



Ohio Revised Code

Section 1310.64 Cover - substitute goods - UCC 2A-518.

Effective: June 29, 2011

Legislation: House Bill 9 - 129th General Assembly

(A) After a default of the type described in division (A) of section 1310.54 of the Revised Code by a lessor under a lease contract, the lessee may cover by making any purchase or lease of or contract to purchase or lease goods in substitution for those due from the lessor.

(B) Except as otherwise provided in section 1310.50 of the Revised Code with respect to damages liquidated in the lease agreement or otherwise determined pursuant to agreement of the parties as provided in section 1301.302 and in section 1310.49 of the Revised Code, if a lessee's cover is by a lease agreement substantially similar to the original lease agreement and the new lease agreement is made in good faith and in a commercially reasonable manner, the lessee may recover from the lessor as damages both of the following:

(1) The present value, as of the date of the commencement of the term of the new lease agreement, of the rent under the new lease agreement applicable to that period of the new lease term that is comparable to the then remaining term of the original lease agreement minus the present value, as of the same date, of the total rent for the then remaining lease term of the original lease agreement;

(2) Any incidental or consequential damages, less expenses saved in consequence of the lessor's default.

(C) If a lessee's cover is by a lease agreement that for any reason does not qualify for treatment under division (B) of this section or is by purchase or otherwise, the lessee may recover from the lessor as if the lessee had elected not to cover and section 1310.65 of the Revised Code governs.
