

Part 4. Rights of Third Parties.

§ 25-9-401. Alienability of debtor's rights.

(a) Other law governs alienability; exceptions. – Except as otherwise provided in subsection (b) of this section and G.S. 25-9-406, 25-9-407, 25-9-408, and 25-9-409, whether a debtor's rights in collateral may be voluntarily or involuntarily transferred is governed by law other than this Article.

(b) Agreement does not prevent transfer. – An agreement between the debtor and secured party which prohibits a transfer of the debtor's rights in collateral or makes the transfer a default does not prevent the transfer from taking effect. (1965, c. 700, s. 1; 1975, c. 862, s. 7; 2000-169, s. 1.)