

As Reported by the House Insurance Committee

134th General Assembly

Regular Session

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Am. Sub. S. B. No. 256

Senator Wilson

**Cosponsors: Senators Brenner, Blessing, Cirino, Hackett, Lang, Romanchuk,
Schaffer, Thomas, Yuko**

A BILL

To amend sections 3901.21, 3901.32, 3901.33, 1
3901.34, 3901.341, 3901.36, 3905.051, 3905.06, 2
3905.064, 3915.073, 3953.01, 3953.331, and 3
3953.36 and to enact sections 3901.046, 4
3901.212, 3901.213, 3901.214, 3901.215, 5
3905.065, 3905.066, 3905.067, 3905.068, 6
3905.069, 3905.0610, and 3905.0611 of the 7
Revised Code to amend the law related to travel 8
insurance. 9

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3901.21, 3901.32, 3901.33, 10
3901.34, 3901.341, 3901.36, 3905.051, 3905.06, 3905.064, 11
3915.073, 3953.01, 3953.331, and 3953.36 be amended and sections 12
3901.046, 3901.212, 3901.213, 3901.214, 3901.215, 3905.065, 13
3905.066, 3905.067, 3905.068, 3905.069, 3905.0610, and 3905.0611 14
of the Revised Code be enacted to read as follows: 15

Sec. 3901.046. (A) As used in this section: 16

(1) "Electronic signature" has the same meaning as in 17

section 1306.01 of the Revised Code. 18

(2) "Insurer" has the same meaning as in section 3901.32 19
of the Revised Code. 20

(B) An insurer may use an electronic signature to comply 21
with any signature requirement placed upon insurers by this 22
title, including any requirement that a document submitted by an 23
insurer to the department of insurance be signed. 24

Sec. 3901.21. The following are hereby defined as unfair 25
and deceptive acts or practices in the business of insurance: 26

(A) Making, issuing, circulating, or causing or permitting 27
to be made, issued, or circulated, or preparing with intent to 28
so use, any estimate, illustration, circular, or statement 29
misrepresenting the terms of any policy issued or to be issued 30
or the benefits or advantages promised thereby or the dividends 31
or share of the surplus to be received thereon, or making any 32
false or misleading statements as to the dividends or share of 33
surplus previously paid on similar policies, or making any 34
misleading representation or any misrepresentation as to the 35
financial condition of any insurer as shown by the last 36
preceding verified statement made by it to the insurance 37
department of this state, or as to the legal reserve system upon 38
which any life insurer operates, or using any name or title of 39
any policy or class of policies misrepresenting the true nature 40
thereof, or making any misrepresentation or incomplete 41
comparison to any person for the purpose of inducing or tending 42
to induce such person to purchase, amend, lapse, forfeit, 43
change, or surrender insurance. 44

Any written statement concerning the premiums for a policy 45
which refers to the net cost after credit for an assumed 46

dividend, without an accurate written statement of the gross 47
premiums, cash values, and dividends based on the insurer's 48
current dividend scale, which are used to compute the net cost 49
for such policy, and a prominent warning that the rate of 50
dividend is not guaranteed, is a misrepresentation for the 51
purposes of this division. 52

(B) Making, publishing, disseminating, circulating, or 53
placing before the public or causing, directly or indirectly, to 54
be made, published, disseminated, circulated, or placed before 55
the public, in a newspaper, magazine, or other publication, or 56
in the form of a notice, circular, pamphlet, letter, or poster, 57
or over any radio station, or in any other way, or preparing 58
with intent to so use, an advertisement, announcement, or 59
statement containing any assertion, representation, or 60
statement, with respect to the business of insurance or with 61
respect to any person in the conduct of the person's insurance 62
business, which is untrue, deceptive, or misleading. 63

(C) Making, publishing, disseminating, or circulating, 64
directly or indirectly, or aiding, abetting, or encouraging the 65
making, publishing, disseminating, or circulating, or preparing 66
with intent to so use, any statement, pamphlet, circular, 67
article, or literature, which is false as to the financial 68
condition of an insurer and which is calculated to injure any 69
person engaged in the business of insurance. 70

(D) Filing with any supervisory or other public official, 71
or making, publishing, disseminating, circulating, or delivering 72
to any person, or placing before the public, or causing directly 73
or indirectly to be made, published, disseminated, circulated, 74
delivered to any person, or placed before the public, any false 75
statement of financial condition of an insurer. 76

Making any false entry in any book, report, or statement 77
of any insurer with intent to deceive any agent or examiner 78
lawfully appointed to examine into its condition or into any of 79
its affairs, or any public official to whom such insurer is 80
required by law to report, or who has authority by law to 81
examine into its condition or into any of its affairs, or, with 82
like intent, willfully omitting to make a true entry of any 83
material fact pertaining to the business of such insurer in any 84
book, report, or statement of such insurer, or mutilating, 85
destroying, suppressing, withholding, or concealing any of its 86
records. 87

(E) Issuing or delivering or permitting agents, officers, 88
or employees to issue or deliver agency company stock or other 89
capital stock or benefit certificates or shares in any common- 90
law corporation or securities or any special or advisory board 91
contracts or other contracts of any kind promising returns and 92
profits as an inducement to insurance. 93

(F) ~~Making~~ Except as provided in section 3901.213 of the 94
Revised Code, making or permitting any unfair discrimination 95
among individuals of the same class and equal expectation of 96
life in the rates charged for any contract of life insurance or 97
of life annuity or in the dividends or other benefits payable 98
thereon, or in any other of the terms and conditions of such 99
contract. 100

(G) (1) Except as otherwise expressly provided by law, 101
including as provided in section 3901.213 of the Revised Code, 102
knowingly permitting or offering to make or making any contract 103
of life insurance, life annuity or accident and health 104
insurance, or agreement as to such contract other than as 105
plainly expressed in the contract issued thereon, or paying or 106

allowing, or giving or offering to pay, allow, or give, directly 107
or indirectly, as inducement to such insurance, or annuity, any 108
rebate of premiums payable on the contract, or any special favor 109
or advantage in the dividends or other benefits thereon, or any 110
valuable consideration or inducement whatever not specified in 111
the contract; or giving, or selling, or purchasing, or offering 112
to give, sell, or purchase, as inducement to such insurance or 113
annuity or in connection therewith, any stocks, bonds, or other 114
securities, or other obligations of any insurance company or 115
other corporation, association, or partnership, or any dividends 116
or profits accrued thereon, or anything of value whatsoever not 117
specified in the contract. 118

~~(2) Nothing in division (F) or division (G)(1) of this 119
section shall be construed as prohibiting any of the following 120
practices: (a) in the case of any contract of life insurance or 121
life annuity, paying bonuses to policyholders or otherwise 122
abatating their premiums in whole or in part out of surplus 123
accumulated from nonparticipating insurance, provided that any 124
such bonuses or abatement of premiums shall be fair and 125
equitable to policyholders and for the best interests of the 126
company and its policyholders; (b) in the case of life insurance 127
policies issued on the industrial debit plan, making allowance 128
to policyholders who have continuously for a specified period 129
made premium payments directly to an office of the insurer in an 130
amount which fairly represents the saving in collection 131
expenses; (c) readjustment of the rate of premium for a group 132
insurance policy based on the loss or expense experience 133
thereunder, at the end of the first or any subsequent policy 134
year of insurance thereunder, which may be made retroactive only 135
for such policy year. An insurer, producer, or representative of 136
either shall not offer or provide insurance as an inducement to 137~~

the purchase of another policy of insurance and shall not use 138
the words "free" or "no cost," or words of similar import, to 139
such effect in an advertisement. 140

(H) Making, issuing, circulating, or causing or permitting 141
to be made, issued, or circulated, or preparing with intent to 142
so use, any statement to the effect that a policy of life 143
insurance is, is the equivalent of, or represents shares of 144
capital stock or any rights or options to subscribe for or 145
otherwise acquire any such shares in the life insurance company 146
issuing that policy or any other company. 147

(I) Making, issuing, circulating, or causing or permitting 148
to be made, issued or circulated, or preparing with intent to so 149
issue, any statement to the effect that payments to a 150
policyholder of the principal amounts of a pure endowment are 151
other than payments of a specific benefit for which specific 152
premiums have been paid. 153

(J) Making, issuing, circulating, or causing or permitting 154
to be made, issued, or circulated, or preparing with intent to 155
so use, any statement to the effect that any insurance company 156
was required to change a policy form or related material to 157
comply with Title XXXIX of the Revised Code or any regulation of 158
the superintendent of insurance, for the purpose of inducing or 159
intending to induce any policyholder or prospective policyholder 160
to purchase, amend, lapse, forfeit, change, or surrender 161
insurance. 162

(K) Aiding or abetting another to violate this section. 163

(L) Refusing to issue any policy of insurance, or 164
canceling or declining to renew such policy because of the sex 165
or marital status of the applicant, prospective insured, 166

insured, or policyholder. 167

(M) Making or permitting any unfair discrimination between 168
individuals of the same class and of essentially the same hazard 169
in the amount of premium, policy fees, or rates charged for any 170
policy or contract of insurance, other than life insurance, or 171
in the benefits payable thereunder, or in underwriting standards 172
and practices or eligibility requirements, or in any of the 173
terms or conditions of such contract, or in any other manner 174
whatever. 175

(N) Refusing to make available disability income insurance 176
solely because the applicant's principal occupation is that of 177
managing a household. 178

(O) Refusing, when offering maternity benefits under any 179
individual or group sickness and accident insurance policy, to 180
make maternity benefits available to the policyholder for the 181
individual or individuals to be covered under any comparable 182
policy to be issued for delivery in this state, including family 183
members if the policy otherwise provides coverage for family 184
members. Nothing in this division shall be construed to prohibit 185
an insurer from imposing a reasonable waiting period for such 186
benefits under an individual sickness and accident insurance 187
policy issued to an individual who is not a federally eligible 188
individual or a nonemployer-related group sickness and accident 189
insurance policy, but in no event shall such waiting period 190
exceed two hundred seventy days. 191

For purposes of division (O) of this section, "federally 192
eligible individual" means an eligible individual as defined in 193
45 C.F.R. 148.103. 194

(P) Using, or permitting to be used, a pattern settlement 195

as the basis of any offer of settlement. As used in this 196
division, "pattern settlement" means a method by which liability 197
is routinely imputed to a claimant without an investigation of 198
the particular occurrence upon which the claim is based and by 199
using a predetermined formula for the assignment of liability 200
arising out of occurrences of a similar nature. Nothing in this 201
division shall be construed to prohibit an insurer from 202
determining a claimant's liability by applying formulas or 203
guidelines to the facts and circumstances disclosed by the 204
insurer's investigation of the particular occurrence upon which 205
a claim is based. 206

(Q) Refusing to insure, or refusing to continue to insure, 207
or limiting the amount, extent, or kind of life or sickness and 208
accident insurance or annuity coverage available to an 209
individual, or charging an individual a different rate for the 210
same coverage solely because of blindness or partial blindness. 211
With respect to all other conditions, including the underlying 212
cause of blindness or partial blindness, persons who are blind 213
or partially blind shall be subject to the same standards of 214
sound actuarial principles or actual or reasonably anticipated 215
actuarial experience as are sighted persons. Refusal to insure 216
includes, but is not limited to, denial by an insurer of 217
disability insurance coverage on the grounds that the policy 218
defines "disability" as being presumed in the event that the 219
eyesight of the insured is lost. However, an insurer may exclude 220
from coverage disabilities consisting solely of blindness or 221
partial blindness when such conditions existed at the time the 222
policy was issued. To the extent that the provisions of this 223
division may appear to conflict with any provision of section 224
3999.16 of the Revised Code, this division applies. 225

(R) (1) Directly or indirectly offering to sell, selling, 226

or delivering, issuing for delivery, renewing, or using or 227
otherwise marketing any policy of insurance or insurance product 228
in connection with or in any way related to the grant of a 229
student loan guaranteed in whole or in part by an agency or 230
commission of this state or the United States, except insurance 231
that is required under federal or state law as a condition for 232
obtaining such a loan and the premium for which is included in 233
the fees and charges applicable to the loan; or, in the case of 234
an insurer or insurance agent, knowingly permitting any lender 235
making such loans to engage in such acts or practices in 236
connection with the insurer's or agent's insurance business. 237

(2) Except in the case of a violation of division (G) of 238
this section, division (R)(1) of this section does not apply to 239
either of the following: 240

(a) Acts or practices of an insurer, its agents, 241
representatives, or employees in connection with the grant of a 242
guaranteed student loan to its insured or the insured's spouse 243
or dependent children where such acts or practices take place 244
more than ninety days after the effective date of the insurance; 245

(b) Acts or practices of an insurer, its agents, 246
representatives, or employees in connection with the 247
solicitation, processing, or issuance of an insurance policy or 248
product covering the student loan borrower or the borrower's 249
spouse or dependent children, where such acts or practices take 250
place more than one hundred eighty days after the date on which 251
the borrower is notified that the student loan was approved. 252

(S) Denying coverage, under any health insurance or health 253
care policy, contract, or plan providing family coverage, to any 254
natural or adopted child of the named insured or subscriber 255
solely on the basis that the child does not reside in the 256

household of the named insured or subscriber.	257
(T) (1) Using any underwriting standard or engaging in any	258
other act or practice that, directly or indirectly, due solely	259
to any health status-related factor in relation to one or more	260
individuals, does either of the following:	261
(a) Terminates or fails to renew an existing individual	262
policy, contract, or plan of health benefits, or a health	263
benefit plan issued to an employer, for which an individual	264
would otherwise be eligible;	265
(b) With respect to a health benefit plan issued to an	266
employer, excludes or causes the exclusion of an individual from	267
coverage under an existing employer-provided policy, contract,	268
or plan of health benefits.	269
(2) The superintendent of insurance may adopt rules in	270
accordance with Chapter 119. of the Revised Code for purposes of	271
implementing division (T) (1) of this section.	272
(3) For purposes of division (T) (1) of this section,	273
"health status-related factor" means any of the following:	274
(a) Health status;	275
(b) Medical condition, including both physical and mental	276
illnesses;	277
(c) Claims experience;	278
(d) Receipt of health care;	279
(e) Medical history;	280
(f) Genetic information;	281
(g) Evidence of insurability, including conditions arising	282
out of acts of domestic violence;	283

