



Ohio Revised Code

Section 1309.628 Nonliability and limitation on liability of secured party - liability of secondary obligor - UCC 9-628.

Effective: July 1, 2001

Legislation: Senate Bill 74 - 124th General Assembly

(A) Unless a secured party knows that a person is a debtor or obligor, knows the identity of the person, and knows how to communicate with the person:

(1) The secured party is not liable to the person, or to a secured party or lienholder that has filed a financing statement against the person, for failure to comply with this chapter; and

(2) The failure of the secured party to comply with this chapter does not affect the liability of the person for a deficiency.

(B) A secured party is not liable because of its status as secured party:

(1) To a person that is a debtor or obligor, unless the secured party knows;

(a) That the person is a debtor or obligor;

(b) The identity of the person; and

(c) How to communicate with the person; or

(2) To a secured party or lienholder that has filed a financing statement against a person, unless the secured party knows:

(a) That the person is a debtor; and

(b) The identity of the person.

(C) A secured party is not liable to any person, and a person's liability for a deficiency is not



affected, because of any act or omission arising out of the secured party's reasonable belief that a transaction is not a consumer-goods transaction or a consumer transaction or that goods are not consumer goods, if the secured party's belief is based on its reasonable reliance on:

(1) A debtor's representation concerning the purpose for which collateral was to be used, acquired, or held; or

(2) An obligor's representation concerning the purpose for which a secured obligation was incurred.

(D) A secured party is not liable to any person under division (C)(2) of section 1309.625 of the Revised Code for its failure to comply with section 1309.616 of the Revised Code.

(E) A secured party is not liable under division (C)(2) of section 1309.625 of the Revised Code more than once with respect to any one secured obligation.
