



Ohio Revised Code

Section 1304.51 Definitions - UCC 4A-103, 4A-104, 4A-105.

Effective: October 06, 2026

Legislation: House Bill 195 - 136th General Assembly

Definitions [UCC 4A-103 to 4A-105]

(A) As used in sections 1304.51 to 1304.85 of the Revised Code:

- (1) "Authorized account" means a deposit account of a customer in a bank designated by the customer as a source of payment of payment orders issued by the customer to the bank. If a customer does not so designate an account, any account of the customer is an authorized account if payment of a payment order from that account is not inconsistent with a restriction on the use of that account.
- (2) "Bank" means a person engaged in the business of banking and includes a savings bank, savings and loan association, credit union, and trust company. A branch or separate office of a bank is a separate bank for purposes of sections 1304.51 to 1304.85 of the Revised Code.
- (3) "Beneficiary" means the person to be paid by the beneficiary's bank.
- (4) "Beneficiary's bank" means the bank identified in a payment order in which an account of the beneficiary is to be credited pursuant to the order or which otherwise is to make payment to the beneficiary if the order does not provide for payment to an account.
- (5) "Customer" means a person, including a bank, having an account with a bank or from whom a bank has agreed to receive payment orders.
- (6) "Funds transfer" means the series of transactions, beginning with the originator's payment order, made for the purpose of making payment to the beneficiary of the order. "Funds transfer" includes any payment order issued by the originator's bank or an intermediary bank intended to carry out the originator's payment order. A funds transfer is completed by acceptance by the beneficiary's bank of a payment order for the benefit of the beneficiary of the originator's payment order.
- (7) "Funds-transfer business day" of a receiving bank means the part of a day during which the receiving bank is open for the receipt, processing, and transmittal of payment orders and cancellations and amendments of payment orders.
- (8) "Funds-transfer system" means a wire transfer network, automated clearing house, or other communication system of a clearing house or other association of banks through which a payment order by a bank may be transmitted to the bank to which the order is addressed.



(9) "Good faith" has the same meaning as in section 1301.201 of the Revised Code.

(10) "Intermediary bank" means a receiving bank other than the originator's bank or the beneficiary's bank.

(11) "Originator" means the sender of the first payment order in a funds transfer.

(12) "Originator's bank" means the receiving bank to which the payment order of the originator is issued if the originator is not a bank, or the originator if the originator is a bank.

(13)(a) "Payment order" means an instruction of a sender to a receiving bank, transmitted orally, or in a record, to pay, or to cause another bank to pay, a fixed or determinable amount of money to a beneficiary if all of the following apply:

(i) The instruction does not state a condition to payment to the beneficiary other than time of payment.

(ii) The receiving bank is to be reimbursed by debiting an account of, or otherwise receiving payment from, the sender.

(iii) The instruction is transmitted by the sender directly to the receiving bank or to an agent, funds-transfer system, or communication system for transmittal to the receiving bank.

(b) If the instruction complying with division (A)(13)(a) of this section is to make more than one payment to a beneficiary, the instruction is a separate payment order with respect to each payment.

(c) A payment order is issued when it is sent to the receiving bank.

(14) "Prove," with respect to a fact, means to meet the burden of establishing the fact.

(15) "Receiving bank" means the bank to which the sender's instruction is addressed.

(16) "Sender" means the person giving the instruction to the receiving bank.

(B) Other definitions applying to sections 1304.51 to 1304.85 of the Revised Code are:

(1) "Acceptance" as defined in section 1304.64 of the Revised Code;

(2) "Executed" as defined in section 1304.68 of the Revised Code;

(3) "Execution date" as defined in section 1304.68 of the Revised Code;

(4) "Funds-transfer system rule" as defined in section 1304.79 of the Revised Code;

(5) "Payment by beneficiary's bank to beneficiary" as defined in section 1304.77 of the Revised Code;

(6) "Payment by originator to beneficiary" as defined in section 1304.78 of the Revised Code;



(7) "Payment by sender to receiving bank" as defined in section 1304.75 of the Revised Code;

(8) "Payment date" as defined in section 1304.73 of the Revised Code;

(9) "Security procedure" as defined in section 1304.56 of the Revised Code.

(C) As used in sections 1304.51 to 1304.85 of the Revised Code, "clearing house," "item," and "suspends payments" have the same meanings as in section 1304.01 of the Revised Code.

(D) In addition, Chapter 1301. of the Revised Code contains general definitions and principles of construction and interpretation applicable throughout sections 1304.51 to 1304.85 of the Revised Code.