(h) Disability.	284
(U) With respect to a health benefit plan issued to a small employer, as those terms are defined in section 3924.01 of the Revised Code, negligently or willfully placing coverage for adverse risks with a certain carrier, as defined in section 3924.01 of the Revised Code.	285 286 287 288 289
(V) Using any program, scheme, device, or other unfair act or practice that, directly or indirectly, causes or results in the placing of coverage for adverse risks with another carrier, as defined in section 3924.01 of the Revised Code.	290 291 292 293
(W) Failing to comply with section 3923.23, 3923.231, 3923.232, 3923.233, or 3923.234 of the Revised Code by engaging in any unfair, discriminatory reimbursement practice.	294 295 296
(X) Intentionally establishing an unfair premium for, or misrepresenting the cost of, any insurance policy financed under a premium finance agreement of an insurance premium finance company.	297 298 299 300
(Y) (1) (a) Limiting coverage under, refusing to issue, canceling, or refusing to renew, any individual policy or contract of life insurance, or limiting coverage under or refusing to issue any individual policy or contract of health insurance, for the reason that the insured or applicant for insurance is or has been a victim of domestic violence;	301 302 303 304 305 306
(b) Adding a surcharge or rating factor to a premium of any individual policy or contract of life or health insurance for the reason that the insured or applicant for insurance is or has been a victim of domestic violence;	307 308 309 310
(c) Denying coverage under, or limiting coverage under, any policy or contract of life or health insurance, for the	311 312

reason that a claim under the policy or contract arises from an 313
incident of domestic violence; 314

(d) Inquiring, directly or indirectly, of an insured 315
under, or of an applicant for, a policy or contract of life or 316
health insurance, as to whether the insured or applicant is or 317
has been a victim of domestic violence, or inquiring as to 318
whether the insured or applicant has sought shelter or 319
protection from domestic violence or has sought medical or 320
psychological treatment as a victim of domestic violence. 321

(2) Nothing in division (Y)(1) of this section shall be 322
construed to prohibit an insurer from inquiring as to, or from 323
underwriting or rating a risk on the basis of, a person's 324
physical or mental condition, even if the condition has been 325
caused by domestic violence, provided that all of the following 326
apply: 327

(a) The insurer routinely considers the condition in 328
underwriting or in rating risks, and does so in the same manner 329
for a victim of domestic violence as for an insured or applicant 330
who is not a victim of domestic violence; 331

(b) The insurer does not refuse to issue any policy or 332
contract of life or health insurance or cancel or refuse to 333
renew any policy or contract of life insurance, solely on the 334
basis of the condition, except where such refusal to issue, 335
cancellation, or refusal to renew is based on sound actuarial 336
principles or is related to actual or reasonably anticipated 337
experience; 338

(c) The insurer does not consider a person's status as 339
being or as having been a victim of domestic violence, in 340
itself, to be a physical or mental condition; 341

(d) The underwriting or rating of a risk on the basis of 342
the condition is not used to evade the intent of division (Y) (1) 343
of this section, or of any other provision of the Revised Code. 344

(3) (a) Nothing in division (Y) (1) of this section shall be 345
construed to prohibit an insurer from refusing to issue a policy 346
or contract of life insurance insuring the life of a person who 347
is or has been a victim of domestic violence if the person who 348
committed the act of domestic violence is the applicant for the 349
insurance or would be the owner of the insurance policy or 350
contract. 351

(b) Nothing in division (Y) (2) of this section shall be 352
construed to permit an insurer to cancel or refuse to renew any 353
policy or contract of health insurance in violation of the 354
"Health Insurance Portability and Accountability Act of 1996," 355
110 Stat. 1955, 42 U.S.C.A. 300gg-41(b), as amended, or in a 356
manner that violates or is inconsistent with any provision of 357
the Revised Code that implements the "Health Insurance 358
Portability and Accountability Act of 1996." 359

(4) An insurer is immune from any civil or criminal 360
liability that otherwise might be incurred or imposed as a 361
result of any action taken by the insurer to comply with 362
division (Y) of this section. 363

(5) As used in division (Y) of this section, "domestic 364
violence" means any of the following acts: 365

(a) Knowingly causing or attempting to cause physical harm 366
to a family or household member; 367

(b) Recklessly causing serious physical harm to a family 368
or household member; 369

(c) Knowingly causing, by threat of force, a family or 370

household member to believe that the person will cause imminent 371
physical harm to the family or household member. 372

For the purpose of division (Y) (5) of this section, 373
"family or household member" has the same meaning as in section 374
2919.25 of the Revised Code. 375

Nothing in division (Y) (5) of this section shall be 376
construed to require, as a condition to the application of 377
division (Y) of this section, that the act described in division 378
(Y) (5) of this section be the basis of a criminal prosecution. 379

(Z) Disclosing a coroner's records by an insurer in 380
violation of section 313.10 of the Revised Code. 381

(AA) Making, issuing, circulating, or causing or 382
permitting to be made, issued, or circulated any statement or 383
representation that a life insurance policy or annuity is a 384
contract for the purchase of funeral goods or services. 385

(BB) With respect to a health care contract as defined in 386
section 3963.01 of the Revised Code that covers vision services, 387
as defined in that section, including any of the contract terms 388
prohibited under or failing to make the disclosures required 389
under division (E) of section 3963.02 of the Revised Code. 390

(CC) With respect to private passenger automobile 391
insurance, charging premium rates that are excessive, 392
inadequate, or unfairly discriminatory, pursuant to division (D) 393
of section 3937.02 of the Revised Code, based solely on the 394
location of the residence of the insured. 395

The enumeration in sections 3901.19 to 3901.26 of the 396
Revised Code of specific unfair or deceptive acts or practices 397
in the business of insurance is not exclusive or restrictive or 398
intended to limit the powers of the superintendent of insurance 399

to adopt rules to implement this section, or to take action 400
under other sections of the Revised Code. 401

This section does not prohibit the sale of shares of any 402
investment company registered under the "Investment Company Act 403
of 1940," 54 Stat. 789, 15 U.S.C.A. 80a-1, as amended, or any 404
policies, annuities, or other contracts described in section 405
3907.15 of the Revised Code. 406

As used in this section, "estimate," "statement," 407
"representation," "misrepresentation," "advertisement," or 408
"announcement" includes oral or written occurrences. 409

Sec. 3901.212. (A) As used in sections 3901.212 to 410
3901.213 of the Revised Code, "consumer" means a policyholder, 411
potential policyholder, certificate holder, potential 412
certificate holder, insured, potential insured, or applicant. 413

(B) The superintendent may adopt rules pursuant to Chapter 414
119. of the Revised Code to implement the practices set forth in 415
section 3901.213 of the Revised Code to ensure consumer 416
protection. Such regulations, consistent with applicable law, 417
may address all of the following: 418

(1) Consumer data protections and privacy; 419

(2) Consumer disclosure; 420

(3) Unfair discrimination; 421

(4) Any other matter the superintendent considers 422
pertinent. 423

Sec. 3901.213. Nothing in division (F) or (G) of section 424
3901.21 or in section 3933.01 of the Revised Code shall be 425
construed as prohibiting any of the following practices: 426

(A) In the case of any contract of life insurance or life annuity, paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from nonparticipating insurance, provided that any such bonuses or abatement of premiums shall be fair and equitable to policyholders and in the best interests of the company and its policyholders; 427
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(B) In the case of life insurance policies issued on the industrial debit plan, making allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer in an amount which fairly represents the saving in collection expenses; 434
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(C) Readjustment of the rate of premium for a group insurance policy based on the loss or expense experience thereunder, at the end of the first or any subsequent policy year of insurance thereunder, which may be made retroactive only for such policy year; 439
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(D) (1) Subject to divisions (D) (2) and (3) of this section, the offer or provision by insurers or producers, by or through employees, affiliates, or third party representatives, of value-added products or services at no or reduced cost when such products or services are not specified in the policy of insurance, if the product or service meets all of the following: 444
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(a) The cost to the insurer or producer offering the product or service to any given consumer is reasonable in comparison to that consumer's premiums or insurance coverage for the policy class. 450
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(b) It relates to the insurance coverage. 454

(c) It is primarily designed to do one or more of the 455

<u>following:</u>	456
<u>(i) Provide loss mitigation or loss control;</u>	457
<u>(ii) Reduce claim costs or claim settlement costs;</u>	458
<u>(iii) Provide education about liability risks or risk of loss to persons or property;</u>	459 460
<u>(iv) Monitor or assess risk, identify risks, or identify risk of loss to persons or property;</u>	461 462
<u>(v) Enhance health;</u>	463
<u>(vi) Enhance financial wellness through items such as education or financial planning services;</u>	464 465
<u>(vii) Provide post-loss services;</u>	466
<u>(viii) Incentivize behavioral changes to improve the health or reduce the risk of death or disability of a consumer;</u>	467 468
<u>(ix) Assist in the administration of the employee or retiree benefit insurance coverage.</u>	469 470
<u>(d) The product or service is provided along with contact information for the purpose of ensuring the consumer is assisted with questions regarding the product or service, if the insurer or producer is providing the product or service offered.</u>	471 472 473 474
<u>(2) (a) Value-added products shall not be offered in a manner that is unfairly discriminatory. The availability of value-added products or services shall be based on documented, objective criteria.</u>	475 476 477 478
<u>(b) The documented criteria shall be maintained by the insurer or producer and shall be provided to the superintendent of insurance upon request.</u>	479 480 481

(3) (a) If an insurer or producer does not have sufficient 482
evidence, but has a good-faith belief that a product or service 483
it wishes to offer meets the criteria prescribed in division (D) 484
(1) of this section, the insurer or producer may provide the 485
product or service in a manner that is not unfairly 486
discriminatory as part of a pilot or testing program for no more 487
than one year. 488

(b) An insurer or producer shall notify the superintendent 489
of insurance of such a pilot or testing program offered to 490
consumers in this state prior to launching the pilot or testing 491
program and may proceed with the pilot or testing program unless 492
the superintendent objects in writing within twenty-one days of 493
receiving notice. 494

(E) (1) Subject to divisions (E) (2) and (3) of this 495
section, the offer or gifting of noncash gifts, items, or 496
services, including providing meals to or making charitable 497
donations on behalf of a consumer, in connection with the 498
marketing, sale, purchase, or retention of contracts of 499
insurance, as long as the cost does not exceed an amount 500
determined by the superintendent per policy year per term or 501
calendar year. 502

(2) The offer shall be made in a manner that is not 503
unfairly discriminatory. 504

(3) The consumer shall not be required to purchase, 505
continue to purchase, or renew a policy in exchange for the 506
gift, item, or service. 507

(F) (1) Subject to divisions (F) (2) and (3) of this 508
section, the offer or gifting of non-cash gifts, items, or 509
services, including providing meals to or making charitable 510

donations on behalf of, commercial or institutional consumers in 511
connection with the marketing, sale, purchase, or retention of 512
contracts of insurance, as long as the cost is reasonable in 513
comparison to the premium or proposed premium and the cost of 514
the gift or services is not included in any amounts charged to 515
another person or entity. 516

(2) The offer shall be made in a manner that is not 517
unfairly discriminatory. 518

(3) The consumer shall not be required to purchase, 519
continue to purchase, or renew a policy in exchange for the 520
gift, item, or service. 521

(G) The conducting of raffles or drawings to the extent 522
permitted by state law, so long as the raffle or drawing meets 523
all of the following: 524

(1) There is no financial cost to entrants to participate. 525

(2) The drawing or raffle does not obligate participants 526
to purchase insurance. 527

(3) The drawing or raffle is open to the public. 528

(4) The raffle or drawing is offered in a manner that is 529
not unfairly discriminatory. 530

Sec. 3901.214. The provisions of sections 3901.213 and 531
3933.01 of the Revised Code that prohibit a producer or insurer 532
from giving rebates, discounts, gifts, or other valuable 533
consideration as an inducement to insurance do not apply to 534
commercial property and casualty insurance, but do apply to 535
producer commission reductions not included in insurance company 536
rate filings. 537

Sec. 3901.215. The intent of the general assembly in 538

amending section 3901.21 of the Revised Code and enacting 539
sections 3901.212 and 3901.213 of the Revised Code is to promote 540
innovation in connection with the offering of value-added 541
services while maintaining strong consumer protections. 542

Sec. 3901.32. As used in sections 3901.32 to 3901.37 of 543
the Revised Code: 544

(A) "Affiliate of" or "affiliated with" a specific person 545
means a person that, directly or indirectly, through one or more 546
intermediaries, controls, is controlled by, or is under common 547
control with, the person specified. 548

(B) "Control," including "controlling," "controlled by," 549
and "under common control with," means the possession, direct or 550
indirect, of the power to direct or cause the direction of the 551
management and policies of a person, whether through the 552
ownership of voting securities, by contract other than a 553
commercial contract for goods or nonmanagement services, or 554
otherwise, unless the power is the result of an official 555
position with or corporate office held by the person. Control 556
shall be presumed to exist if any person, directly or 557
indirectly, owns, controls, holds with the power to vote, or 558
holds proxies representing, ten per cent or more of the voting 559
securities of any other person. This presumption may be rebutted 560
by a showing made in the manner provided in division (J) of 561
section 3901.33 of the Revised Code that control does not exist 562
in fact. The superintendent of insurance may determine, after 563
furnishing all persons in interest notice and opportunity to be 564
heard and making specific findings of fact to support such 565
determination, that control exists in fact, notwithstanding the 566
absence of a presumption to that effect. 567

(C) "Enterprise risk" means any activity, circumstance, 568

event, or series of events involving one or more affiliates of 569
an insurer that, if not remedied promptly, is likely to have a 570
materially adverse effect on the financial condition or 571
liquidity of the insurer or its insurance holding company system 572
as a whole. "Enterprise risk" includes anything that would cause 573
the insurer's risk-based capital to fall into company action 574
level as set forth in section 3903.83 of the Revised Code or 575
would cause the insurer to be in a hazardous financial 576
condition. 577

