



Ohio Revised Code

Section 4707.024 Deposit of auction proceeds in escrow or trust account - disbursement.

Effective: May 6, 2005

Legislation: Senate Bill 209 - 125th General Assembly

(A) Not later than seventy-two hours after the end of an auction, a person licensed under this chapter shall deposit in one or more trust or escrow accounts all money received from the sale of an owner's or consignee's personal property at auction unless the licensee pays the money to the owner or consignee immediately after the end of the auction.

(B) For purposes of this section, a person licensed under this chapter shall designate a trust or escrow account that contains an owner's or consignee's money as "client trust account" or with words of similar meaning. In addition, a trust or escrow account only shall contain money received from the sale of personal property at auction that has not been disbursed and money for expenses regarding the auction, including commission and advertisement fees, that are specifically delineated in the auction contract.

(C) Except for the payment of money to the owner or consignee immediately after the end of the auction, a person licensed under this chapter shall pay the owner or consignee with money from the client's trust or escrow account. In addition, the licensee may pay expenses, including commission and advertisement fees, that are specifically delineated in the auction contract with money from the trust or escrow account. Money in the trust or escrow account shall not be disbursed for any purpose that is inconsistent with this section. In addition, the money shall not be commingled with the licensee's personal or business money. In administering the trust or escrow account, the licensee shall keep detailed records that show deposits, withdrawals, and interest accrued, if applicable.

Unless otherwise agreed to by the parties in the auction contract or by the direction of a court of law, all money deposited into a trust or escrow account shall be disbursed to the seller not later than fifteen days after the auction.

(D) Money from the sale of personal property at auction may be deposited in an interest bearing account if the parties to the auction contract specifically agree to such a deposit. Interest earned in



the account shall be credited to the seller unless otherwise agreed to by the parties in the auction listing contract. The interest credited to the account may remain in the account for a period of sixty days after the seller receives the money from the account. The interest money then shall be disbursed according to the terms of the auction contract.

(E) All money received in connection with the sale of real property at auction shall be deposited in a broker's special or trust bank account in a depository located in this state that is described in division (A)(26) of section 4735.18 of the Revised Code.