



Ohio Revised Code

Section 1351.08 Liability of lessor for noncompliance.

Effective: June 29, 1988

Legislation: House Bill 421 - 117th General Assembly

(A) A lessor who fails to comply with the requirements of this chapter with respect to a lease-purchase agreement is liable to the lessee in an amount equal to the sum of the following:

(1) The costs of the action and reasonable attorney's fees as determined by the court;

(2) The greater of the following:

(a) The actual damages sustained by the lessee as a result of the failure of the lessor;

(b)(i) In the case of an individual action, twenty-five per cent of the total amount necessary to acquire ownership of the property that is the subject of the lease-purchase agreement, but not less than two hundred dollars or more than one thousand dollars;

(ii) In the case of a class action, an amount the court determines to be appropriate except that as to each member of the class no minimum recovery is applicable. The total recovery under division (A)(2)(b)(ii) of this section in any class action or series of class actions arising out of the same failure to comply cannot be more than the lesser of five hundred thousand dollars or an amount equal to one per cent of the net worth of the lessor.

(B) If a particular lease-purchase agreement has more than one lessee, only one recovery of damages is allowed under division (A)(2) of this section for a violation of this chapter. Multiple violations in connection with a single lease-purchase agreement entitle the lessee or multiple lessees to only one recovery under this section.

(C) No action under this section may be brought more than two years after the occurrence of the violation that is the subject of the suit, or more than two years after the lessee made his last lease payment, whichever is later. This division does not bar a lessee from asserting a violation of this chapter as a matter of defense by recoupment or set-off in an action brought by a lessor more than



two years after the date of the occurrence of the violation on an obligation arising from the lease-purchase agreement.

(D) A lessee may not take any action to offset any amount for which a lessor is potentially liable under division (A)(2) of this section against any amount owed by the lessee, unless the amount of the liability of the lessor has been determined by a judgment of a court of competent jurisdiction in an action in which the lessor was a party. This division does not bar a lessee in default on an obligation arising from the lease-purchase agreement from asserting a violation of this chapter in an original action, or as a defense or counterclaim to an action brought by the lessor to collect amounts owed by the lessee pursuant to the lease-purchase agreement.