



Ohio Revised Code

Section 1310.25 Insurance and proceeds - UCC 2A-218.

Effective: November 6, 1992

Legislation: House Bill 693 - 119th General Assembly

- (A) A lessee obtains an insurable interest when existing goods are identified to the lease contract, even though the goods identified are nonconforming, and the lessee has an option to reject them.
- (B) If a lessee has an insurable interest only by reason of the lessor's identification of the goods, the lessor, until default or insolvency or notification to the lessee that identification is final, may substitute other goods for those identified.
- (C) Notwithstanding a lessee's insurable interest under divisions (A) and (B) of this section, the lessor retains an insurable interest until an option to buy has been exercised by the lessee and risk of loss has passed to the lessee.
- (D) Nothing in this section impairs any insurable interest recognized under any other section of the Revised Code, statute, or rule of law.
- (E) The parties may determine by agreement that one or more parties have an obligation to obtain and pay for insurance covering the goods and may determine by agreement the beneficiary of the proceeds of the insurance.
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