



Ohio Revised Code

Section 1345.421 Surety bond where facility under construction and not available for service at time buyer signs contract.

Effective: July 26, 1984

Legislation: House Bill 198 - 115th General Assembly

If the facility that is the subject of the contract is under construction, and is not available for service at the time the buyer signs the contract, the seller shall maintain a surety bond issued by a surety company authorized to do business in this state the principal sum of which shall be a minimum of ten thousand dollars. The seller is relieved from the obligation to maintain the bond twenty-four months after completion of the facility and commencement of service. The bond shall be in favor of the state of Ohio for the benefit of any person injured by having paid moneys for the use of a facility which fails to open within one hundred eighty days after the date upon which the buyer and seller entered into a contract, or closes within twenty-four months after completion of a facility and commencement of service. However, the aggregate liability of the surety to all persons for all breaches of the conditions of the bond provided herein shall in no event exceed the amount of the bond. Evidence of the bond shall be available for inspection upon request by the office of the attorney general, current contract holders, or prospective buyers.
