



Ohio Revised Code

Section 1309.205 Use or disposition of collateral permissible - UCC 9-205.

Effective: July 1, 2001

Legislation: Senate Bill 74 - 124th General Assembly

(A) A security interest is not invalid or fraudulent against creditors solely because:

(1) The debtor has the right or ability to:

(a) Use, commingle, or dispose of all or part of the collateral, including returned or repossessed goods;

(b) Collect, compromise, enforce, or otherwise deal with collateral;

(c) Accept the return of collateral or make repossessions; or

(d) Use, commingle, or dispose of proceeds; or

(2) The secured party fails to require the debtor to account for proceeds or replace collateral.

(B) This section does not relax the requirements of possession if attachment, perfection, or enforcement of a security interest depends upon possession of the collateral by the secured party.
