

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

SENATE BILL 491

By: Nichols

AS INTRODUCED

An Act relating to contracts; amending 15 O.S. 1991, Section 215, which relates to amount presumed to be damages; modifying certain percentage of purchase price; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 15 O.S. 1991, Section 215, is amended to read as follows:

Section 215. A. A stipulation or condition in a contract except a contract to purchase and sell real property, providing for the payment of an amount which shall be presumed to be the amount of damage sustained by a breach of ~~such~~ the contract, shall be held valid, when, from the nature of the case, it would be impracticable or extremely difficult to fix the actual damage.

B. A provision in a real estate sales contract, providing for the payment of an amount which shall be presumed to be the amount of damages sustained by a breach of ~~such~~ the contract, shall be held valid and not a penalty, when ~~such~~ the amount does not exceed ~~five percent (5%)~~ seven percent (7%) of the purchase price. In the event ~~such~~ the amount exceeds ~~five percent (5%)~~ seven percent (7%) of the purchase price, ~~such~~ the provision shall be held invalid and a penalty unless the party seeking to uphold the provision establishes that ~~such~~ the amount is reasonable. If ~~such~~ the provision is valid under this subsection, the limitations of Section 28 of Title 23 of the Oklahoma Statutes do not apply.

SECTION 2. This act shall become effective November 1, 2001.

48-1-992

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