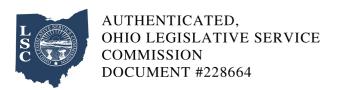# Ohio Revised Code

Section 1309.625 Remedies for secured party's failure to comply with chapter - UCC 9-625.

Effective: November 5, 2004

Legislation: House Bill 420 - 125th General Assembly

(A) If it is established that a secured party is not proceeding in accordance with this chapter, a court may order or restrain collection, enforcement, or disposition of collateral on appropriate terms and conditions.

(B) Subject to divisions (C), (D), and (F) of this section, a person is liable for damages in the amount of any loss caused by a failure to comply with this chapter. Loss caused by a failure to comply may include loss resulting from the debtor's inability to obtain, or increased costs of, alternative financing.

(C) Except as provided in section 1309.628 of the Revised Code:

(1) A person who, at the time of the failure, was a debtor, was an obligor, or held a security interest in or other lien on the collateral may recover damages under division (B) of this section for its loss; and

(2) If the collateral is consumer goods, a person who was a debtor or a secondary obligor at the time a secured party failed to comply with sections 1309.601 to 1309.628 of the Revised Code may recover for that failure in any event an amount not less than the credit service charge plus ten per cent of the principal amount of the obligation or the time-price differential plus ten per cent of the cash price.

(D) A debtor whose deficiency is eliminated under section 1309.626 of the Revised Code may recover damages for the loss of any surplus. However, a debtor or secondary obligor whose deficiency is eliminated or reduced under section 1309.626 of the Revised Code may not recover otherwise under division (B) of this section for noncompliance with sections 1309.601 to 1309.628 of the Revised Code relating to collection, enforcement, disposition, or acceptance. Regardless of whether the debtor's or secondary obligor's deficiency is eliminated or reduced under section

1309.626 of the Revised Code, any damages recovered by the debtor or secondary obligor under division (C) of this section shall be reduced by the amount that the sum of the secured obligation, expenses, and attorney's fees exceeds the proceeds of collection, enforcement, disposition, or acceptance.

(E) In addition to any damages recoverable under division (B) of this section, the debtor, consumer obligor, or person named as a debtor in a filed record, as applicable, may recover five hundred dollars in each case from a person that:

(1) Fails to comply with section 1309.208 of the Revised Code;

(2) Fails to comply with section 1309.209 of the Revised Code;

(3) Files a record that the person is not entitled to file under division (A) of section 1309.509 of the Revised Code;

(4) Fails to cause the secured party of record to file or send a termination statement as required by division (A) or (C) of section 1309.513 of the Revised Code;

(5) Fails to comply with division (B)(1) of section 1309.616 of the Revised Code and whose failure is part of a pattern, or consistent with a practice, of noncompliance; or

(6) Fails to comply with division (B)(2) of section 1309.616 of the Revised Code.

(F) A debtor or consumer obligor may recover damages under division (B) of this section and, in addition, five hundred dollars in each case from a person who, without reasonable cause, fails to comply with a request under section 1309.210 of the Revised Code. A recipient of a request under section 1309.210 of the Revised Code who never claimed an interest in the collateral or obligations that are the subject of a request under that section has a reasonable excuse for failure to comply with the request within the meaning of this division.

(G) If a secured party fails to comply with a request regarding a list of collateral or a statement of account under section 1309.210 of the Revised Code, the secured party may claim a security interest

only as shown in the list or statement included in the request as against a person who is reasonably misled by the failure.