



Ohio Revised Code

Section 1309.317 Interests that take priority over or take free of unperfected security interest or agricultural lien - UCC 9-317.

Effective: October 06, 2026

Legislation: House Bill 195 - 136th General Assembly

Interests that take priority over or take free of security interest or agricultural lien [UCC 9-317]

(A) A security interest or agricultural lien is subordinate to the rights of:

(1) A person entitled to priority under section 1309.322 of the Revised Code; and

(2) Except as otherwise provided in division (E) of this section, a person who becomes a lien creditor before the earlier of the time:

(a) The security interest or agricultural lien is perfected; or

(b) One of the conditions specified in division (B)(3) of section 1309.203 of the Revised Code is met and a financing statement covering the collateral is filed.

(B) Except as otherwise provided in division (E) of this section, a buyer, other than a secured party, of goods, instruments, tangible documents, or a certificated security takes free of a security interest or agricultural lien if the buyer gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

(C) Except as otherwise provided in division (E) of this section, a lessee of goods takes free of a security interest or agricultural lien if the lessee gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

(D) Subject to divisions (F) to (I) of this section, a licensee of a general intangible or a buyer, other than a secured party, of collateral other than electronic money, goods, instruments, tangible documents, or a certificated security takes free of a security interest if the licensee or buyer gives value without knowledge of the security interest and before it is perfected.

(E) Except as otherwise provided in sections 1309.320 and 1309.321 of the Revised Code, if a person files a financing statement with respect to a purchase money security interest before or within twenty days after the debtor receives delivery of the collateral, the security interest takes priority over the rights of a buyer, lessee, or lien creditor that arise between the time the security interest attaches and the time of filing.



(F) A buyer, other than a secured party, of chattel paper takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and:

(1) Receives delivery of each authoritative copy of the record evidencing the chattel paper; and

(2) If each authoritative electronic copy of the record evidencing the chattel paper can be subjected to control under section 1309.105 of the Revised Code, obtains control of each authoritative electronic copy.

(G) A buyer of an electronic document takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and, if each authoritative electronic copy of the document can be subjected to control under section 1307.106 of the Revised Code, obtains control of each authoritative electronic copy.

(H) A buyer of a controllable electronic record takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and obtains control of the controllable electronic record.

(I) A buyer, other than a secured party, of a controllable account or a controllable payment intangible takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and obtains control of the controllable account or controllable payment intangible.