(D) "Group capital calculation instructions" means the 578
group capital calculation instructions, as adopted by the 579
national association of insurance commissioners and as amended 580
by the national association of insurance commissioners from time 581
to time in accordance with the procedures adopted by the 582
national association of insurance commissioners. 583

(E) "Group-wide supervisor" means the regulatory official 584
who is authorized by the superintendent to conduct and 585
coordinate group-wide supervision of an internationally active 586
insurance group and who is determined by the superintendent 587
pursuant to division (A) of section 3901.352 of the Revised Code 588
to have sufficient contacts with the internationally active 589
insurance group. 590

~~(E)~~ (F) "Insurance holding company system" means two or 591
more affiliated persons, one or more of which is an insurer. 592

~~(F)~~ (G) "Insurer" means any person engaged in the business 593
of insurance, guaranty, or membership, an inter-insurance 594
exchange, a mutual or fraternal benefit society, or a health 595
insuring corporation. "Insurer" does not include any agency, 596
authority, or instrumentality of the United States, its 597
possessions and territories, the Commonwealth of Puerto Rico, 598

the District of Columbia, or a state or political subdivision of 599
a state. 600

~~(G)~~ (H) "Internationally active insurance group" means an 601
insurance holding company system that includes an insurer 602
registered under section 3901.33 of the Revised Code and that 603
meets all of the following criteria: 604

(1) Insurers that are part of the insurance holding 605
company system write premiums in at least three countries. 606

(2) The percentage of gross premiums written outside the 607
United States by the insurance holding company system is at 608
least ten per cent of the system's total gross written premiums. 609

(3) Based on a three-year rolling average, either the 610
total assets of the insurance holding company system are at 611
least fifty billion dollars, or the total gross written premiums 612
of the insurance holding company system are at least ten billion 613
dollars. 614

~~(H)~~ (I) (1) "Liquidity stress test framework" means a 615
separate national association of insurance commissioners 616
publication which includes all of the following: 617

(a) A history of the national association of insurance 618
commissioners' development of regulatory liquidity stress 619
testing; 620

(b) The scope criteria applicable for a specific data 621
year; 622

(c) The liquidity stress test instructions and reporting 623
templates for a specific data year. 624

(2) Such scope criteria, instructions, and reporting 625
templates shall be those adopted by the national association of 626

insurance commissioners and as amended by the national 627
association of insurance commissioners from time to time in 628
accordance with the procedures adopted by the national 629
association of insurance commissioners. 630

(J) "Person" means an individual, a corporation, a 631
partnership, an association, a joint stock company, a trust, an 632
unincorporated organization, any similar entity, or any 633
combination of the foregoing acting in concert. 634

~~(I)~~ (K) "Scope criteria" means the designated exposure 635
bases, along with minimum magnitudes thereof for the specified 636
data year, used to establish a preliminary list of insurers 637
considered scoped into the national association of insurance 638
commissioners liquidity stress test framework for that data 639
year. 640

(L) "Subsidiary" of a specified person is an affiliate 641
controlled by such person, directly or indirectly, through one 642
or more intermediaries. 643

~~(J)~~ (M) "Voting security" includes any security 644
convertible into or evidencing a right to acquire a voting 645
security. 646

Sec. 3901.33. (A) Every insurer that is authorized to do 647
business in this state and that is a member of an insurance 648
holding company system shall register with the superintendent of 649
insurance, except a foreign insurer subject to disclosure 650
requirements and standards adopted by statute or regulation in 651
the jurisdiction of its domicile that are substantially similar 652
to those contained in this section and section 3901.341 of the 653
Revised Code. Every insurer that is subject to registration 654
under this section shall register initially not later than 655

thirty days after it becomes subject to registration, unless the 656
superintendent for good cause shown extends the time for 657
registration, and then within the extended time, and every such 658
insurer shall register annually after its initial registration. 659
The superintendent may require any authorized insurer that is a 660
member of a holding company system that is not subject to 661
registration under this section to furnish a copy of the 662
registration statement or other information filed by the 663
insurance company with the insurance regulatory authority of 664
domiciliary jurisdiction. 665

(B) Every insurer subject to registration shall file a 666
registration statement with the superintendent on a form and in 667
a format provided by the superintendent, which shall contain 668
current information about all of the following: 669

(1) The capital structure, general financial condition, 670
ownership, and management of the insurer and any person 671
controlling the insurer; 672

(2) The identity of every member of the insurance holding 673
company system; 674

(3) The following agreements in force, relationships 675
subsisting, and transactions currently outstanding between the 676
insurer and its affiliates: 677

(a) Loans, other investments, or purchases, sales or 678
exchanges of securities of the affiliates by the insurer or of 679
the insurer by its affiliates; 680

(b) Purchases, sales, or exchanges of assets; 681

(c) Transactions not in the ordinary course of business; 682

(d) Guarantees or undertakings for the benefit of an 683

affiliate that result in an actual contingent exposure of the	684
insurer's assets to liability, other than insurance contracts	685
entered into in the ordinary course of the insurer's business;	686
(e) All management and service contracts and all cost-	687
sharing arrangements;	688
(f) Reinsurance agreements;	689
(g) Dividends and other distributions to shareholders;	690
(h) Consolidated tax allocation agreements.	691
(4) Any pledge of the insurer's stock, including stock of	692
any subsidiary or controlling affiliate, for a loan made to any	693
member of the insurance holding company system;	694
(5) If requested by the superintendent, financial	695
statements of an insurance holding company system, including all	696
affiliates. Financial statements may include annual audited	697
financial statements filed with the United States securities and	698
exchange commission pursuant to the "Securities Act of 1933," 48	699
Stat. 74, 15 U.S.C. 77a, or the "Securities Exchange Act of	700
1934," 48 Stat. 881, 15 U.S.C. 78a. The insurer may satisfy the	701
request by providing the superintendent with the most recently	702
filed parent corporation financial statements that have been	703
filed with the securities and exchange commission.	704
(6) Other matters concerning transactions between	705
registered insurers and any affiliates as may be included from	706
time to time in any registration forms adopted or approved by	707
the superintendent;	708
(7) Statements that the insurer's or its ultimate	709
controlling person's board of directors oversees corporate	710
governance and internal controls and that the insurer's or its	711

ultimate controlling person's officers or senior management have 712
approved, implemented, and continue to maintain and monitor 713
corporate governance and internal control procedures; 714

(8) Any other information required by the superintendent 715
by rule or regulation. 716

(C) Each registration statement filed pursuant to division 717
(B) of this section shall summarize the information that has 718
changed from the prior registration statement filed pursuant to 719
that division. 720

(D) No information need be disclosed on the registration 721
statement filed pursuant to division (B) of this section if the 722
information is not material for the purposes of this section. 723
Unless the superintendent by rule, regulation, or order provides 724
otherwise, sales, purchases, exchanges, loans or extensions of 725
credit, or investments involving one-half of one per cent or 726
less of an insurer's admitted assets as of the thirty-first day 727
of December next preceding shall not be deemed material for the 728
purposes of this section. The definition of materiality provided 729
in this division shall not apply for purposes of the group 730
capital calculation or the liquidity stress test framework. 731

(E) Each registered insurer shall keep current the 732
information required to be disclosed in its registration 733
statement by reporting all material changes or additions on 734
amendment forms provided by the superintendent within fifteen 735
days after the end of the month in which it learns of each 736
change or addition. 737

(F) The superintendent shall terminate the registration of 738
any insurer that demonstrates that it no longer is a member of 739
an insurance holding company system. 740

(G) The superintendent may require or allow two or more 741
affiliated insurers subject to registration under this section 742
to file a consolidated registration statement or consolidated 743
reports amending their consolidated registration statement or 744
their individual registration statements. 745

(H) The superintendent may allow an insurer that is 746
authorized to do business in this state and that is part of an 747
insurance holding company system to register on behalf of any 748
affiliated insurer that is required to register under division 749
(A) of this section and to file all information and material 750
required to be filed under this section. 751

(I) This section does not apply to any insurer, 752
information, or transaction if and to the extent that the 753
superintendent by rule, regulation, or order exempts it from 754
this section. 755

(J) Any person may file with the superintendent a 756
disclaimer of affiliation with any authorized insurer or such a 757
disclaimer may be filed by the insurer or any member of an 758
insurance holding company system. The disclaimer shall fully 759
disclose all material relationships and bases for affiliation 760
between the person and the insurer as well as the basis for 761
disclaiming the affiliation. After a disclaimer has been filed, 762
the insurer shall be relieved of any duty to register or report 763
under this section which may arise out of the insurer's 764
relationship with the person unless and until the superintendent 765
disallows the disclaimer. The superintendent shall disallow such 766
a disclaimer only in the manner provided in Chapter 119. of the 767
Revised Code. 768

(K) The ultimate controlling person of every insurer 769
subject to registration under this section also shall file an 770

annual enterprise risk report. The report shall be appropriate 771
to the nature, scale, and complexity of the operations of the 772
insurance holding company system and shall, to the best of the 773
ultimate controlling person's knowledge and belief, identify the 774
material risks within the insurance holding company system that 775
could pose enterprise risk to the insurer. The ultimate 776
controlling person shall file the report with the lead state 777
commissioner of the insurance holding company system as 778
determined by the procedures within the financial analysis 779
handbook adopted by the national association of insurance 780
commissioners. 781

(L)(1)(a) Except as provided below, the ultimate 782
controlling person of every insurer subject to registration 783
shall annually file a group capital calculation as directed by 784
the lead state commissioner. This filing is required not later 785
than June 1, 2023, and on or before the first day of June each 786
year thereafter. 787

(b) The filing requirements prescribed under division (L) 788
of this section shall not be required by the superintendent 789
prior to June 1, 2023. However, the superintendent may permit 790
filing prior to that date. 791

(2) The report shall be completed in accordance with the 792
national association of insurance commissioners group capital 793
calculation instructions, which may permit the lead state 794
commissioner to allow a controlling person that is not the 795
ultimate controlling person to file the group capital 796
calculation. 797

(3) The report shall be filed with the lead state 798
commissioner of the insurance holding company system as 799
determined by the superintendent of insurance in accordance with 800

the procedures within the financial analysis handbook adopted by 801
the national association of insurance commissioners. 802

(4) Insurance holding company systems described below are 803
exempt from filing the group capital calculation: 804

(a) An insurance holding company system that has only one 805
insurer within its holding company structure, that only writes 806
business, and is only licensed, in its domestic state, and 807
assumes no business from any other insurer; 808

(b) (i) An insurance holding company system that is 809
required to perform a group capital calculation specified by the 810
United States federal reserve board. 811

(ii) The lead state commissioner shall request the 812
calculation from the federal reserve board under the terms of 813
information sharing agreements in effect. 814

(iii) If the federal reserve board cannot share the 815
calculation with the lead state commissioner, the insurance 816
holding company system is not exempt from the group capital 817
calculation filing. 818

(c) An insurance holding company system whose non-U.S., 819
group-wide supervisor is located within a reciprocal 820
jurisdiction, as described in section 3901.62 of the Revised 821
Code, that recognizes the United States state regulatory 822
approach to group supervision and group capital; 823

(d) An insurance holding company system that meets both of 824
the following: 825

(i) The insurance holding company provides information to 826
the lead state that meets the requirements for accreditation 827
under the national association of insurance commissioners 828

financial standards and accreditation program, either directly 829
or indirectly through the group-wide supervisor, who has 830
determined such information is satisfactory to allow the lead 831
state to comply with the national association of insurance 832
commissioners group supervision approach, as detailed in the 833
national association of insurance commissioners financial 834
analysis handbook. 835

(ii) The insurance holding company has a non-United States 836
group-wide supervisor that is not in a reciprocal jurisdiction 837
that recognizes and accepts, as specified by the superintendent 838
in rule, the group capital calculation as the world-wide group 839
capital assessment for United States insurance groups who 840
operate in that jurisdiction. 841

(5) Notwithstanding the provisions of divisions (L) (4) (c) 842
and (d) of this section, a lead state commissioner shall require 843
the group capital calculation for United States operations of 844
any non-United States based insurance holding company system 845
where, after any necessary consultation with other supervisors 846
or officials, it is deemed appropriate by the lead state 847
commissioner for prudential oversight and solvency monitoring 848
purposes or for ensuring the competitiveness of the insurance 849
marketplace. 850

(6) Notwithstanding the exemptions from filing the group 851
capital calculation stated in divisions (L) (4) (a) to (d) of this 852
section, the lead state commissioner has the discretion to 853
exempt the ultimate controlling person from filing the annual 854
group capital calculation or to accept a limited group capital 855
filing or report in accordance with criteria as specified by the 856
superintendent in rule. 857

(7) If the lead state commissioner determines that an 858

insurance holding company system no longer meets one or more of 859
the requirements for an exemption from filing the group capital 860
calculation under this section, the insurance holding company 861
system shall file the group capital calculation at the next 862
annual filing date unless given an extension by the lead state 863
commissioner based on reasonable grounds shown. 864

(8) Until June 1, 2025, an insurance holding company 865
system that does not write business outside the United States is 866
not required to file a group capital calculation. 867

(M)(1) The ultimate controlling person of every insurer 868
subject to registration and also scoped into the national 869
association of insurance commissioners liquidity stress test 870
framework shall file the results of a specific year's liquidity 871
stress test. 872

(2) The filing shall be made to the lead state insurance 873
commissioner of the insurance holding company system as 874
determined by the procedures within the financial analysis 875
handbook adopted by the national association of insurance 876
commissioners. 877

(3)(a) The national association of insurance commissioners 878
liquidity stress test framework includes scope criteria 879
applicable to a specific data year. These scope criteria are 880
reviewed at least annually by the financial stability task force 881
or its successor. 882

(b) Any change to the national association of insurance 883
commissioners liquidity stress test framework or to the data 884
year for which the scope criteria are to be measured shall be 885
effective on January 1 of the year following the calendar year 886
when such changes are adopted. 887

(c) Insurers meeting at least one threshold of the scope 888
criteria are considered scoped into the national association of 889
insurance commissioners liquidity stress test framework for the 890
specified data year unless the lead state insurance 891
commissioner, in consultation with the national association of 892
insurance commissioners financial stability task force or its 893
successor, determines the insurer should not be scoped into the 894
framework for that data year. 895

