

(2) DISCHARGES THE SECURITY INTEREST UNDER WHICH THE DISPOSITION IS MADE; AND

(3) DISCHARGES ANY SUBORDINATE SECURITY INTEREST OR OTHER SUBORDINATE LIEN.

(B) A TRANSFEREE THAT ACTS IN GOOD FAITH TAKES FREE OF THE RIGHTS AND INTERESTS DESCRIBED IN SUBSECTION (A), EVEN IF THE SECURED PARTY FAILS TO COMPLY WITH THIS TITLE OR THE REQUIREMENTS OF ANY JUDICIAL PROCEEDING.

(C) IF A TRANSFEREE DOES NOT TAKE FREE OF THE RIGHTS AND INTERESTS DESCRIBED IN SUBSECTION (A), THE TRANSFEREE TAKES THE COLLATERAL SUBJECT TO:

(1) THE DEBTOR'S RIGHTS IN THE COLLATERAL;

(2) THE SECURITY INTEREST OR AGRICULTURAL LIEN UNDER WHICH THE DISPOSITION IS MADE; AND

(3) ANY SECURITY INTEREST OR OTHER LIEN.

9-618. RIGHTS AND DUTIES OF CERTAIN SECONDARY OBLIGORS.

(A) A SECONDARY OBLIGOR ACQUIRES THE RIGHTS AND BECOMES OBLIGATED TO PERFORM THE DUTIES OF THE SECURED PARTY AFTER THE SECONDARY OBLIGOR:

(1) RECEIVES AN ASSIGNMENT OF A SECURED OBLIGATION FROM THE SECURED PARTY;

(2) RECEIVES A TRANSFER OF COLLATERAL FROM THE SECURED PARTY AND AGREES TO ACCEPT THE RIGHTS AND ASSUME THE DUTIES OF THE SECURED PARTY; OR

(3) IS SUBROGATED TO THE RIGHTS OF A SECURED PARTY WITH RESPECT TO COLLATERAL.

(B) AN ASSIGNMENT, TRANSFER, OR SUBROGATION DESCRIBED IN SUBSECTION (A):

(1) IS NOT A DISPOSITION OF COLLATERAL UNDER § 9-610; AND

(2) RELIEVES THE SECURED PARTY OF FURTHER DUTIES UNDER THIS TITLE.

9-619. TRANSFER OF RECORD OR LEGAL TITLE.

(A) IN THIS SECTION, "TRANSFER STATEMENT" MEANS A RECORD AUTHENTICATED BY A SECURED PARTY STATING:

(1) THAT THE DEBTOR HAS DEFAULTED IN CONNECTION WITH AN OBLIGATION SECURED BY SPECIFIED COLLATERAL;