



## Ohio Revised Code

### Section 1309.109 Scope of chapter - UCC 9-109.

Effective: September 26, 2003

Legislation: House Bill 95 - 125th General Assembly

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(A) Except as otherwise provided in divisions (C) and (D) of this section, this chapter applies to the following:

(1) A transaction, regardless of its form, that creates a security interest in personal property or fixtures by contract;

(2) An agricultural lien;

(3) A sale of accounts, chattel paper, payment intangibles, or promissory notes;

(4) A consignment;

(5) A security interest arising under section 1302.42 or 1302.49, division (C) of section 1302.85, or division (E) of section 1310.54 of the Revised Code, as provided in section 1309.110 of the Revised Code; and

(6) A security interest arising under section 1304.20 or 1305.18 of the Revised Code.

(B) The application of this chapter to a security interest in a secured obligation is not affected by the fact that the obligation is itself secured by a transaction or interest to which this chapter does not apply.

(C) This chapter does not apply to the extent that:

(1) A statute, regulation, or treaty of the United States preempts this chapter; or

(2) The rights of a transferee beneficiary or nominated person under a letter of credit are independent and superior under section 1305.13 of the Revised Code.



(D) This chapter does not apply to the following:

(1) A landlord's lien, other than an agricultural lien;

(2)(a) A lien, not enumerated in division (D)(2) of this section and other than an agricultural lien, given by statute or other rule of law for services or materials, including any lien created under any provision of Chapter 926., sections 1311.55 to 1311.57, sections 1311.71 to 1311.80, section 1701.66, or Chapter 4585. of the Revised Code;

(b) Notwithstanding division (D)(2)(a) of this section, section 1309.333 of the Revised Code applies with respect to priority of the lien.

(3) An assignment of a claim for wages, salary, or other compensation of an employee;

(4) A sale of accounts, chattel paper, payment intangibles, or promissory notes as part of a sale of the business out of which they arose;

(5) An assignment of accounts, chattel paper, payment intangibles, or promissory notes that is for the purpose of collection only;

(6) An assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract;

(7) An assignment of a single account, payment intangible, or promissory note to an assignee in full or partial satisfaction of a preexisting indebtedness;

(8) A transfer of an interest in or an assignment of a claim under a policy of insurance, other than an assignment by or to a health-care provider of a health-care-insurance receivable and any subsequent assignment of the right to payment, but sections 1309.315 and 1309.322 of the Revised Code apply with respect to proceeds and priorities in proceeds;

(9) An assignment of a right represented by a judgment, other than a judgment taken on a right to



payment that was collateral;

(10) A right of recoupment or set-off, but:

(a) Section 1309.340 of the Revised Code applies with respect to the effectiveness of rights of recoupment or set-off against deposit accounts; and

(b) Section 1309.404 of the Revised Code applies with respect to defenses or claims of an account debtor.

(11) The creation or transfer of an interest in or lien on real property, including a lease or rents under a lease, except to the extent that provision is made for:

(a) Liens on real property in sections 1309.203 and 1309.308 of the Revised Code;

(b) Fixtures in section 1309.334 of the Revised Code;

(c) Fixture filings in sections 1309.501, 1309.502, 1309.512, 1309.516, and 1309.519 of the Revised Code; and

(d) Security agreements covering personal and real property in section 1309.604 of the Revised Code.

(12) An assignment of a claim arising in tort, other than a commercial tort claim, but sections 1309.315 and 1309.322 of the Revised Code apply with respect to proceeds and priorities in proceeds;

(13) An assignment of a deposit account in a consumer transaction, but sections 1309.315 and 1309.322 of the Revised Code apply with respect to proceeds and priorities in proceeds; or

(14) A transfer by a government, state, or governmental unit.

(E) The granting of a security interest in all or any part of a lottery prize award for consideration is



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subject to the prohibition of division (C) of section 3770.07 of the Revised Code. The sale, assignment, or other redirection of a lottery prize award for consideration is subject to the provisions of division (D) of section 3770.07 and sections 3770.10 to 3770.14 of the Revised Code.