



Ohio Revised Code

Section 1303.58 Payment or acceptance by mistake - UCC 3-418.

Effective: August 19, 1994

Legislation: Senate Bill 147 - 120th General Assembly

(A) Except as provided in division (C) of this section, if the drawee of a draft pays or accepts the draft and the drawee acted on the mistaken belief that payment of the draft had not been stopped pursuant to section 1304.32 of the Revised Code, or that the signature of the drawer of the draft was authorized, the drawee may recover the amount of the draft from the person to whom or for whose benefit payment was made or, in the case of acceptance, may revoke the acceptance. The rights of the drawee under this division are not affected by a failure of the drawee to exercise ordinary care in paying or accepting the draft.

(B) Except as provided in division (C) of this section, if an instrument has been paid or accepted by mistake and the case is not covered by division (A) of this section, the person paying or accepting, to the extent permitted by the law governing mistake and restitution, may recover the payment from the person to whom or for whose benefit payment was made or, in the case of acceptance, may revoke the acceptance.

(C) The remedies provided by division (A) or (B) of this section may not be asserted against a person who took the instrument in good faith and for value or who in good faith changed position in reliance on the payment or acceptance. This division does not limit remedies provided by section 1303.57 or 1304.36 of the Revised Code.

(D) Notwithstanding section 1304.25 of the Revised Code, if an instrument is paid or accepted by mistake and the payor or acceptor recovers payment or revokes acceptance under divisions (A) or (B) of this section, the instrument is deemed not to have been paid or accepted and is treated as dishonored, and the person from whom payment is recovered has rights as a person entitled to enforce the dishonored instrument.
