Ohio Revised Code

Section 1309.204 After-acquired property - future advances - UCC 9-204.

Effective: October 06, 2026
Legislation: House Bill 195 - 136th General Assembly

After-acquired property; future advances [UCC 9-204]

(A) Except as provided in division (B) of this section, a security agreement may create or provide for a security interest in after-acquired collateral.

(B) Subject to division (D) of this section, a security interest does not attach under a term constituting an after-acquired property clause to:

(1) Consumer goods other than accessions when given as additional security unless the debtor acquires rights in them within ten days after the secured party gives value; or

(2) A commercial tort claim.

(C) A security agreement may provide that collateral secures, or that accounts, chattel paper, payment intangibles, or promissory notes are sold in connection with, future advances or other value, whether or not the advances or value are given pursuant to commitment.

(D) Division (B) of this section does not prevent a security interest from attaching to any of the following:

(1) To consumer goods as proceeds under section 1309.315 of the Revised Code or as commingled goods under section 1309.336 of the Revised Code;

(2) To a commercial tort claim as proceeds under section 1309.315 of the Revised Code;

(3) Under an after-acquired property clause to property that is proceeds of consumer goods or a commercial tort claim.