability of section.* Except as otherwise provided in subsection 3, this section applies if:

- a. there is no outstanding secured obligation; and
- b. the secured party is not committed to make advances, incur obligations, or otherwise give value.

2. *Duties of secured party after receiving demand from debtor.* Within ten days after receiving an authenticated demand by the debtor, a secured party shall send to an account debtor that has received notification of an assignment to the secured party as assignee under section 554.9406, subsection 1, an authenticated record that releases the account debtor from any further obligation to the secured party.

3. *Inapplicability to sales.* This section does not apply to an assignment constituting the sale of an account, chattel paper, or payment intangible.

2000 Acts, ch 1149, §19, 187

Footnotes

Remedies for noncompliance, see §554.9625