

Kentucky

Contract (written and executed on or before July 15, 2014)—fifteen years, § 413.090(2)

Contract (written and executed after July 15, 2014)—ten years, § 413.160

Contract (oral, express or implied) —five years, § 413.120(1)

Sale of goods—four years, § 355.2-725

Cases Interpreting Statute of Limitations

Each individual invoice made on an open account is part of one continuous claim. Thus, although some of the unpaid invoices were made outside the five year limitation period of § 413.120(1), the collection law suit was timely because it was filed within five years of the last payment being made against the account. *Owens v. Greene*, 2003 Ky. App. Unpub. LEXIS 105 (Ky. Ct. App. Jan. 24, 2003) .

Borrowing Statute

Ky. Rev. Stat. § 413.320.

When a cause of action has arisen in another state or country, and by the laws of this state or country where the cause of action accrued the time for the commencement of an action thereon is limited to a shorter period of time than the period of limitation prescribed by the laws of this state for a like cause of action, then said action shall be barred in this state at the expiration of said shorter period.

Cases Interpreting Borrowing Statute

In the context of a credit card debt, the cause of action accrues where the debtor was required to make her payment. Here, the credit card contract called for payments to be made in a foreign jurisdiction, therefore the cause of action arose in the foreign jurisdiction and that jurisdiction's shorter limitations period, rather than Kentucky's, controls. *Conway v. Portfolio Recovery Assocs., LLC*, 13 F. Supp. 3d 711, 717-718 (E.D. Ky. 2014); *Hall v. LVNV Funding, LLC*, 2013 U.S. Dist. LEXIS 145137 (W.D. Ky. Oct. 7, 2013).

Cases Interpreting Choice of Law Provisions in Credit Card Agreements

“Although the choice of law provision in the credit card agreement specifies that [a foreign jurisdiction’s] law should govern the agreement wherever federal law does not apply, ‘contractual choice-of-law clauses incorporate only substantive law, not procedural provisions such as statutes of limitations.’” *Conway v. Portfolio Recovery Assocs., LLC*, 13 F. Supp. 3d 711, 715 (E.D. Ky. 2014) quoting *Cole v. Mileti*, 133 F.3d 433, 437 (6th Cir. 1998).

Unless the choice of law provision expressly provides for importing the foreign jurisdiction’s statute of limitations, Kentucky statutes of limitation will apply. *Conway v. Portfolio Recovery Assocs., LLC*, 13 F. Supp. 3d 711, 715 (E.D. Ky. 2014) quoting *Cole v. Mileti*, 133 F.3d 433, 437 (6th Cir. 1998).

Cases Interpreting Sales Contracts versus Credit Card Account

Debtor used a credit card issued by HSBC Bank Nevada, N.A. and branded Yamaha-RBP to purchase an ATV. Debtor argued that the transaction was governed by either Ohio's four year limitations period under Uniform Commercial Code (UCC) Article 2-725 (where he resided at the time of default) or Kentucky's version, which provides the same limitations period. The court disagreed finding no sale occurred under UCC Article 2 because the credit card debt was created independently from the sale of the ATV. *Fulk v. LVNV Funding LLC*, 55 F. Supp. 3d 967, 971 (E.D. Ky. 2014). Note: the decision relies largely on Ohio law.