

554.9618 Rights and duties of certain secondary obligors.

1. *Rights and duties of secondary obligor.* A secondary obligor acquires the rights and becomes obligated to perform the duties of the secured party after the secondary obligor:

- a. receives an assignment of a secured obligation from the secured party;
- b. receives a transfer of collateral from the secured party and agrees to accept the rights and assume the duties of the secured party; or
- c. is subrogated to the rights of a secured party with respect to collateral.

2. *Effect of assignment, transfer, or subrogation.* An assignment, transfer, or subrogation described in subsection 1:

- a. is not a disposition of collateral under section 554.9610; and
- b. relieves the secured party of further duties under this Article.

2000 Acts, ch 1149, §116, 187