

355.9-318 No interest retained in right to payment that is sold -- Rights and title of seller of account or chattel paper with respect to creditors and purchasers.

- (1) A debtor that has sold an account, chattel paper, payment intangible, or promissory note does not retain a legal or equitable interest in the collateral sold.
- (2) For purposes of determining the rights of creditors of, and purchasers for value of an account or chattel paper from, a debtor that has sold an account or chattel paper, while the buyer's security interest is unperfected, the debtor is deemed to have rights and title to the account or chattel paper identical to those the debtor sold.

Effective: July 1, 2001

History: Repealed and reenacted 2000 Ky. Acts ch. 408, sec. 58, effective July 1, 2001.
-- Amended 1986 Ky. Acts ch. 118, sec. 73, effective July 1, 1987. -- Created 1958 Ky. Acts ch. 77, sec. 9-318, effective July 1, 1960.