



Ohio Revised Code

Section 1351.02 Disclosures required in connection with lease-purchase agreement.

Effective: June 29, 1988

Legislation: House Bill 421 - 117th General Assembly

(A) A lessor shall disclose all of the following in a clear and conspicuous manner:

(1) A brief description of the leased property, sufficient to identify the property to the lessee and lessor and a statement as to whether the property is new, used, or previously leased. If a lease is for multiple items of property, a description of each item may be provided in a separate statement incorporated by reference in the lease-purchase agreement or primary disclosure statement.

(2) The total amount of any initial payment, including any advance payment, delivery charge, or any trade-in allowance to be paid by the lessee at or before consummation of the lease-purchase agreement;

(3) The amount and timing of lease payments;

(4) The amount of all other charges, individually itemized, payable by the lessee to the lessor, that are not included in the lease payments;

(5) The party who is liable for loss, damage in excess of normal wear and tear, or destruction of the leased property;

(6) The right of the lessee to reinstate as set forth in section 1351.05 of the Revised Code and the amount or method of determining the amount of the delinquency charges, reinstatement fee, or delivery charge for reinstatement;

(7) The party responsible for maintaining or servicing the leased property and a brief description of the responsibility;

(8) The conditions upon which the lessee or lessor may terminate the lease prior to the expiration of



the lease term;

(9) The total of all initial payments, all lease payments, and all other charges necessary to acquire ownership of the leased property;

(10) That the lessee has the option to purchase the leased property during the lease term and at what price, or by what formula or method the purchase price will be determined;

(11) The cash price of the personal property that is the subject of the lease-purchase agreement;

(12) That if any part of a manufacturer's warranty exists on the leased property when a lessee acquires ownership of the property, the warranty will be transferred to the lessee;

(13) That the lessee is not required to purchase insurance for the property that is the subject of the lease from the lessor or from any insurer owned or controlled by the lessor;

(14) A notice in a prominent place in at least twelve-point type or in legible print with letters at least one-eighth inch in size, in substantially the following form:

"NOTICE: THIS LEASE-PURCHASE AGREEMENT IS REGULATED BY STATE LAW AND MAY BE ENFORCED BY THE ATTORNEY GENERAL OR BY PRIVATE LEGAL ACTION."

(B) Every lease-purchase agreement shall be in writing. The information required by this section shall be disclosed by the lessor prior to the signing of the lease-purchase agreement by the lessee and shall be disclosed either in the lease-purchase agreement or on a dated, separate piece of paper that identifies the lease-purchase agreement and the parties to it.

(C) The disclosures required by this section shall be printed or typed in at least ten-point boldface type, and numerical amounts and percentages shall be stated in figures. All information required by this section shall be stated in a clear and coherent manner, using words and phrases of common meaning. The information shall be appropriately divided and captioned by its sections.

(D) A lessor may disclose information that is not required by this section if the additional



information is not stated, used, or placed in a manner that will contradict, obscure, or distract attention from the required information.

(E) With respect to matters specifically governed by the "Consumer Credit Protection Act," 15 U.S.C. 1667, 90 Stat. 257, as amended, compliance with such act satisfies the requirements of this section.