



## Ohio Revised Code

### Section 1317.12 Default - notice, curing.

Effective: July 1, 2001

Legislation: Senate Bill 74 - 124th General Assembly

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Notwithstanding any agreement to the contrary in a retail installment contract made on or after the effective date of this section, if collateral for a consumer transaction is taken possession of by the secured party on default, the secured party shall, within five business days after taking possession, send to the debtor a notice setting forth specifically the circumstances constituting the default and the amount by itemization that the debtor is required to pay to cure the default. Any notice required by section 1309.611 or 1317.16 of the Revised Code may be included as part of the notice required by this section. A secured party who disposes of the collateral without sending notice required by this section may not recover the costs of retaking possession of the collateral and is not entitled to a deficiency judgment.

The debtor may cure the default within twenty days after the secured party retakes possession of the collateral, or within fifteen days after the secured party sends the notice required by this section, whichever is later, by delivering to the secured party the following:

- (A) All installments due or past due at the time of such delivery;
- (B) Any unpaid delinquency or deferred charges;
- (C) The actual and reasonable expenses incurred by the secured party in retaking possession of the collateral provided that any portion of such expenses which exceeds twenty-five dollars need not be delivered to the secured party pursuant to this division, but shall be added to the time balance;
- (D) A deposit by cash or bond in the amount of two installments, to secure the timely payment of future installments by the debtor. The secured party may apply such cash or the proceeds of such bond toward the satisfaction of the debt in the event of another default by the debtor.

During the period between the time a secured party retakes possession of the collateral and the expiration or exercise of the debtor's right to cure the default, the secured party shall make the



collateral available for inspection by the debtor during reasonable hours.

If the debtor cures the default, the debtor may take possession of the collateral. The secured party shall assemble the collateral and make it available to the debtor at a time and place that is reasonably convenient to both parties. If the debtor requests the secured party to return the collateral to the place from which it was taken, the secured party may charge the debtor the actual and reasonable expenses incurred in returning the collateral to the place from which it was taken, which amount shall be added to the time balance.

A debtor's right to cure the default pursuant to this section may not be exercised more than once with respect to a single debt.

A secured party who reasonably believes that a debtor intends to conceal or remove the collateral from this state after curing the default may, within five days after retaking possession of the collateral, move in a court of competent jurisdiction that the secured party be allowed to retain possession of the collateral as security for the debt. If the court finds reasonable cause to believe that the debtor intends to conceal the collateral or remove it from this state, it shall order that the collateral remain in the possession of the secured party, notwithstanding the other provisions of this section. If the debtor cures the default, the secured party shall not dispose of the collateral unless the debtor again defaults, and the secured party shall make such collateral available to the debtor when the debt is paid in full.