

355.2A-109 Option to accelerate at will.

- (1) A term providing that one (1) party or his successor in interest may accelerate payment or performance or require collateral or additional collateral "at will" or "when he deems himself insecure" or in words of similar import must be construed to mean that he has power to do so only if he in good faith believes that the prospect of payment or performance is impaired.
- (2) With respect to a consumer lease, the burden of establishing good faith under subsection (1) is on the party who exercised the power; otherwise the burden of establishing lack of good faith is on the party against whom the power has been exercised.

Effective: January 1, 1991

History: Created 1990 Ky. Acts ch. 363, sec. 9, effective January 1, 1991.