(d) Insurers that do not trigger at least one threshold of 896
the scope criteria are considered scoped out of the national 897
association of insurance commissioners liquidity stress test 898
framework for the specified data year, unless the lead state 899
insurance commissioner, in consultation with the national 900
association of insurance commissioners financial stability task 901
force or its successor, determines the insurer should be scoped 902
into the framework for that data year. 903

(e) Regulators wish to avoid having insurers scoped in and 904
out of the national association of insurance commissioners 905
liquidity stress test framework on a frequent basis. The lead 906
state insurance commissioner, in consultation with the financial 907
stability task force or its successor, will assess this concern 908
as part of the determination for an insurer. 909

(f) The performance of, and filing of the results from, a 910
specific year's liquidity stress test shall comply with the 911
national association of insurance commissioners liquidity stress 912
test framework's instructions and reporting templates for that 913
year and any lead state insurance commissioner determinations, 914
in consultation with the financial stability task force or its 915
successor, provided within the framework. 916

(N) The failure to file any registration statement or any 917

amendment thereto or enterprise risk report required by this 918
section within the time specified for the filing is a violation 919
of this section. 920

Sec. 3901.34. (A) Transactions within an insurance holding 921
company system to which an insurer subject to registration is a 922
party shall be subject to the following standards: 923

(1) The terms shall be fair and reasonable. 924

(2) Charges or fees for services performed shall be 925
reasonable. 926

(3) Expenses incurred and payment received shall be 927
allocated to the insurer in conformity with customary insurance 928
accounting practices that are consistently applied. 929

(4) The books, accounts, and records of each party shall 930
be so maintained as to clearly and accurately disclose the 931
precise nature and details of the transactions including such 932
accounting information as is necessary to support the 933
reasonableness of the charges or fees to the respective parties. 934

(5) The insurer's surplus as regards policyholders 935
following any dividends or distributions to shareholder 936
affiliates shall be reasonable in relation to the insurer's 937
outstanding liabilities and adequate to its financial needs. 938

(6) Agreements for cost-sharing services and management 939
services shall include such provisions as required by the 940
superintendent of insurance in rule or regulation; 941

(7) If an insurer subject to sections 3901.32 to 3901.37 942
of the Revised Code is deemed by the superintendent to be in a 943
hazardous financial condition or a condition that would be 944
grounds for supervision, conservation, or a delinquency 945

proceeding, then the superintendent may require the insurer to 946
secure and maintain either a deposit, held by the 947
superintendent, or a bond, as determined by the insurer at the 948
insurer's discretion, for the protection of the insurer for the 949
duration of the contract or agreement, or the existence of the 950
condition for which the superintendent required the deposit or 951
the bond. 952

(8) In determining whether a deposit or a bond is 953
required, the superintendent may consider whether concerns exist 954
with respect to the affiliated person's ability to fulfill the 955
contract or agreement if the insurer were to be put into 956
liquidation. Once the insurer is deemed to be in a hazardous 957
financial condition or a condition that would be grounds for 958
supervision, conservation or a delinquency proceeding, and a 959
deposit or bond is necessary, the superintendent has discretion 960
to determine the amount of the deposit or bond, not to exceed 961
the value of the contract or agreement in any one year, and 962
whether such deposit or bond shall be required for a single 963
contract, multiple contracts, or a contract only with a specific 964
person or persons; 965

(9) (a) All records and data of the insurer held by an 966
affiliate are and remain the property of the insurer, are 967
subject to control of the insurer, are identifiable, and are 968
segregated or readily capable of segregation, at no additional 969
cost to the insurer, from all other persons' records and data. 970
This includes all records and data that are otherwise the 971
property of the insurer, in whatever form maintained, including: 972

(i) Claims and claim files; 973

(ii) Policyholder lists; 974

<u>(iii) Application files;</u>	975
<u>(iv) Litigation files;</u>	976
<u>(v) Premium records;</u>	977
<u>(vi) Rate books;</u>	978
<u>(vii) Underwriting manuals;</u>	979
<u>(viii) Personnel records;</u>	980
<u>(ix) Financial records or similar records within the possession, custody, or control of the affiliate.</u>	981 982
<u>(b) At the request of the insurer, the affiliate shall provide that the receiver can:</u>	983 984
<u>(i) Obtain a complete set of all records of any type that pertain to the insurer's business;</u>	985 986
<u>(ii) Obtain access to the operating systems on which the data is maintained;</u>	987 988
<u>(iii) Obtain the software that runs those systems either through assumption of licensing agreements or otherwise;</u>	989 990
<u>(iv) Restrict the use of the data by the affiliate if it is not operating the insurer's business.</u>	991 992
<u>(c) The affiliate shall provide a waiver of any landlord lien or other encumbrance to give the insurer access to all records and data in the event of the affiliate's default under a lease or other agreement.</u>	993 994 995 996
<u>(10) Premiums or other funds belonging to the insurer that are collected by or held by an affiliate are the exclusive property of the insurer and are subject to the control of the insurer. Any right of offset in the event an insurer is placed</u>	997 998 999 1000

into receivership is subject to Chapter 3903. of the Revised 1001
Code. 1002

(B) For the purposes of this section, in determining 1003
whether an insurer's surplus as regards policyholders is 1004
reasonable in relation to the insurer's outstanding liabilities 1005
and adequate to its financial needs, the following factors, 1006
among others, may be considered: 1007

(1) The size of the insurer as measured by its assets, 1008
capital, surplus, reserves, premium writings, insurance in 1009
force, and other appropriate criteria; 1010

(2) The extent to which the insurer's business is 1011
diversified among the several lines of insurance; 1012

(3) The number and size of risks insured in each line of 1013
business; 1014

(4) The extent of the geographical dispersion of the 1015
insurer's insured risks; 1016

(5) The nature and extent of the insurer's reinsurance 1017
program; 1018

(6) The quality, diversification, and liquidity of the 1019
insurer's investment portfolio; 1020

(7) The recent past and projected future trend in the size 1021
of the insurer's surplus as regards policyholders; 1022

(8) The adequacy of the insurer's reserves; 1023

(9) The quality and liquidity of investments in 1024
subsidiaries. The superintendent may discount any such 1025
investment or treat any investment as a nonadmitted asset for 1026
purposes of determining the adequacy of surplus as regards 1027

policyholders whenever the investment so warrants. 1028

(10) The quality of the insurer's earnings and the extent 1029
to which the reported earnings include extraordinary items; 1030

(11) The surplus as regards policyholders maintained by 1031
other comparable insurers in respect of the factors enumerated 1032
in this division. 1033

(C) No insurer subject to registration under section 1034
3901.33 of the Revised Code shall pay any extraordinary dividend 1035
or make any other extraordinary distribution to its shareholders 1036
and the declaration of any such dividend or distribution shall 1037
be conditional and shall confer no rights upon shareholders 1038
until thirty days after the superintendent has received notice 1039
of the declaration thereof and has not within the thirty-day 1040
period disapproved the dividend or distribution, or the 1041
superintendent has approved the dividend or distribution within 1042
the thirty-day period. 1043

Prior to paying any dividend or distribution, the insurer 1044
shall notify the superintendent on a form provided by the 1045
superintendent for informational purposes within five business 1046
days following its declaration of any dividend or distribution 1047
and at least ten calendar days prior to payment of such dividend 1048
or distribution, such ten-calendar-day period to be measured 1049
from the date of the superintendent's receipt of the notice. 1050

For the purposes of this section, an extraordinary 1051
dividend or distribution includes any dividend or distribution 1052
of cash or other property, whose fair market value, together 1053
with that of other dividends or distributions made within the 1054
preceding twelve months, exceeds the greater of ten per cent of 1055
the insurer's surplus as regards policyholders as of the thirty- 1056

first day of December next preceding, or the net income of the 1057
insurer for the twelve-month period ending the thirty-first day 1058
of December next preceding, but shall not include pro rata 1059
distributions of any class of the insurer's own securities. 1060

Any dividend or distribution paid from other than earned 1061
surplus shall be considered an extraordinary dividend or 1062
extraordinary distribution. For the purposes of this section, 1063
"earned surplus" means an amount equal to an insurer's 1064
unassigned funds as set forth in its most recent statutory 1065
financial statement submitted to the superintendent, including 1066
net unrealized capital gains and losses or revaluation of 1067
assets. 1068

Sec. 3901.341. (A) No insurer subject to registration 1069
under section 3901.33 of the Revised Code shall enter into any 1070
of the following transactions with any person in its insurance 1071
holding company system, including amendments or modifications of 1072
affiliate agreements previously filed under this section that 1073
are subject to the materiality standards contained in divisions 1074
(A) (1) to (5) of this section, until thirty days after the 1075
superintendent of insurance has received, for the 1076
superintendent's review, written notice of the insurer's 1077
intention to enter into the transaction and if, during that 1078
period, the superintendent has not disapproved the proposed 1079
transaction. The notice for amendments or modifications shall 1080
include the reasons for the change and the financial impact on 1081
the domestic insurer. Informal notice shall be reported to the 1082
superintendent within thirty days after termination of a 1083
previously filed agreement. These requirements shall apply to 1084
all of the following transactions: 1085

(1) Any sale, purchase, exchange of assets, loan, 1086

extension of credit, guarantee, or investment, if the 1087
transaction equals or exceeds, with respect to insurers other 1088
than life insurers, the lesser of three per cent of the 1089
insurer's admitted assets as of the thirty-first day of December 1090
next preceding or twenty-five per cent of the insurer's surplus 1091
as regards policyholders as of the thirty-first day of December 1092
next preceding or, with respect to life insurers, three per cent 1093
of the insurer's admitted assets as of the thirty-first day of 1094
December next preceding; 1095

(2) Any loan or extension of credit to any person that is 1096
not an affiliate of the insurer, if both of the following apply: 1097

(a) The loan or extension of credit equals or exceeds, 1098
with respect to insurers other than life insurers, the lesser of 1099
three per cent of the insurer's admitted assets as of the 1100
thirty-first day of December next preceding or twenty-five per 1101
cent of the insurer's surplus as regards policyholders as of the 1102
thirty-first day of December next preceding or, with respect to 1103
life insurers, three per cent of the insurer's admitted assets 1104
as of the thirty-first day of December next preceding. 1105

(b) The insurer makes the loan or extends the credit with 1106
an agreement or understanding that the proceeds of the 1107
transaction, in whole or in substantial part, are to be used to 1108
make loans or extend credit to, to purchase assets of, or to 1109
make investments in, any affiliate of the insurer. 1110

(3) Reinsurance agreements or modifications including all 1111
of the following: 1112

(a) All new reinsurance pooling agreements; 1113

(b) All reinsurance pooling agreements in which a domestic 1114
company is newly added; 1115

(c) Agreements in which the reinsurance premium or the 1116
change in the insurer's liabilities, or the projected 1117
reinsurance premium or a change in the insurer's liabilities in 1118
any of the next three years, equals or exceeds five per cent of 1119
the insurer's surplus as regards policyholders as of the thirty- 1120
first day of December next preceding. 1121

Division (A) (3) of this section also applies to 1122
reinsurance agreements that may require as consideration the 1123
transfer of assets from an insurer to a nonaffiliate, if the 1124
insurer and nonaffiliate have an agreement or understanding that 1125
any portion of the assets will be transferred to one or more 1126
affiliates of the insurer. 1127

(4) All management agreements, service contracts, tax 1128
allocations agreements, and cost-sharing arrangements; 1129

(5) Any other material transaction that the 1130
superintendent, pursuant to rules adopted in accordance with 1131
Chapter 119. of the Revised Code, determines may render the 1132
insurer's surplus as regards policyholders unreasonable in 1133
relation to the insurer's outstanding liabilities and inadequate 1134
to its financial needs. 1135

(B) In reviewing transactions under division (A) of this 1136
section, the superintendent shall consider whether the terms of 1137
the transaction are fair and reasonable and whether the 1138
transaction may adversely affect the interests of policyholders. 1139

(C) Any transaction or agreement described in division (A) 1140
of this section that is not disapproved by the superintendent in 1141
accordance with that division is effective as of the effective 1142
date set forth in the notice required under this section. 1143

(D) The superintendent, pursuant to rules adopted in 1144

accordance with Chapter 119. of the Revised Code, may designate 1145
certain types of transactions that need not be submitted for 1146
review under division (A) of this section, if those transactions 1147
would not have a significant impact on the financial condition 1148
of an insurer. 1149

(E) A domestic insurer shall not enter into any 1150
transaction described in division (A) of this section with 1151
members of its insurance holding company system if the 1152
transaction is part of a plan or series of similar transactions 1153
and if the purpose of entering into the separate transactions is 1154
to avoid the review required under division (A) of this section 1155
that would otherwise occur. If the superintendent determines 1156
that the insurer, within a twelve-month period, entered into 1157
those separate transactions for that purpose, the superintendent 1158
may take any action authorized by section 3901.37 of the Revised 1159
Code. 1160

(F) A domestic insurer shall give written notice to the 1161
superintendent, within thirty days after making an investment, 1162
if the investment is made in a corporation and the total 1163
investment in the corporation by the insurance holding company 1164
system exceeds ten per cent of the voting securities of the 1165
corporation. 1166

(G) Any affiliate that is party to an agreement or 1167
contract with a domestic insurer that is subject to division (A) 1168
(4) of this section shall be subject to the jurisdiction of any 1169
supervision, seizure, conservatorship, or receivership 1170
proceedings against the insurer and to the authority of any 1171
supervisor, conservator, rehabilitator, or liquidator for the 1172
insurer appointed pursuant to Chapter 3903. of the Revised Code 1173
for the purpose of interpreting, enforcing, and overseeing the 1174

affiliate's obligations under the agreement or contract to 1175
perform services for the insurer that are either of the 1176
following: 1177

(1) An integral part of the insurer's operations, 1178
including management, administrative, accounting, data 1179
processing, marketing, underwriting, claims handling, 1180
investment, or any other similar functions; 1181

(2) Essential to the insurer's ability to fulfill its 1182
obligations under insurance policies. 1183

(H) Nothing in division (A) of this section shall be 1184
construed to authorize or permit any transaction that would 1185
otherwise be contrary to law. 1186

