

COURT OF APPEALS  
RICHLAND COUNTY, OHIO  
FIFTH APPELLATE DISTRICT

TOLEDO AREA COMMUNITY CREDIT  
UNION, SUCCESSOR IN INTEREST  
BY MERGER TO EMPIRE AFFILIATES  
FEDERAL CREDIT UNION

Plaintiff-Appellant

-vs-

ROGER CHAPMAN

Defendant-Appellee

JUDGES:

Hon. William B. Hoffman, P.J.  
Hon. Sheila G. Farmer, J.  
Hon. John W. Wise, J.

Case No. 2007CA0003

O P I N I O N

CHARACTER OF PROCEEDING:

Appeal from the Shelby Municipal Court,  
Case No. 06CVF333

JUDGMENT:

Reversed/Judgment Entered

DATE OF JUDGMENT ENTRY:

March 1, 2007

APPEARANCES:

For Plaintiff-Appellant

HOWARD B. HERSHMAN  
930 Fifth Third Center  
608 Madison Avenue  
Toledo, OH 43604

For Defendant-Appellee

ROGER CHAPMAN  
45 4th Street  
Shelby, OH 44875

*Farmer, J.*

{¶1} On October 16, 2006, appellant, Toledo Area Community Credit Union, Successor in Interest by Merger to Empire Affiliates Federal Credit Union, filed a complaint against appellee, Roger Chapman, for defaulting on a promissory note. Appellant sought \$1,894.73 plus interest at the rate of 7.99%. Appellee failed to answer. By entry filed December 4, 2006, the trial court granted appellant default judgment and awarded appellant \$1,894.73 plus interest at the statutory rate.

{¶2} Appellant filed an appeal and this matter is now before this court for consideration. Assignment of error is as follows:

I

{¶3} "THE TRIAL COURT ERRED AS A MATTER OF LAW IN FAILING TO GRANT JUDGMENT IN FAVOR OF PLAINTIFF/APPELLANT FOR THE AMOUNT DUE UPON ITS PROMISSORY NOTE TOGETHER WITH INTEREST AT THE RATE SET FORTH IN THE PROMISSORY NOTE."

I

{¶4} Appellant claims the trial court erred in its determination of the rate of interest on the defaulted promissory note. Specifically, appellant claims the trial court erred in granting interest at the statutory rate as opposed to the rate on the promissory note. We agree.

{¶5} R.C. 1343.03 governs rate of interest on contracts, book accounts and judgments. Subsection (A) states the following:

{¶6} "In cases other than those provided for in sections 1343.01 and 1343.02 of the Revised Code, when money becomes due and payable upon any bond, bill, note, or

other instrument of writing, upon any book account, upon any settlement between parties, upon all verbal contracts entered into, and upon all judgments, decrees, and orders of any judicial tribunal for the payment of money arising out of tortious conduct or a contract or other transaction, the creditor is entitled to interest at the rate per annum determined pursuant to section 5703.47 of the Revised Code, unless a written contract provides a different rate of interest in relation to the money that becomes due and payable, in which case the creditor is entitled to interest at the rate provided in that contract. Notification of the interest rate per annum shall be provided pursuant to sections 319.19, 1901.313, 1907.202, 2303.25, and 5703.47 of the Revised Code."

{¶7} Upon examination of Exhibit A attached to appellant's complaint, the interest rate bargained for per the note is listed as 7.990%. We therefore conclude the trial court erred in awarding interest at the statutory rate.

{¶8} The sole assignment of error is granted.

{¶9} The judgment of the Shelby Municipal Court of Richland County, Ohio is hereby reversed. This court enters judgment on the interest at a rate of 7.990%.

By Farmer, J.

Hoffman, P.J. and

Wise, J. concur.

---



---



---

JUDGES

## FIFTH APPELLATE DISTRICT

Defendant-Appellee

.....

CASE NO. 2007CA0003

For the reasons stated in our accompanying Memorandum-Opinion, the judgment of the Shelby Municipal Court of Richland County, Ohio is reversed. This court enters judgment on the interest at a rate of 7.990%.

---

---

## JUDGES