

355.9-209 Duties of secured party if account debtor has been notified of assignment.

- (1) Except as otherwise provided in subsection (3) of this section, 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) Within ten (10) days after receiving a signed demand by the debtor, a secured party shall send to an account debtor that has received notification under KRS 355.9-406(1) or 355.12-106(2) of an assignment to the secured party as assignee a signed record that releases the account debtor from any further obligation to the secured party.
- (3) This section does not apply to an assignment constituting the sale of an account, chattel paper, or payment intangible.

Effective: January 1, 2025

History: Amended 2024 Ky. Acts ch. 10, sec. 54, effective January 1, 2025. -- Created 2000 Ky. Acts ch. 408, sec. 39, effective July 1, 2001.