

251.395 Lien on grain stored with grain warehouse operator -- Relation to other liens or security interests -- Filing of notice not required to perfect -- Discharge of lien.

- (1) When a depositor stores grain with a grain warehouse operator and has written evidence of ownership disclosing a storage obligation, the producer or other depositor has a first priority lien on the grain, the proceeds from the grain, or on grain owned by the grain warehouse operator. The lien terminates when the storage liability of the grain warehouse operator to the depositor terminates.
- (2) The lien created under this section shall be preferred to any lien or security interest of any creditor to the grain warehouse operator, regardless of whether the creditor's lien or security interest was attached to the grain or proceeds before or after the date on which the producer or other depositor's lien was attached.
- (3) A depositor who claims a lien under this section need not file any notice of the lien in order to perfect the lien.
- (4) The lien created under this section is discharged, except as to the proceeds therefrom and except as to grain owned by the grain warehouse operator, upon sale of the grain by the warehouse operator to a buyer in the ordinary course of business.

Effective: August 1, 2019

History: Created 2019 Ky. Acts ch. 88, sec. 15, effective August 1, 2019.