

## **IC 24-5-16**

### Chapter 16. Unlawful Motor Vehicle Subleasing

#### **IC 24-5-16-1**

##### **"Buyer" defined**

Sec. 1. As used in this chapter, "buyer" means a person who buys goods from a seller.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-2**

##### **"Direct loan agreement" defined**

Sec. 2. As used in this chapter, "direct loan agreement" means an agreement between a lender and a purchaser by which the lender has advanced funds under a loan secured by the vehicle that the purchaser has purchased.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-3**

##### **"Installment sale agreement" defined**

Sec. 3. As used in this chapter, "installment sale agreement" means a credit sale of goods by a seller to a buyer for a deferred payment price payable in one (1) or more installments.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-4**

##### **"Lease contract" defined**

Sec. 4. As used in this chapter, "lease contract" means a lease contract for or in contemplation of a lease for the use of a vehicle, and the purchase of services incidental to the lease, by an individual for a term exceeding four (4) months primarily for personal, family, household, business, commercial, or agricultural use.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-5**

##### **"Person" defined**

Sec. 5. As used in this chapter, "person" means an individual, a company, a firm, an association, a partnership, a trust, a corporation, or other legal entity.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-6**

##### **"Purchaser" defined**

Sec. 6. As used in this chapter, "purchaser" has the meaning set forth in IC 26-1-1-201(33).

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-7**

##### **"Secured party" defined**

Sec. 7. As used in this chapter, "secured party" has the meaning set forth in IC 26-1-9.1-102(a)(72).

*As added by P.L.80-1990, SEC.16. Amended by P.L.57-2000, SEC.8.*

**IC 24-5-16-8**

**"Security agreement" defined**

Sec. 8. As used in this chapter, "security agreement" has the meaning set forth in IC 26-1-9.1-102(a)(73).

*As added by P.L.80-1990, SEC.16. Amended by P.L.57-2000, SEC.9.*

**IC 24-5-16-9**

**"Security interest" defined**

Sec. 9. As used in this chapter, "security interest" has the meaning set forth in IC 26-1-1-201(37).

*As added by P.L.80-1990, SEC.16.*

**IC 24-5-16-10**

**"Seller" defined**

Sec. 10. As used in this chapter, "seller" has the meaning set forth in IC 26-1-2-103(1)(d). The term includes the present holder of an installment sales agreement.

*As added by P.L.80-1990, SEC.16.*

**IC 24-5-16-11**

**"Vehicle" defined**

Sec. 11. As used in this chapter, "vehicle" has the meaning set forth in IC 24-4-9-8.

*As added by P.L.80-1990, SEC.16.*

**IC 24-5-16-12**

**Unlawful subleasing; conditions**

Sec. 12. (a) A person engages in an act of unlawful subleasing of a vehicle if all of the following conditions are met:

- (1) The vehicle is subject to a lease contract, an installment sales agreement, or a security agreement, the terms of which prohibit the transfer or assignment of any right or interest in the vehicle or under the lease contract, installment sales agreement, or security agreement without consent of the lessor, seller, or secured party.
- (2) The person is not a party to the lease contract, installment sales agreement, or security agreement.
- (3) The person transfers or assigns, or purports to transfer or assign, a right or an interest in the vehicle under the lease contract, installment sales agreement, or security agreement to a person who is not a party to the lease contract, installment sales agreement, or security agreement.
- (4) The person does not obtain, before the transfer or assignment described in subdivision (3), written consent to the transfer or assignment from the vehicle's lessor, seller, or secured party.
- (5) The person receives compensation or some other consideration for the transfer or assignment described in

subdivision (3).

(b) A person engages in an act of unlawful subleasing of a vehicle when the person is not a party to the lease contract, installment sales agreement, or security agreement and assists, causes, or arranges an actual or purported transfer or assignment described in subsection (a)(3).

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-13**

##### **Transfer or assignment of right or interest in vehicle under lease contract**

Sec. 13. (a) The actual or purported transfer or assignment, or the assisting, causing, or arranging of an actual or purported transfer or assignment, of a right or an interest in a vehicle under a lease contract, installment sales agreement, or security agreement by a person who is a party to the lease contract, installment sales agreement, or security agreement is not an act of unlawful subleasing of a motor vehicle and is not subject to prosecution.

(b) This section does not affect the enforceability of any provision of a lease contract, an installment sales agreement, a security agreement, or a direct loan agreement by a party to the agreement.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-14**

##### **Civil action**

Sec. 14. Any one (1) or more of the following who suffer any damage proximately resulting from one (1) or more acts of unlawful vehicle subleasing described in section 12 of this chapter may bring an action against the person who has engaged in those acts:

- (1) A seller or other secured party under an installment sales agreement or a security agreement.
- (2) A lender under a direct loan agreement.
- (3) A lessor under a lease contract.
- (4) A buyer under an installment sales agreement.
- (5) A purchaser under a direct loan agreement, an agreement that provides for a security interest, or an agreement that is equivalent to these types of agreements.
- (6) A lessee under a lease contract.
- (7) An actual or a purported transferee or an assignee of a right or an interest of a buyer, a purchaser, or a lessee.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-15**

##### **Remedies**

Sec. 15. The court in an action under section 14 of this chapter may award the following:

- (1) Actual damages.
- (2) Equitable relief, including an injunction and restitution of money and property.
- (3) Punitive damages.

(4) Reasonable attorney's fees and costs.

(5) Any other relief the court considers proper.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-16**

##### **Class A misdemeanor**

Sec. 16. A person who knowingly or intentionally engages in an act of unlawful subleasing of a vehicle as described in section 12 of this chapter commits a Class A misdemeanor.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-17**

##### **Additional remedies or penalties**

Sec. 17. The remedies and penalties under this chapter are in addition to any other remedies or penalties provided by law for the conduct proscribed by this chapter.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-18**

##### **Violation; deceptive act; remedies and penalties**

Sec. 18. A person who violates this chapter commits a deceptive act that is actionable by the attorney general and is subject to the remedies and penalties under IC 24-5-0.5.

*As added by P.L.80-1990, SEC.16.*

#### **IC 24-5-16-19**

##### **Severability**

Sec. 19. This chapter is severable in the manner provided by IC 1-1-1-8.

*As added by P.L.80-1990, SEC.16.*