Sec. 3901.36. (A) (1) Documents, materials, or other 1187
information in the possession or control of the department of 1188
insurance that are obtained by or disclosed to the 1189
superintendent of insurance or any other person in the course of 1190
an examination or investigation made pursuant to section 3901.35 1191
of the Revised Code and all information reported pursuant to 1192
section 3901.33 of the Revised Code are recognized by this state 1193
as being proprietary and to contain trade secrets and shall be 1194
given confidential and privileged treatment and shall not be 1195
subject to section 149.43 of the Revised Code, subpoena, or 1196
discovery, and shall not be admissible in evidence in any 1197
private civil action. The superintendent shall not make the 1198
documents, materials, or other information public unless one of 1199
the following applies: 1200

~~(1)~~ (a) The superintendent uses the documents, materials, 1201
or other information in furtherance of any regulatory or legal 1202
action brought as a part of the superintendent's official 1203

duties. 1204

~~(2)~~ (b) The superintendent has obtained the prior written 1205
consent of the insurer pertaining to the disclosure of the 1206
documents, materials, or other information of the insurer. 1207

~~(3)~~ (c) The superintendent, after giving the insurer and 1208
those affiliates that are the subject of the documents, 1209
materials, or other information notice and an opportunity to be 1210
heard in accordance with Chapter 119. of the Revised Code, 1211
determines that the interests of policyholders, shareholders, or 1212
the public will be served by the disclosure, in which case the 1213
superintendent may make disclosures as the superintendent 1214
considers appropriate. 1215

(2) For purposes of the information reported and provided 1216
to the superintendent of insurance pursuant to the group capital 1217
calculation requirements prescribed in division (L) of section 1218
3901.33 of the Revised Code, the superintendent shall maintain 1219
the confidentiality of the group capital calculation and group 1220
capital ratio produced within the calculation and any group 1221
capital information received from an insurance holding company 1222
supervised by the United States federal reserve board or any 1223
United States group-wide supervisor. 1224

(3) For purposes of the information reported and provided 1225
to the superintendent of insurance pursuant to the liquidity 1226
stress test requirements prescribed in division (M) of section 1227
3901.33 of the Revised Code, the superintendent shall maintain 1228
the confidentiality of the liquidity stress test results and 1229
supporting disclosures and any liquidity stress test information 1230
received from an insurance holding company supervised by the 1231
United States federal reserve board and non-United States group- 1232
wide supervisors. 1233

(B) Neither the superintendent nor any person who receives 1234
documents, materials, or other information while acting under 1235
the authority of the superintendent or with whom such documents, 1236
materials, or other information are shared pursuant to this 1237
section shall be permitted or required to testify in any private 1238
civil action concerning any confidential documents, materials, 1239
or information subject to division (A) of this section. 1240

(C) In order to assist in the performance of the 1241
superintendent's duties under this section, the superintendent 1242
may do either of the following: 1243

(1) Share documents, materials, or other information, 1244
including the confidential and privileged documents, materials, 1245
or other information subject to division (A) of this section, 1246
including proprietary and trade secret documents and materials, 1247
with other local, state, federal, and international regulatory 1248
and law enforcement agencies, with the national association of 1249
insurance commissioners ~~and its affiliates and subsidiaries,~~ 1250
with third-party consultants designated by the superintendent, 1251
and with members of any supervisory college described in section 1252
3901.351 of the Revised Code, provided that the recipient agrees 1253
to maintain the confidential or privileged status of the 1254
confidential or privileged documents, materials, or other 1255
information and has verified in writing the legal authority to 1256
do so. The superintendent may share confidential and privileged 1257
documents, materials, or other information reported pursuant to 1258
section 3901.33 of the Revised Code only with superintendents of 1259
states having statutes or regulations substantially similar to 1260
division (A) of this section and who have agreed in writing not 1261
to disclose such information. 1262

(2) Receive documents, materials, or information, 1263

including otherwise confidential and privileged documents, 1264
materials, or information, including proprietary and trade- 1265
secret information, from the national association of insurance 1266
commissioners and its affiliates and subsidiaries and from 1267
regulatory and law enforcement officials of other foreign or 1268
domestic jurisdictions. The superintendent shall maintain as 1269
confidential or privileged any such document, material, or 1270
information received with notice or the understanding that it is 1271
confidential or privileged under the laws of the jurisdiction 1272
that is the source of the document, material, or information. 1273

(D) The superintendent shall enter into written agreements 1274
with the national association of insurance commissioners, and 1275
any third-party consultant designated by the superintendent, 1276
governing sharing and use of information provided pursuant to 1277
sections 3901.32 to 3901.37 of the Revised Code consistent with 1278
division (C) of this section. The written agreements shall do 1279
all of the following: 1280

(1) Specify procedures and protocols regarding the 1281
confidentiality and security of information shared with the 1282
national association of insurance commissioners ~~and its~~ 1283
~~affiliates and subsidiaries or a third-party consultant~~ 1284
designated by the superintendent pursuant to sections 3901.32 to 1285
3901.37 of the Revised Code, including procedures and protocols 1286
for sharing by the national association of insurance 1287
commissioners with other state, federal, or international 1288
regulators~~r~~. The agreement shall provide that the recipient 1289
agrees in writing to maintain the confidentiality and privileged 1290
status of the documents, materials, or other information and has 1291
verified in writing the legal authority to maintain such 1292
confidentiality. 1293

(2) Specify that ownership of information shared with the national association of insurance commissioners and ~~its affiliates and subsidiaries~~ or a third-party consultant pursuant to sections 3901.32 to 3901.37 of the Revised Code remains with the superintendent and the national association of insurance commissioners' or a third-party consultant's, as designated by the superintendent, use of the information is subject to the direction of the superintendent;

(3)(a) Prohibit the national association of insurance commissioners or third-party consultant designated by the superintendent from storing the information shared pursuant to this section in a permanent database after the underlying analysis is completed;

(b) Division (D) (3) (a) of this section does not apply to documents, material, or information reported pursuant to the liquidity stress test requirements prescribed in division (M) of section 3901.33 of the Revised Code.

(4) Require prompt notice to be given to an insurer whose confidential information is in the possession of the national association of insurance commissioners ~~or its affiliates or subsidiaries and~~ or a third-party consultant designated by the superintendent pursuant to this section is subject to a request or subpoena to the national association of insurance commissioners or a third-party consultant designated by the superintendent for disclosure or production;

~~(4)~~ (5) Require the national association of insurance commissioners and its affiliates and subsidiaries or a third-party consultant designated by the superintendent to consent to intervention by an insurer in any judicial or administrative action in which the national association of insurance

~~commissioners and its affiliates and subsidiaries or a third-~~ 1324
~~party consultant designated by the superintendent~~ may be 1325
required to disclose confidential information about the insurer 1326
shared with the national association of insurance commissioners 1327
~~and its affiliates and subsidiaries or a third-party consultant~~ 1328
pursuant to sections 3901.32 to 3901.37 of the Revised Code; 1329

(6) For documents, material, or information reporting 1330
pursuant to the liquidity stress test requirements prescribed in 1331
division (M) of section 3901.33 of the Revised Code, in the case 1332
of an agreement involving a third-party consultant, provide for 1333
notification of the identity of the consultant to the applicable 1334
insurers. 1335

(E) The sharing of information by the superintendent 1336
pursuant to sections 3901.32 to 3901.37 of the Revised Code 1337
shall not constitute a delegation of regulatory or rule-making 1338
authority. The superintendent is solely responsible for the 1339
administration, execution, and enforcement of the provisions of 1340
sections 3901.32 to 3901.37 of the Revised Code. 1341

(F) No waiver of any applicable privilege or claim of 1342
confidentiality in the documents, materials, or other 1343
information described in this section shall occur as a result of 1344
sharing or receiving documents and information as authorized in 1345
division (C) of this section. 1346

(G) Documents, materials, or other information in the 1347
possession or control of the national association of insurance 1348
commissioners or a third-party consultant designated by the 1349
superintendent pursuant to this section shall be given 1350
confidential and privileged treatment and shall not be subject 1351
to section 149.43 of the Revised Code, subpoena, or discovery, 1352
and shall not be admissible in evidence in any private civil 1353

action. 1354

(H) The group capital calculation and resulting group 1355
capital ratio required under division (L) of section 3901.33 of 1356
the Revised Code and the liquidity stress test along with its 1357
results and supporting disclosures required under division (M) 1358
of section 3901.33 of the Revised Code are regulatory tools for 1359
assessing group risks and capital adequacy and group liquidity 1360
risks, respectively, and are not intended as a means to rank 1361
insurers or insurance holding company systems generally. 1362

Therefore, except as otherwise may be required under the 1363
provisions of sections 3901.31 to 3901.37 of the Revised Code, 1364
the making, publishing, disseminating, circulating, or placing 1365
before the public, or causing directly or indirectly to be made, 1366
published, disseminated, circulated, or placed before the public 1367
in a newspaper, magazine or other publication, or in the form of 1368
a notice, circular, pamphlet, letter, or poster, or over any 1369
radio or television station or any electronic means of 1370
communication available to the public, or in any other way as an 1371
advertisement, announcement, or statement containing a 1372
representation or statement with regard to the group capital 1373
calculation, group capital ratio, the liquidity stress test 1374
results, or supporting disclosures for the liquidity stress test 1375
of any insurer or any insurer group, or of any component derived 1376
in the calculation by any insurer, broker, or other person 1377
engaged in any manner in the insurance business would be 1378
misleading and is therefore prohibited; provided, however, that 1379
if any materially false statement with respect to the group 1380
capital calculation, resulting group capital ratio, an 1381
inappropriate comparison of any amount to an insurer's or 1382
insurance group's group capital calculation or resulting group 1383
capital ratio, liquidity stress test result, supporting 1384

disclosures for the liquidity stress test, or an inappropriate 1385
comparison of any amount to an insurer's or insurance group's 1386
liquidity stress test result or supporting disclosures is 1387
published in any written publication and the insurer is able to 1388
demonstrate to the superintendent with substantial proof the 1389
falsity of such statement or the inappropriateness, as the case 1390
may be, then the insurer may publish announcements in a written 1391
publication if the sole purpose of the announcement is to rebut 1392
the materially false statement. 1393

Sec. 3905.051. (A) As used in this section: 1394

(1) (a) "Applicant" means a natural person applying for 1395
either of the following: 1396

~~(a)~~ (i) A resident license as an insurance agent or surety 1397
bail bond agent; 1398

~~(b)~~ (ii) An additional line of authority under an existing 1399
resident insurance agent license if a criminal records check has 1400
not been obtained within the last twelve months for insurance 1401
license purposes. 1402

(b) "Applicant" includes a natural person who is the 1403
president, secretary, treasurer, or other officer or person who 1404
directs or controls the insurance operations of a limited lines 1405
travel agent that is a business entity, as described in section 1406
3905.066 of the Revised Code. 1407

(2) "Fingerprint" means an impression of the lines on the 1408
finger taken for the purpose of identification. The impression 1409
may be electronic or converted to an electronic format. 1410

(B) Each applicant shall consent to a criminal record 1411
check in accordance with this section and shall submit a full 1412
set of fingerprints to the superintendent of insurance for that 1413

purpose. 1414

(C) The superintendent of insurance shall request the 1415
superintendent of the bureau of criminal identification and 1416
investigation to conduct a criminal records check based on the 1417
applicant's fingerprints. The superintendent of insurance shall 1418
request that criminal record information from the federal bureau 1419
of investigation be obtained as part of the criminal records 1420
check. 1421

(D) The superintendent of insurance may contract for the 1422
collection and transmission of fingerprints authorized under 1423
this section. The superintendent may order the fee for 1424
collecting and transmitting fingerprints to be payable directly 1425
to the contractor by the applicant. The superintendent may agree 1426
to a reasonable fingerprinting fee to be charged by the 1427
contractor. Any fee required under this section shall be paid by 1428
the applicant. 1429

(E) The superintendent may receive criminal record 1430
information directly in lieu of the bureau of criminal 1431
identification and investigation that submitted the fingerprints 1432
to the federal bureau of investigation. 1433

(F) The superintendent shall treat and maintain an 1434
applicant's fingerprints and any criminal record information 1435
obtained under this section as confidential and shall apply 1436
security measures consistent with the criminal justice 1437
information services division of the federal bureau of 1438
investigation standards for the electronic storage of 1439
fingerprints and necessary identifying information and limit the 1440
use of records solely to the purposes authorized by this 1441
section. The fingerprints and any criminal record information 1442
are not subject to subpoena other than one issued pursuant to a 1443

criminal investigation, are confidential by law and privileged, 1444
are not subject to discovery, and are not admissible in any 1445
private civil action. 1446

(G) This section does not apply to an agent applying for 1447
renewal of an existing resident or nonresident license in this 1448
state. 1449

Sec. 3905.06. (A) (1) The superintendent of insurance shall 1450
issue a resident insurance agent license to an individual 1451
applicant whose home state is Ohio upon submission of a 1452
completed application and payment of any applicable fee required 1453
under this chapter, if the superintendent finds all of the 1454
following: 1455

(a) The applicant is at least eighteen years of age. 1456

(b) The applicant has not committed any act that is a 1457
ground for the denial, suspension, or revocation of a license 1458
under section 3905.14 of the Revised Code. 1459

(c) If required under section 3905.04 of the Revised Code, 1460
the applicant has completed a program of insurance education for 1461
each line of authority for which the applicant has applied. 1462

(d) If required under section 3905.04 of the Revised Code, 1463
the applicant has passed an examination for each line of 1464
authority for which the applicant has applied. 1465

