WEST VIRGINIA CODE: §46-9-322

§46-9-322. Priorities among conflicting security interests in and agricultural liens on same collateral.

- (a) General priority rules. Except as otherwise provided in this section, priority among conflicting security interests and agricultural liens in the same collateral is determined according to the following rules:
- (1) Conflicting perfected security interests and agricultural liens rank according to priority in time of filing or perfection. Priority dates from the earlier of the time a filing covering the collateral is first made or the security interest or agricultural lien is first perfected, if there is no period thereafter when there is neither filing nor perfection.
- (2) A perfected security interest or agricultural lien has priority over a conflicting unperfected security interest or agricultural lien.
- (3) The first security interest or agricultural lien to attach or become effective has priority if conflicting security interests and agricultural liens are unperfected.
- (b) Time of perfection: proceeds and supporting obligations. For the purposes of subsection (a)(1) of this section:
- (1) The time of filing or perfection as to a security interest in collateral is also the time of filing or perfection as to a security interest in proceeds; and
- (2) The time of filing or perfection as to a security interest in collateral supported by a supporting obligation is also the time of filing or perfection as to a security interest in the supporting obligation.
- (c) Special priority rules: proceeds and supporting obligations. Except as otherwise provided in subsection (f) of this section, a security interest in collateral which qualifies for priority over a conflicting security interest under section 9-327, 9-328, 9-329, 9-330 or 9-331 also has priority over a conflicting security interest in:
- (1) Any supporting obligation for the collateral; and
- (2) Proceeds of the collateral if:
- (A) The security interest in proceeds is perfected;
- (B) The proceeds are cash proceeds or of the same type as the collateral; and
- (C) In the case of proceeds that are proceeds of proceeds, all intervening proceeds are cash proceeds, proceeds of the same type as the collateral or an account relating to the collateral.

- (d) First-to-file priority rule for certain collateral. Subject to subsection (e) of this section and except as otherwise provided in subsection (f) of this section, if a security interest in chattel paper, deposit accounts, negotiable documents, instruments, investment property or letter-of-credit rights is perfected by a method other than filing, conflicting perfected security interests in proceeds of the collateral rank according to priority in time of filing.
- (e) Applicability of subsection (d). Subsection (d) of this section applies only if the proceeds of the collateral are not cash proceeds, chattel paper, negotiable documents, instruments, investment property or letter-of-credit rights.
- (f) Limitations on subsections (a) through (e). Subsections (a) through (e), inclusive, of this section are subject to:
- (1) Subsection (g) of this section and the other provisions of this part;
- (2) Section 4-210 with respect to a security interest of a collecting bank;
- (3) Section 5-118 with respect to a security interest of an issuer or nominated person; and
- (4) Section 9-110 with respect to a security interest arising under article two or two-a.
- (g) Priority under agricultural lien statute. A perfected agricultural lien on collateral has priority over a conflicting security interest in or agricultural lien on the same collateral if the statute creating the agricultural lien so provides.