



Ohio Revised Code

Section 1109.15 Permitted transactions.

Effective: April 6, 2007

Legislation: House Bill 454 - 126th General Assembly

(A)(1) Subject to the restrictions and limitations of the Revised Code, a bank may do any of the following:

(a) Loan money, with or without security, and payable on demand, at maturity, in installments, or by any combination of these;

(b) Issue, advise, and confirm letters of credit authorizing the beneficiaries of the letters to draw upon the bank or its correspondents;

(c) Purchase open accounts, whether or not the accounts represent an evidence of debt.

(2) Subject to the margin requirements the superintendent of financial institutions may prescribe by rule, a bank may make loans secured by stocks, bonds, or other securities.

(B) Subject to sections 1109.22, 1109.32, and 1109.47 of the Revised Code and any rules the superintendent prescribes, a bank may purchase obligations of any kind with or without recourse.

(C) A bank may acquire personal property for lease to others, if the transaction, as a whole, has the character of an extension of credit.

(D)(1) Subject to division (D)(2) of this section, any other restrictions and limitations of the Revised Code, and any restrictions or requirements established by the superintendent, a bank may enter into a debt suspension agreement or debt cancellation contract with a borrower or borrowers in connection with any loan or extension of credit.

(2) A bank shall not offer or finance, directly or indirectly, a debt suspension agreement or debt cancellation contract requiring a lump sum, single payment for the agreement or contract payable at the outset of the agreement or contract, if the debt subject to the agreement or contract is secured by



one to four family, residential real property.

(3) For purposes of division (D) of this section, "debt cancellation contract" and "debt suspension agreement" have the same meanings as in 12 C.F.R part 37.

(E) Unless otherwise expressly agreed in writing, the relationship between a bank and its obligor, with respect to any extension of credit, is that of a creditor and debtor, and creates no fiduciary or other relationship between the parties.