



Ohio Revised Code

Section 1306.15 Control of transferable record.

Effective: June 29, 2011

Legislation: House Bill 9 - 129th General Assembly

(A) As used in this section, "transferable record" means an electronic record that satisfies both of the following:

(1) The transferable record would be a note under Chapter 1303. or a document under Chapter 1307. of the Revised Code, if the electronic record were in writing.

(2) The issuer of the electronic record expressly has agreed that it is a transferable record.

(B) A person has control of a transferable record if a system employed for evidencing the transfer of interests in the transferable record reliably establishes that person as the person to which the transferable record was issued or transferred.

(C) A system satisfies division (B) of this section, and a person is deemed to have control of a transferable record, if the transferable record is created, stored, and assigned in such a manner that satisfies all of the following:

(1) A single authoritative copy of the transferable record exists that is unique, identifiable, and, except as provided in divisions (C)(4) to (6) of this section, unalterable.

(2) The authoritative copy identifies the person asserting control as either of the following:

(a) The person to which the transferable record was issued;

(b) If the authoritative copy indicates that the transferable record has been transferred, the person to which the transferable record most recently was transferred.

(3) The authoritative copy is communicated to and maintained by the person asserting control or its designated custodian.



(4) Copies or revisions that add or change an identified assignee of the authoritative copy may be made only with the consent of the person asserting control.

(5) Each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy.

(6) Any revision of the authoritative copy is readily identifiable as authorized or unauthorized.

(D)(1) Except as otherwise agreed, a person having control of a transferable record is the holder, as defined in section 1301.201 of the Revised Code, of the transferable record and has the same rights and defenses as a holder of an equivalent record or writing under the uniform commercial code. If the applicable statutory requirements under section 1303.32, 1307.501, or 1309.27 of the Revised Code are satisfied, these rights and defenses include the rights and defenses of a holder in due course, a holder to which a negotiable document of title has been duly negotiated, or a purchaser, respectively.

(2) Delivery, possession, and indorsement are not required to obtain or exercise any of the rights under division (D)(1) of this section.

(E) Except as otherwise agreed, an obligor under a transferable record has the same rights and defenses as an equivalent obligor under equivalent records or writings under the uniform commercial code.

(F)(1) If requested by a person against which enforcement is sought, the person seeking to enforce the transferable record shall provide reasonable proof that the person is in control of the transferable record.

(2) Proof required by division (F)(1) of this section may include access to the authoritative copy of the transferable record and related business records sufficient to review the terms of the transferable record and to establish the identity of the person having control of the transferable record.