



## Ohio Revised Code

### Section 1317.11 Prior sales or contracts not affected - revolving budget agreements.

Effective: July 7, 1986

Legislation: House Bill 573 - 116th General Assembly

---

Sections 1317.01 to 1317.10 of the Revised Code do not apply to any sale or to any contract to sell made prior to August 10, 1949, which, if made after that date, would be a retail installment sale or contract and said sections do not affect pending litigation or revolving budget or revolving credit agreements, however described, under which finance charges are computed in relation to the buyer's unpaid balance from time to time, or sales made pursuant thereto, by a retail seller or sellers, provided they comply with the provisions of this section.

(A) Such agreements, in this section called revolving budget agreements, and sales made pursuant thereto, shall be governed solely by and shall comply with this section. A copy of any such agreement executed after January 1, 1960, shall be delivered to the retail buyer by the retail seller, or his successor in interest, in this section called "holder," within thirty days after its execution, but in no event later than the date on which the first payment is due thereunder. The copy shall state the maximum amount or rate of the finance charge and any delinquent charges permitted to be charged, collected, and received under a revolving budget agreement pursuant to the provisions of division (B) of this section.

The retail seller or holder under any revolving budget agreement shall supply the retail buyer thereunder with a statement as of the beginning or end of each period in which there is any unpaid balance thereunder, which may be a calendar month or other regular period not in excess of thirty-one days, agreed upon by the seller or holder and buyer. The statement shall recite the following:

(1) The unpaid balance under such agreement at the beginning and end of the period;

(2) Unless otherwise furnished by the retail seller or holder to the retail buyer by sales slip, memorandum, or otherwise, an identification of the goods purchased during the period, the cash purchase price, and the date of each purchase;



(3) The payments made by the retail buyer to the retail seller or holder and any other credits to the retail buyer during the period;

(4) The amount of the finance charge, if any;

(5) A legend to the effect that the retail buyer may at any time pay his unpaid balance without incurring further finance charges.

(B) The following provisions shall control the amount of the finance charge and delinquent charges that may be contracted for, charged, collected, and received with respect to any sale made pursuant to a revolving budget agreement. Finance charges not in excess of the amount excepted by section 1317.06 of the Revised Code from the application of sections 1317.01 to 1317.11 of the Revised Code, may continue to be contracted for, charged, collected, and received with respect to any other sale without regard to whether said sections are otherwise applicable thereto. A retail seller or holder under a revolving budget agreement may charge, collect, and receive a finance charge that shall not exceed the sum obtained by applying to the unpaid balance, including therein any arrearages of finance charges, at the beginning or end of each period, or upon the average daily balance during each period, a finance charge at a rate not exceeding one and one-half per cent per month.

If the finance charge so computed is less than one dollar for any such monthly period, the retail seller or holder may nevertheless charge, collect, and receive not in excess of one dollar for such month's charges.

No change in terms of a revolving budget agreement shall be made to permit a retail seller to charge, collect, or receive a finance charge computed by applying the finance charge rate to the average daily balance during each period rather than to the unpaid balance at the beginning or end of each period as provided in such agreement unless at least thirty days prior to the effective date of such change a written notice has been mailed or delivered to the buyer which describes such change in terms and states that a purchase or other charge on the account made by the buyer or other person authorized by him on or after the effective date stated in the notice shall constitute acceptance of such change in terms.

Every retail seller may, at the time of making any sale pursuant to a revolving budget agreement,



contract for the payment by the retail buyer of lawful delinquent charges as follows:

- (1) No charges shall be made for delinquent payments less than ten days late.
- (2) Five cents for each dollar for a delinquent payment that is ten or more days late may be charged, but in no event shall a delinquent charge for any one installment exceed three dollars.

No pre-payment charges are permitted under a revolving budget agreement, but this shall not prevent a retail seller or holder from including in the unpaid balance finance charges theretofore incurred.