(e) Any applicant applying for variable life-variable 1466
annuity line of authority is registered with the financial 1467
industry regulatory authority (FINRA) as a registered 1468
representative after having passed at least one of the following 1469
examinations administered by the FINRA: the series 6 1470
examination, the series 7 examination, the series 63 1471
examination, the series 66 examination, or any other FINRA 1472

examination approved by the superintendent.	1473
(f) If required under section 3905.051 of the Revised Code, the applicant has consented to a criminal records check and the results of the applicant's criminal records check are determined to be satisfactory by the superintendent in accordance with section 9.79 of the Revised Code.	1474 1475 1476 1477 1478
(g) The applicant is a United States citizen or has provided proof of having legal authorization to work in the United States.	1479 1480 1481
(h) The applicant is honest and trustworthy and is otherwise suitable to be licensed.	1482 1483
(2) The superintendent shall issue a resident insurance agent license to a business entity applicant upon submission of a completed application and payment of any applicable fees required under this chapter if the superintendent finds all of the following:	1484 1485 1486 1487 1488
(a) Except as provided under division (C)(2) of section 3905.062 or division (C)(2) of section 3905.063 of the Revised Code, the applicant either is domiciled in Ohio or maintains its principal place of business in Ohio.	1489 1490 1491 1492
(b) The applicant has designated a licensed insurance agent who will be responsible for the applicant's compliance with the insurance laws of this state.	1493 1494 1495
(c) The applicant has not committed any act that is a ground for the denial, suspension, or revocation of a license under section 3905.14 of the Revised Code.	1496 1497 1498
(d) Any applicant applying for a portable electronics insurance license line of authority satisfies the requirements	1499 1500

of division (C) (1) of section 3905.062 of the Revised Code or 1501
any applicant applying for a self-service storage insurance 1502
license line of authority satisfies the requirements of division 1503
(C) (1) of section 3905.063 of the Revised Code. 1504

(e) The applicant has submitted any other documents 1505
requested by the superintendent. 1506

(B) An insurance agent license issued pursuant to division 1507
(A) of this section shall state the licensee's name, the license 1508
number, the date of issuance, the date the license expires, the 1509
line or lines of authority for which the licensee is qualified, 1510
and any other information the superintendent deems necessary. 1511

A licensee may be qualified for any of the following lines 1512
of authority: 1513

(1) Life, which is insurance coverage on human lives, 1514
including benefits of endowment and annuities, and may include 1515
benefits in the event of death or dismemberment by accident and 1516
benefits for disability income; 1517

(2) Accident and health, which is insurance coverage for 1518
sickness, bodily injury, or accidental death, and may include 1519
benefits for disability income; 1520

(3) Property, which is insurance coverage for the direct 1521
or consequential loss or damage to property of any kind; 1522

(4) Casualty, which is insurance coverage against legal 1523
liability, including coverage for death, injury, or disability 1524
or damage to real or personal property; 1525

(5) Personal lines, which is property and casualty 1526
insurance coverage sold to individuals and families for 1527
noncommercial purposes; 1528

(6) Variable life and variable annuity products, which is insurance coverage provided under variable life insurance contracts and variable annuities;	1529 1530 1531
(7) Credit, which is limited line credit insurance;	1532
(8) Title, which is insurance coverage against loss or damage suffered by reason of liens against, encumbrances upon, defects in, or the unmarketability of, real property;	1533 1534 1535
(9) Surety bail bond, which is the authority set forth in sections 3905.83 to 3905.95 of the Revised Code;	1536 1537
(10) Portable electronics insurance, which is a limited line described in section 3905.062 of the Revised Code;	1538 1539
(11) Self-service storage insurance, which is a limited line described in section 3905.063 of the Revised Code;	1540 1541
(12) Travel insurance, which is a limited line described in section <u>sections 3905.064 to 3905.0611</u> of the Revised Code;	1542 1543
(13) Any other line of authority designated by the superintendent.	1544 1545
(C) (1) An individual seeking to renew a resident insurance agent license shall apply biennially for a renewal of the license on or before the last day of the licensee's birth month. A business entity seeking to renew a resident insurance agent license shall apply biennially for a renewal of the license on or before the date determined by the superintendent. The superintendent shall send a renewal notice to all licensees at least one month prior to the renewal date.	1546 1547 1548 1549 1550 1551 1552 1553
Applications shall be submitted to the superintendent on forms prescribed by the superintendent. Each application shall be accompanied by a biennial renewal fee. The superintendent	1554 1555 1556

also may require an applicant to submit any document reasonably 1557
necessary to verify the information contained in the renewal 1558
application. 1559

(2) To be eligible for renewal, an individual applicant 1560
shall complete the continuing education requirements pursuant to 1561
section 3905.481 of the Revised Code prior to the renewal date. 1562

(3) If an applicant submits a completed renewal 1563
application, qualifies for renewal pursuant to divisions (C)(1) 1564
and (2) of this section, and has not committed any act that is a 1565
ground for the refusal to issue, suspension of, or revocation of 1566
a license under section 3905.14 of the Revised Code, the 1567
superintendent shall renew the applicant's resident insurance 1568
agent license. 1569

(D) If an individual or business entity does not apply for 1570
the renewal of the individual or business entity's license on or 1571
before the license renewal date specified in division (C)(1) of 1572
this section, the individual or business entity may submit a 1573
late renewal application along with all applicable fees required 1574
under this chapter prior to the first day of the second month 1575
following the license renewal date. 1576

(E) A license issued under this section that is not 1577
renewed on or before its renewal date pursuant to division (C) 1578
of this section or its late renewal date pursuant to division 1579
(D) of this section automatically is suspended for nonrenewal on 1580
the first day of the second month following the renewal date. If 1581
a license is suspended for nonrenewal pursuant to this division, 1582
the individual or business entity is eligible to apply for 1583
reinstatement of the license within the twelve-month period 1584
following the date by which the license should have been renewed 1585
by complying with the reinstatement procedure established by the 1586

superintendent and paying all applicable fees required under 1587
this chapter. 1588

(F) A license that is suspended for nonrenewal that is not 1589
reinstated pursuant to division (E) of this section 1590
automatically is canceled unless the superintendent is 1591
investigating any allegations of wrongdoing by the agent or has 1592
initiated proceedings under Chapter 119. of the Revised Code. In 1593
that case, the license automatically is canceled after the 1594
completion of the investigation or proceedings unless the 1595
superintendent revokes the license. 1596

(G) An individual licensed as a resident insurance agent 1597
who is unable to comply with the license renewal procedures 1598
established under this section and who is unable to engage in 1599
the business of insurance due to military service, a long-term 1600
medical disability, or some other extenuating circumstance may 1601
request an extension of the renewal date of the individual's 1602
license. To be eligible for such an extension, the individual 1603
shall submit a written request with supporting documentation to 1604
the superintendent. At the superintendent's discretion, the 1605
superintendent may not consider a written request made after the 1606
renewal date of the license. 1607

Sec. 3905.064. ~~(A)~~ As used in this section sections 1608
3905.064 to 3905.0611 of the Revised Code: 1609

(A) "Aggregator site" means a web site that provides 1610
access to information regarding insurance products from more 1611
than one insurer, including product and insurer information, for 1612
use in comparison shopping. 1613

(B) "Blanket travel insurance" means a policy of travel 1614
insurance issued to any eligible group providing coverage for 1615

specific classes of persons defined in the policy with coverage 1616
provided to all members of the eligible group without a separate 1617
charge to individual members of the eligible group. 1618

(C) "Cancellation fee waiver" means a contractual 1619
agreement between a supplier of travel services and its customer 1620
to waive some or all of the nonrefundable cancellation fee 1621
provisions of the supplier's underlying travel contract, with or 1622
without regard to the reason for the cancellation or form of 1623
reimbursement. 1624

(D) "Eligible group" means, solely for the purposes of 1625
travel insurance, two or more persons who are engaged in a 1626
common enterprise, or have an economic, educational, or social 1627
affinity or relationship. "Eligible group" includes any of the 1628
following: 1629

(1) Any entity engaged in the business of providing travel 1630
or travel services, including all of the following: 1631

(a) Tour operators; 1632

(b) Lodging providers; 1633

(c) Vacation property owners; 1634

(d) Hotels and resorts; 1635

(e) Travel clubs; 1636

(f) Travel agencies; 1637

(g) Property managers; 1638

(h) Cultural exchange programs; 1639

(i) Common carriers or the operator, owner, or lessor of a 1640
means of transportation of passengers, including airlines, 1641
cruise lines, railroads, steamship companies, and public bus 1642

carriers that, with regard to any particular travel or type of 1643
travel or travelers, subjects all members or customers of the 1644
group to a common exposure to risk attendant to such travel; 1645

(2) Any college, school, or other institution of learning, 1646
obtaining travel insurance covering students, teachers, 1647
employees, or volunteers; 1648

(3) Any employer obtaining travel insurance coverage for 1649
any group of employees, volunteers, contractors, board of 1650
directors, dependents, or guests; 1651

(4) Any sports team, camp, or sponsor thereof, obtaining 1652
travel insurance coverage for participants, members, campers, 1653
employees, officials, supervisors, or volunteers; 1654

(5) Any religious, charitable, recreational, educational, 1655
or civic organization, or branch thereof, obtaining travel 1656
insurance coverage for any group of members, participants, or 1657
volunteers; 1658

(6) Any financial institution or financial institution 1659
vendor, or parent holding company, trustee, or agent of, or 1660
designated by, one or more financial institutions or financial 1661
institution vendors, including account holders, credit card 1662
holders, debtors, guarantors, or purchasers; 1663

(7) Any incorporated or unincorporated association, 1664
including labor unions, that have a common interest, 1665
constitution, and bylaws, and that are organized and maintained 1666
in good faith for purposes other than obtaining insurance for 1667
members or participants of such association covering its 1668
members; 1669

(8) Any trust or the trustees of a fund established, 1670
created, or maintained for the benefit of and covering obtaining 1671

travel insurance coverage for members, employees, or customers 1672
of one or more associations meeting the requirements of division 1673
(D) (7) of this section, subject to the superintendent's 1674
permitting the use of a trust and the state's premium tax 1675
provisions in section 3905.068 of the Revised Code; 1676

(9) Any entertainment production company obtaining travel 1677
insurance coverage for any group of participants, volunteers, 1678
audience members, contestants, or workers; 1679

(10) Any volunteer fire department, ambulance, rescue, 1680
police, or court, or any first aid, civil defense, or other such 1681
volunteer group; 1682

(11) Preschools, day-care institutions for children or 1683
adults, and senior citizen clubs; 1684

(12) Any automobile or truck rental or leasing company 1685
obtaining travel insurance coverage for a group of individuals 1686
who may become renters, lessees, or passengers, defined by their 1687
travel status, on the rented or leased vehicles; 1688

(13) Any other group whose members the superintendent has 1689
determined are engaged in a common enterprise, or that have an 1690
economic, educational, or social affinity or relationship, if 1691
the superintendent also determines that issuance of the travel 1692
insurance policy would not be contrary to the public interest. 1693

(E) "Fulfillment materials" means documentation sent to 1694
the purchaser of a travel protection plan confirming the 1695
purchase and providing the travel protection plan's coverage and 1696
assistance details. 1697

(F) "Group travel insurance" means travel insurance issued 1698
to any eligible group. 1699

~~(1)~~-(G) "Limited lines travel insurance agent" means an 1700
individual or business entity licensed to sell, solicit, or 1701
negotiate travel insurance under ~~this section~~ section 3905.065 of 1702
the Revised Code. "Limited lines travel insurance agent" 1703
includes a licensed insurance agent and a travel administrator. 1704

~~(2)~~-(H) "Offer and sell" means providing general 1705
information, including a description of the coverage and price, 1706
as well as processing the application and collecting premiums. 1707

(I) "Primary certificate holder" means an individual 1708
person who elects and purchases travel insurance under a group 1709
policy. 1710

(J) "Primary policyholder" means an individual person who 1711
elects and purchases individual travel insurance. 1712

(K) "Travel administrator" means a person who directly or 1713
indirectly underwrites, collects charges, collateral, or 1714
premiums from, or adjusts or settles claims on residents of this 1715
state, in connection with travel insurance. The following 1716
persons shall not be considered a travel administrator if they 1717
engage in no other activities that would cause them to be 1718
considered a travel administrator: 1719

(1) A person working for a travel administrator to the 1720
extent that the person's activities are subject to the 1721
supervision and control of the travel administrator; 1722

(2) An insurance agent selling insurance or engaged in 1723
administrative and claims-related activities within the scope of 1724
the agent's license; 1725

(3) A travel retailer offering and selling travel 1726
insurance and registered under the license of a limited-lines 1727
travel insurance agent in accordance with sections 3905.065 and 1728

<u>3905.066 of the Revised Code;</u>	1729
<u>(4) An individual adjusting or settling claims in the</u>	1730
<u>normal course of that individual's practice or employment as an</u>	1731
<u>attorney at law and who does not collect charges or premiums in</u>	1732
<u>connection with insurance coverage;</u>	1733
<u>(5) A business entity affiliated with a licensed insurer</u>	1734
<u>while that insurer is acting as a travel administrator for the</u>	1735
<u>direct and assumed insurance business of a separate affiliated</u>	1736
<u>insurer.</u>	1737
<u>(L) "Travel assistance services" means noninsurance</u>	1738
<u>services for which the consumer is not indemnified based on a</u>	1739
<u>fortuitous event, and where providing the service does not</u>	1740
<u>result in transfer or shifting of risk that would constitute the</u>	1741
<u>business of insurance. "Travel assistance services" include all</u>	1742
<u>of the following:</u>	1743
<u>(1) Security advisories;</u>	1744
<u>(2) Destination information;</u>	1745
<u>(3) Vaccination and immunization information services;</u>	1746
<u>(4) Travel reservation services;</u>	1747
<u>(5) Entertainment;</u>	1748
<u>(6) Activity and event planning;</u>	1749
<u>(7) Translation assistance;</u>	1750
<u>(8) Emergency messaging;</u>	1751
<u>(9) International legal and medical referrals;</u>	1752
<u>(10) Medical case monitoring;</u>	1753
<u>(11) Coordination of transportation arrangements;</u>	1754

