

*closure sale other than the holder of a perfected security interest purchasing at his own foreclosure sale is a subsequent purchaser within this section.*

*(4) When under subsections (1) or (2) and (3) a secured party has an interest in accessions which has priority over the claims of all persons who have interests in the whole, he may on default subject to the provisions of Part 5 remove his collateral from the whole but he must reimburse any encumbrancer or owner of the whole who is not the debtor and who has not otherwise agreed for the cost of repair of any physical injury but not for any diminution in value of the whole caused by the absence of the goods removed or by any necessity for replacing them. A person entitled to reimbursement may refuse permission to remove until the secured party gives adequate security for the performance of this obligation.*

**9—315. Priority When Goods Are Commingled or Processed.—**

*(1) If a security interest in goods was perfected and subsequently the goods or a part thereof have become part of a product or mass, the security interest continues in the product or mass if*

*(a) the goods are so manufactured, processed, assembled or commingled that their identity is lost in the product or mass; or*

*(b) a financing statement covering the original goods also covers the product into which the goods have been manufactured, processed or assembled.*

*In a case to which paragraph (b) applies, no separate security interest in that part of the original goods which has been manufactured, processed or assembled into the product may be claimed under Section 9—314.*

*(2) When under subsection (1) more than one security interest attaches to the product or mass, they rank equally according to the ratio that the cost of the goods to which each interest originally attached bears to the cost of the total product or mass.*

**9—316. Priority Subject to Subordination.—**

*Nothing in this Sub-title prevents subordination by agreement by any person entitled to priority.*

**9—317. Secured Party Not Obligated on Contract of Debtor.—**

*The mere existence of a security interest or authority given to the debtor to dispose of or use collateral does not impose contract or tort liability upon the secured party for the debtor's acts or omissions.*

**9—318. Defenses Against Assignee; Modification of Contract After Notification of Assignment; Term Prohibiting Assignment Ineffective; Identification and Proof of Assignment.—**

*(1) Unless an account debtor has made an enforceable agreement not to assert defenses or claims arising out of a sale as provided in Section 9—206 the rights of an assignee are subject to*

*(a) all the terms of the contract between the account debtor and assignor and any defense or claim arising therefrom; and*