



Ohio Revised Code

Section 2329.71 Participation by secured creditor in trusteeship.

Effective: January 23, 1963

Legislation: House Bill 1 - 105th General Assembly

Any creditor who holds a chattel mortgage or any other lien or encumbrance on the property of any applicant for trusteeship under section 2329.70 of the Revised Code may participate in a trusteeship.

The holder of a chattel mortgage or other encumbrance may elect to participate in a trusteeship, subject to the terms of a written agreement with the debtor, filed with and approved by the court in which the application for trusteeship is filed. If the holder of a chattel mortgage elects to participate in the trusteeship, he shall be estopped to assert his lien or other encumbrance so long as the debtor complies with the terms of such agreement and with section 2329.70 of the Revised Code. Upon the failure of the debtor to maintain such agreement, the creditor may be released from the trusteeship, upon written request to the court, to pursue his chattel property or other remedies as provided by law, which are not in violation of section 2329.70 of the Revised Code.

Upon the receipt of a notice of the filing of an application for trusteeship as provided in section 2329.70 of the Revised Code, a secured creditor shall file with the court, in writing, his election to participate and his agreement with the debtor, if such has been created, or his objection to being included. Failure of a secured creditor to answer such notice as provided in section 2329.70 of the Revised Code within ten days after receiving such notice, shall be held by the court as an election to participate in the trusteeship, and such creditor shall be estopped to assert his lien for so long as the debtor maintains his trusteeship agreement, as provided by section 2329.70 of the Revised Code.