<u>(12) Emergency cash transfer assistance;</u>	1755
<u>(13) Medical prescription replacement assistance;</u>	1756
<u>(14) Passport and travel document replacement assistance;</u>	1757
<u>(15) Lost luggage assistance;</u>	1758
<u>(16) Concierge services;</u>	1759
<u>(17) Any other service that is furnished in connection</u> <u>with planned travel.</u>	1760 1761
<u>(M) (1) "Travel insurance" means insurance coverage for</u> personal risks incident to planned travel, including all of the following:	1762 1763 1764
(a) Interruption or cancellation of a trip or event;	1765
(b) Loss of baggage or personal effects;	1766
(c) Damages to accommodations or rental vehicles;	1767
(d) Sickness, accident, disability, or death occurring during travel;	1768 1769
<u>(e) Emergency evacuation;</u>	1770
<u>(f) Repatriation of remains;</u>	1771
<u>(g) Any other contractual obligations to indemnify or pay</u> <u>a specified amount to the traveler upon determinable</u> <u>contingencies related to travel as approved by the</u> <u>superintendent of insurance.</u>	1772 1773 1774 1775
<u>(2) "Travel insurance" does not include major any of the</u> <u>following:</u>	1776 1777
<u>(a) Major</u> medical plans that provide comprehensive medical protection for a traveler with a trip lasting six months or	1778 1779

longer, including a plan covering a person working overseas as 1780
an expatriate or in a deployed military unit; 1781

(b) Any other product that requires a specific insurance 1782
agent license; 1783

(c) Travel assistance services; 1784

(d) Cancellation fee waivers. 1785

~~(3)-(N) "Travel insurer" means an insurer, as defined in 1786
section 3901.32 of the Revised Code, that provides travel 1787
insurance.~~ 1788

(O) "Travel protection plan" means a plan that provides 1789
one or more of the following: travel insurance, travel 1790
assistance services, and cancellation fee waivers. 1791

(P) "Travel retailer" means a business entity that makes, 1792
arranges, or offers travel services, and that may offer or sell 1793
travel insurance as a service to its customers on behalf of, and 1794
under the direction of, a limited lines travel insurance agent 1795
in conjunction with the making, arranging, or offering of travel 1796
services. 1797

~~(B) No person shall offer or sell travel insurance except 1798
as provided in this section.~~ 1799

~~(C) Notwithstanding any other provision of law, the 1800
superintendent of insurance may issue to an individual or 1801
business entity a limited lines travel insurance agent license 1802
that authorizes the holder of the license to sell, solicit, or 1803
negotiate travel insurance through a licensed insurer if both of 1804
the following requirements are met:~~ 1805

~~(1) The individual or business entity has submitted an 1806
application to the superintendent for the license on a form and 1807~~

~~in a manner prescribed by the superintendent. 1808~~

~~(2) The individual or business entity has paid all fees 1809~~
~~applicable under this chapter. 1810~~

~~(D) (1) At the time the superintendent of insurance issues 1811~~
~~a license under this section, the limited lines travel insurance 1812~~
~~agent shall establish and maintain on a form prescribed by the 1813~~
~~superintendent a register of each travel retailer that offers or 1814~~
~~sells travel insurance on the agent's behalf. 1815~~

~~(2) The limited lines travel insurance agent shall submit 1816~~
~~the register to the department of insurance upon reasonable 1817~~
~~request, and shall certify that the registered travel retailer 1818~~
~~complies with 18 U.S.C. 1033. 1819~~

~~(E) Notwithstanding any other provision of law, a travel 1820~~
~~retailer may offer and sell travel insurance under a limited 1821~~
~~lines travel insurance agent that is a business entity if all of 1822~~
~~the following conditions are met: 1823~~

~~(1) The limited lines travel insurance agent or travel 1824~~
~~retailer provides all of the following information to purchasers 1825~~
~~of travel insurance at the time of sale or in the fulfillment 1826~~
~~materials provided to purchasers: 1827~~

~~(a) A description of the material terms or the actual 1828~~
~~terms of the insurance coverage; 1829~~

~~(b) A description of the process for filing a claim; 1830~~

~~(c) A description of the review or cancellation process 1831~~
~~for the travel insurance policy; 1832~~

~~(d) The identity and contact information of the insurer 1833~~
~~and limited lines travel insurance agent. 1834~~

~~(2) (a) The limited lines travel insurance agent designates one of the agent's employees as the responsible insurance agent who is responsible for the limited lines travel insurance agent's compliance with the travel insurance laws and rules of this state. The designated responsible insurance agent must be a licensed insurance agent qualified in any of the following lines of authority in accordance with section 3905.06 of the Revised Code:~~ 1835
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~~(i) Travel;~~ 1843

~~(ii) Property;~~ 1844

~~(iii) Personal.~~ 1845

~~(b) The responsible insurance agent shall comply with the fingerprinting requirements of section 3905.051 of the Revised Code or the applicable fingerprinting requirements of the home state of the limited lines travel insurance agent.~~ 1846
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~~(3) The limited lines travel insurance agent business entity and the responsible insurance agent are responsible for the acts of the travel retailer and use reasonable means to ensure compliance with this section by the travel retailer.~~ 1850
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~~(4) (a) (i) The limited lines travel insurance agent requires each employee and authorized representative of the travel retailer, whose duties include offering or selling travel insurance, to receive a program of instruction or training.~~ 1854
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~~(ii) The training material shall, at minimum, contain instructions on the types of insurance offered, ethical sales practices, and required disclosures to prospective customers.~~ 1858
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~~(b) The superintendent may review all training programs or materials at the superintendent's discretion.~~ 1861
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~~(5) The travel retailer offers or sells the travel insurance only in conjunction with the making, arranging, or offering of travel services.~~ 1863
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~~(F) A limited lines travel insurance agent, as well as any travel retailer and the retailer's employees that are registered under division (D) of this section, are exempt from any examination and education requirements as set forth in section 3905.04 of the Revised Code for purposes of this section only.~~ 1866
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~~(G)(1) Any travel retailer offering or selling travel insurance shall make available to prospective purchasers brochures or other written materials that contain all of the following:~~ 1871
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~~(a) The identity and contact information of the insurer and the limited lines travel insurance agent;~~ 1875
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~~(b) An explanation that the purchase of travel insurance is not required in order to purchase any other product or service from the travel retailer;~~ 1877
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~~(c) An explanation that an unlicensed travel retailer is permitted to provide general information about the insurance offered by the travel retailer, including a description of the coverage and price, but is not qualified or authorized to answer technical questions about the terms and conditions of the insurance offered by the travel retailer or to evaluate the adequacy of the customer's existing insurance coverage.~~ 1880
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~~(2) A travel retailer's employee or authorized representative who is not licensed as an insurance agent shall not do any of the following:~~ 1887
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~~(a) Evaluate or interpret the technical terms, benefits, and conditions of the offered travel insurance coverage;~~ 1890
1891

~~(b) Evaluate or provide advice concerning a prospective purchaser's existing insurance coverage;~~ 1892
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~~(c) Hold itself out as a licensed insurer, licensed agent, or insurance expert;~~ 1894
1895

~~(d) Offer or sell travel insurance, unless the travel insurance is offered or sold in conjunction with and incidental to the sale of travel services.~~ 1896
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~~(3) Notwithstanding any other provision of law, a travel retailer whose insurance related activities, and those of its employees and authorized representatives, are limited to offering or selling travel insurance on behalf of and under the direction of a limited lines travel insurance agent that meets the requirements of this section, is authorized to offer and sell insurance and receive related compensation for these services, if the travel retailer is registered by the limited lines travel insurance agent as described in division (D) of this section. Any compensation paid to a travel retailer's employee or authorized representative for the services described in this section shall be incidental to the employee's or authorized representative's overall compensation and not based primarily on the number of customers who purchase travel insurance coverage.~~ 1899
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~~(a) Nothing in this section shall be construed to prohibit payment of compensation to a travel retailer or its employees or authorized representatives for activities under the limited lines travel insurance agent's license that are incidental to the overall compensation of the travel retailer or the employees or authorized representatives of the facility.~~ 1914
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~~(b) All costs paid or charged to a consumer for the~~ 1920

~~purchase of travel insurance or related services shall be~~ 1921
~~separately itemized on the customer's bill.~~ 1922

~~(H) Travel insurance may be provided under individual or~~ 1923
~~group insurance.~~ 1924

~~(I) Any limited lines travel insurance agent, or any~~ 1925
~~travel retailer offering or selling travel insurance under a~~ 1926
~~limited lines travel insurance agent, that fails to comply with~~ 1927
~~the provisions of this section is deemed to have engaged in an~~ 1928
~~unfair and deceptive act or practice in the business of~~ 1929
~~insurance as defined in section 3901.21 of the Revised Code and~~ 1930
~~is subject to section 3905.14 of the Revised Code.~~ 1931

~~(J) A license issued under this section shall be renewed~~ 1932
~~on a biennial basis as set forth in sections 3905.06 and 3905.07~~ 1933
~~of the Revised Code.~~ 1934

Sec. 3905.065. (A) No person shall offer or sell travel 1935
insurance except as provided in sections 3905.064 to 3905.0611 1936
of the Revised Code. 1937

(B) Notwithstanding any other provision of law, the 1938
superintendent of insurance may issue to an individual or 1939
business entity a limited lines travel insurance agent license 1940
that authorizes the holder of the license to sell, solicit, or 1941
negotiate travel insurance through a licensed insurer if both of 1942
the following requirements are met: 1943

(1) The individual or business entity has submitted an 1944
application to the superintendent for the license on a form and 1945
in a manner prescribed by the superintendent. 1946

(2) The individual or business entity has paid all fees 1947
applicable under this chapter. 1948

(C) (1) At the time the superintendent of insurance issues a license under this section, the limited lines travel insurance agent shall establish and maintain, on a form prescribed by the superintendent, a register of each travel retailer that offers or sells travel insurance on the limited lines travel agent's behalf. 1949
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(2) (a) The register shall include the name, address, and contact information of the travel retailer and an officer or person who directs or controls the travel retailer's operations, and the travel retailer's federal tax identification number. 1955
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(b) The limited lines travel insurance agent shall update the register as needed to maintain its accuracy. 1959
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(3) (a) The limited lines travel insurance agent shall submit the register to the department of insurance upon reasonable request and shall certify that the registered travel retailer complies with 18 U.S.C. 1033. 1961
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(b) The superintendent may apply the grounds for license suspension, license revocation, and the imposition of penalties that are found in section 3905.14 of the Revised Code and that are applicable to resident insurance agents, to limited lines travel insurance agents and travel retailers. 1965
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(D) A limited lines travel insurance agent, as well as any travel retailer and the retailer's employees that are registered under division (C) of this section, are exempt from any examination and education requirements as set forth in section 3905.04 of the Revised Code for purposes of sections 3905.064 to 3905.0611 of the Revised Code only. 1970
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(E) Travel insurance may be provided under an individual, group, or blanket insurance policy. 1976
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(F) A person authorized to offer a travel protection plan 1978
under sections 3905.064 to 3905.0611 of the Revised Code may 1979
offer a travel protection plan for one price for the combined 1980
features that the travel protection plan offers in this state if 1981
all of the following are met: 1982

(1) At or prior to the time of purchase, the travel 1983
protection plan does both of the following: 1984

(a) Clearly discloses to the consumer that it includes 1985
travel insurance, travel assistance services, and cancellation 1986
fee waivers, as applicable; 1987

(b) Provides information and an opportunity for the 1988
consumer to obtain additional information regarding the features 1989
and pricing of each of the combined features. 1990

(2) The fulfillment materials provided to the consumer 1991
include all of the following, as applicable: 1992

(a) A description and delineation of the travel insurance, 1993
travel assistance services, and cancellation fee waivers in the 1994
travel protection plan; 1995

(b) The travel insurance disclosures; 1996

(c) The contact information for persons providing travel 1997
assistance services and cancellation fee waivers, as applicable. 1998

(G) In the event of a conflict between sections 3905.064 1999
to 3905.0611 of the Revised Code and any other provision of 2000
Title XXXIX of the Revised Code regarding the sale and marketing 2001
of travel insurance and travel protection plans, the provisions 2002
of sections 3905.064 to 3905.0611 of the Revised Code control. 2003

(H) (1) All documents provided to consumers prior to the 2004
purchase of travel insurance, including sales materials, 2005

advertising materials, and marketing materials, shall be 2006
consistent with the travel insurance policy itself, including 2007
forms, endorsements, policies, rate filings, and certificates of 2008
insurance. 2009

(2) For travel insurance policies or certificates that 2010
contain pre-existing condition exclusions, information and an 2011
opportunity to learn more about the pre-existing condition 2012
exclusions shall be provided any time prior to the time of 2013
purchase and in the coverage's fulfillment materials. 2014

(3) The fulfillment materials and the information 2015
described in division (A) (1) of section 3905.066 of the Revised 2016
Code shall be provided to a policyholder or certificate holder 2017
as soon as practicable after the purchase of a travel protection 2018
plan. 2019

(4) The travel insurer shall disclose in the policy 2020
documentation and fulfillment materials whether the travel 2021
insurance is primary or secondary to other applicable coverage. 2022

(I) (1) Unless the insured has either started a covered 2023
trip or filed a claim under the travel insurance coverage, a 2024
policyholder or certificate holder may cancel a travel insurance 2025
policy or certificate for a full refund of the travel protection 2026
plan price in accordance with the following: 2027

(a) If the travel protection plan's fulfillment materials 2028
are delivered by postal mail, the policyholder or certificate 2029
holder may cancel within fifteen days following the date of 2030
delivery. 2031

(b) If the travel protection plan's fulfillment materials 2032
are delivered by means other than postal mail, the policyholder 2033
or certificate holder may cancel within ten days following the 2034

date of delivery. 2035

(2) For the purposes of this division, "delivery" includes 2036
handing fulfillment materials to the policyholder or certificate 2037
holder or sending fulfillment materials by postal mail or 2038
electronic means to the policyholder or certificate holder. 2039

(J) No person offering, selling, or negotiating travel 2040
insurance or travel protection plans on an individual or group 2041
basis may do so by using a negative option or opt out when the 2042
consumer purchases a trip. As used in this division, "using a 2043
negative option or opt out" includes requiring a consumer to 2044
take an affirmative action to deselect coverage, such as 2045
unchecking a box on an electronic form. 2046

(K) A license issued under this section shall be renewed 2047
on a biennial basis as set forth in sections 3905.06 and 3905.07 2048
of the Revised Code. 2049

Sec. 3905.066. (A) Notwithstanding any other provision of 2050
law, a travel retailer may offer and sell travel insurance under 2051
a limited lines travel insurance agent that is a business entity 2052
if all of the following conditions are met: 2053

