



Ohio Revised Code

Section 1303.55 Obligation of indorser - UCC 3-415.

Effective: August 19, 1994

Legislation: Senate Bill 147 - 120th General Assembly

(A) Subject to divisions (B), (C), (D), and (E) of this section and to division (D) of section 1303.59 of the Revised Code, if an instrument is dishonored, an indorser is obliged to pay the amount due on the instrument according to the terms of the instrument at the time it was indorsed, or, if the indorser indorsed an incomplete instrument, according to its terms when completed, to the extent required by sections 1303.11 and 1303.50 of the Revised Code. The obligation of the indorser is owed to a person entitled to enforce the instrument or to a subsequent indorser who paid the instrument under this section.

(B) If an indorsement states that it is made "without recourse" or otherwise disclaims liability of the indorser, the indorser is not liable under division (A) of this section to pay the instrument.

(C) If notice of dishonor of an instrument is required by section 1303.63 of the Revised Code and notice of dishonor complying with that section is not given to an indorser, the liability of the indorser under division (A) of this section is discharged.

(D) If a draft is accepted by a bank after an indorsement is made, the liability of the indorser under division (A) of this section is discharged.

(E) If an indorser of a check is liable under division (A) of this section and the check is not presented for payment, or given to a depository bank for collection, within thirty days after the day the indorsement was made, the liability of the indorser under division (A) of this section is discharged.