(1) The limited lines travel insurance agent or travel 2054
retailer provides all of the following information to purchasers 2055
of travel insurance at the time of sale or in the fulfillment 2056
materials provided to purchasers: 2057

(a) A description of the material terms or the actual 2058
terms of the insurance coverage; 2059

(b) A description of the process for filing a claim; 2060

(c) A description of the review or cancellation process 2061
for the travel insurance policy; 2062

(d) The identity and contact information of the insurer 2063
and limited lines travel insurance agent. 2064

(2) (a) The limited lines travel insurance agent designates 2065
one of the agent's employees, who is a licensed individual 2066
agent, as the responsible insurance agent who is responsible for 2067
the limited lines travel insurance agent's compliance with the 2068
travel insurance laws and rules of this state applicable to the 2069
limited lines travel insurance agent and its registrants. The 2070
designated responsible insurance agent must be a licensed 2071
insurance agent qualified in any of the following lines of 2072
authority in accordance with section 3905.06 of the Revised 2073
Code: 2074

(i) Travel; 2075

(ii) Property; 2076

(iii) Personal. 2077

(b) The responsible insurance agent, president, secretary, 2078
treasurer, and any other officer or person who directs or 2079
controls the limited lines travel insurance agent's insurance 2080
operations shall comply with the fingerprinting requirements of 2081
section 3905.051 of the Revised Code or the applicable 2082
fingerprinting requirements of the home state of the limited 2083
lines travel insurance agent. 2084

(3) The limited lines travel insurance agent business 2085
entity and the responsible insurance agent are responsible for 2086
the acts of the travel retailer and use reasonable means to 2087
ensure compliance with sections 3905.064 to 3905.0611 of the 2088
Revised Code by the travel retailer. 2089

(4) (a) The limited lines travel insurance agent requires 2090
each employee and authorized representative of the travel 2091

retailer, whose duties include offering or selling travel insurance, to receive a program of instruction or training that is subject, at the discretion of the superintendent, to review and approval. 2092
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(b) The training material shall, at minimum, contain instructions on the types of insurance offered, ethical sales practices, and required disclosures to prospective customers. 2096
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(B)(1) Any travel retailer offering or selling travel insurance shall make available to prospective purchasers brochures or other written materials that have been approved by the travel insurer. Such materials shall contain all of the following: 2099
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(a) The identity and contact information of the insurer and the limited lines travel insurance agent; 2104
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(b) An explanation that the purchase of travel insurance is not required in order to purchase any other product or service from the travel retailer; 2106
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(c) An explanation that an unlicensed travel retailer is permitted to provide general information about the insurance offered by the travel retailer, including a description of the coverage and price, but is not qualified or authorized to answer technical questions about the terms and conditions of the insurance offered by the travel retailer or to evaluate the adequacy of the customer's existing insurance coverage. 2109
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(2) A travel retailer's employee or authorized representative who is not licensed as an insurance agent shall not do any of the following: 2116
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(a) Evaluate or interpret the technical terms, benefits, and conditions of the offered travel insurance coverage; 2119
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(b) Evaluate or provide advice concerning a prospective purchaser's existing insurance coverage; 2121
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(c) Hold itself out as a licensed insurer, licensed agent, or insurance expert. 2123
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(3) Notwithstanding any other provision of law, a travel retailer whose insurance-related activities, and those of its employees and authorized representatives, are limited to offering and selling travel insurance on behalf of and under the direction of a limited lines travel insurance agent that meets the requirements of section 3905.065 of the Revised Code, is authorized to offer and sell insurance and receive related compensation for these services, if the travel retailer is registered by the limited lines travel insurance agent as described in section 3905.065 of the Revised Code. Any compensation paid to a travel retailer's employee or authorized representative for the services described in this section shall be incidental to the employee's or authorized representative's overall compensation and not based primarily on the number of customers who purchase travel insurance coverage. 2125
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(C) Nothing in this section shall be construed to prohibit payment of compensation to a travel retailer or its employees or authorized representatives for activities under the limited lines travel insurance agent's license that are incidental to the overall compensation of the travel retailer or the employees or authorized representatives of the facility. 2140
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Sec. 3905.067. (A) Except as otherwise provided in this section, all persons offering travel insurance to residents of this state are subject to sections 3901.19 to 3901.26 of the Revised Code. 2146
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(B) Any limited lines travel insurance agent, or any 2150
travel retailer offering or selling travel insurance under a 2151
limited lines travel insurance agent, that fails to comply with 2152
the provisions of sections 3905.064 to 3905.0611 of the Revised 2153
Code is deemed to have engaged in an unfair and deceptive act or 2154
practice in the business of insurance as defined in section 2155
3901.21 of the Revised Code and is subject to section 3905.14 of 2156
the Revised Code. 2157

(C) Both of the following shall be considered an unfair 2158
and deceptive act or practice in the business of insurance, as 2159
defined in section 3901.21 of the Revised Code, and are subject 2160
to, in addition to the penalties prescribed in section 3901.22 2161
of the Revised Code, disciplinary action under section 3905.14 2162
of the Revised Code: 2163

(1) Offering or selling a travel insurance policy that 2164
could never result in payment of any claims; 2165

(2) Marketing blanket travel insurance coverage as free. 2166

(D) Marketing travel insurance directly to a consumer 2167
through a travel insurer's web site or by others through an 2168
aggregator site is not an unfair and deceptive act or practice 2169
or other violation of law if both of the following conditions 2170
are met: 2171

(1) An accurate summary or short description of coverage 2172
is provided on the web site; 2173

(2) The consumer has access to the full provisions of the 2174
policy through electronic means. 2175

(E) Where a consumer's destination jurisdiction requires 2176
insurance coverage, it is not an unfair and deceptive act or 2177
practice in the business of insurance to require a consumer to 2178

choose between the following options as a condition of 2179
purchasing a trip or travel package: 2180

(1) Purchasing the coverage required by the destination 2181
jurisdiction through the travel retailer or limited lines travel 2182
insurance agent supplying the trip or travel package; 2183

(2) Agreeing to obtain and provide proof of coverage that 2184
meets the destination jurisdiction's requirements prior to 2185
departure. 2186

Sec. 3905.068. (A) A travel insurer shall pay premium tax, 2187
as provided in Chapters 5725. and 5729. of the Revised Code, on 2188
travel insurance premiums paid by any of the following: 2189

(1) An individual primary policyholder who is a resident 2190
of this state; 2191

(2) A primary certificate holder who is a resident of this 2192
state who elects coverage under a group travel insurance policy; 2193

(3) (a) A blanket travel insurance policyholder, when the 2194
policy covers eligible blanket group members, that is a resident 2195
of, or has its principal place of business in, this state, 2196
including when the policy covers an affiliate or subsidiary, 2197
regardless of the location of the affiliate or subsidiary. 2198

(b) Such payments shall be subject to any apportionment 2199
rules that apply to the insurer across multiple taxing 2200
jurisdictions or that permit the insurer to allocate premium on 2201
an apportioned basis in a reasonable and equitable manner in 2202
those jurisdictions. 2203

(B) A travel insurer shall: 2204

(1) Document the state of residence or principal place of 2205
business of the policyholder or certificate holder, as necessary 2206

<u>to comply with division (A) (1) of this section;</u>	2207
<u>(2) Report as a premium only the amount allocable to</u>	2208
<u>travel insurance and not any amounts received for travel</u>	2209
<u>assistance services or cancellation fee waivers.</u>	2210
<u>(C) Neither of the following are insurance:</u>	2211
<u>(1) A cancellation fee waiver;</u>	2212
<u>(2) Travel assistance services.</u>	2213
<u>(D) Surplus lines brokers selling travel insurance shall</u>	2214
<u>pay taxes on premiums related to travel insurance in accordance</u>	2215
<u>with sections 3905.30 to 3905.38 of the Revised Code and not in</u>	2216
<u>accordance with the requirements of this section.</u>	2217
<u>(E) With regard to an automobile or truck rental or</u>	2218
<u>leasing company obtaining travel insurance coverage for a group</u>	2219
<u>of individuals who may become renters, lessees, or passengers,</u>	2220
<u>defined by their travel status on the rented or leased vehicles,</u>	2221
<u>the common carrier, operator, owner, or lessor of a means of</u>	2222
<u>transportation, or the automobile or truck rental or leasing</u>	2223
<u>company, is the policyholder under a policy to which sections</u>	2224
<u>3905.064 to 3905.0611 of the Revised Code apply.</u>	2225
<u>Sec. 3905.069. (A) Notwithstanding any other provisions of</u>	2226
<u>Title XXXIX of the Revised Code, no person shall act or</u>	2227
<u>represent the person's self as a travel administrator for travel</u>	2228
<u>insurance in this state unless that person holds one of the</u>	2229
<u>following licenses in good standing in this state:</u>	2230
<u>(1) Property and casualty license;</u>	2231
<u>(2) Managing general agent license;</u>	2232
<u>(3) Third-party administrator license.</u>	2233

(B) (1) A travel insurer is responsible for the acts of a 2234
travel administrator administering travel insurance underwritten 2235
by the travel insurer and is responsible for ensuring that the 2236
travel administrator maintains all books and records relevant to 2237
the travel insurer. 2238

(2) The travel administrator shall make such books and 2239
records available to the superintendent of insurance upon 2240
request. 2241

Sec. 3905.0610. (A) (1) Except as provided in division (A) 2242
(2) of this section, travel insurance shall be classified and 2243
filed, for purposes of rates and forms, under an inland marine 2244
line of insurance. 2245

(2) Travel insurance that provides coverage for sickness, 2246
accident, disability, or death occurring during travel, either 2247
exclusively or in conjunction with related coverages of 2248
emergency evacuation or repatriation of remains, or incidental 2249
limited property and casualty benefits such as baggage or trip 2250
cancellation, may be filed under either an accident and health 2251
line of insurance or an inland marine line of insurance. 2252

(B) Eligibility and underwriting standards for travel 2253
insurance may be developed and provided based on travel 2254
protection plans designed for individual or identified marketing 2255
or distribution channels, provided those standards also meet the 2256
state's underwriting standards for inland marine. 2257

Sec. 3905.0611. The superintendent may adopt rules as 2258
needed to implement sections 3905.064 to 3905.0611 of the 2259
Revised Code. 2260

Sec. 3915.073. (A) This section shall be known as the 2261
standard nonforfeiture law for individual deferred annuities. 2262

(B) This section does not apply to any reinsurance, group 2263
annuity purchased under a retirement plan or plan of deferred 2264
compensation established or maintained by an employer, including 2265
a partnership or sole proprietorship, or by an employee 2266
organization, or by both, other than a plan providing individual 2267
retirement accounts or individual retirement annuities under 2268
section 408 of the Internal Revenue Code of 1954, 26 U.S.C.A. 2269
408, as amended, premium deposit fund, variable annuity, 2270
investment annuity, immediate annuity, any deferred annuity 2271
contract after annuity payments have commenced, or reversionary 2272
annuity, nor to any contract which is delivered outside this 2273
state through an agent or other representative of the company 2274
issuing the contract. 2275

(C) No contract of annuity, except as stated in division 2276
(B) of this section, shall be delivered or issued for delivery 2277
in this state unless the contract contains in substance the 2278
following provisions, or corresponding provisions that in the 2279
opinion of the superintendent of insurance are at least as 2280
favorable to the contract owners, relative to the cessation of 2281
payment of consideration under the contract: 2282

(1) That upon cessation of payment of considerations under 2283
a contract, or upon the written request of the contract owner, 2284
the company shall grant a paid-up annuity benefit on a plan 2285
stipulated in the contract of such value as is specified in 2286
divisions (E), (F), (G), (H), and (J) of this section; 2287

(2) If a contract provides for a lump sum settlement at 2288
maturity, or at any other time, that upon surrender of the 2289
contract at or prior to the commencement of any annuity 2290
payments, the company shall pay in lieu of any paid-up annuity 2291
benefit a cash surrender benefit of such amount as is specified 2292

in divisions (E), (F), (H), and (J) of this section. The company 2293
may reserve the right to defer the payment of such cash 2294
surrender benefit for a period not to exceed six months after 2295
demand therefor with surrender of the contract. The deferral is 2296
contingent upon the company's conveyance of a written request 2297
for the deferral to the superintendent and the company's receipt 2298
of written approval from the superintendent for the deferral. 2299
The request shall address the necessity and equitability to all 2300
contract owners of the deferral. 2301

(3) A statement of the mortality table, if any, and 2302
interest rates used in calculating any minimum paid-up annuity, 2303
cash surrender, or death benefits that are guaranteed under the 2304
contract, together with sufficient information to determine the 2305
amounts of such benefits; 2306

(4) A statement that any paid-up annuity, cash surrender, 2307
or death benefits that may be available under the contract are 2308
not less than the minimum benefits required by any statute of 2309
the state in which the contract is delivered and an explanation 2310
of the manner in which such benefits are altered by the 2311
existence of any additional amounts credited by the company to 2312
the contract, any indebtedness to the company on the contract, 2313
or any prior withdrawals from or partial surrenders of the 2314
contract. 2315

Notwithstanding the requirements of this section, any 2316
deferred annuity contract may provide that if no considerations 2317
have been received under a contract for a period of two full 2318
years and the portion of the paid-up annuity benefit at maturity 2319
on the plan stipulated in the contract arising from 2320
considerations paid prior to such period would be less than 2321
twenty dollars monthly, the company may at its option terminate 2322

such contract by payment in cash of the then present value of 2323
such portion of the paid-up annuity benefit, calculated on the 2324
basis of the mortality table, if any, and interest rate 2325
specified in the contract for determining the paid-up annuity 2326
benefit, and by such payment shall be relieved of any further 2327
obligation under such contract. 2328

(D) The minimum values as specified in divisions (E), (F), 2329
(G), (H), and (J) of this section of any paid-up annuity, cash 2330
surrender, or death benefits available under an annuity contract 2331
shall be based upon minimum nonforfeiture amounts as defined in 2332
this division. 2333

(1) (a) The minimum nonforfeiture amount at any time at or 2334
prior to the commencement of any annuity payments shall be equal 2335
to an accumulation up to such time at rates of interest 2336
determined in accordance with division (D) (2) of this section of 2337
the net considerations, determined in accordance with division 2338
(D) (1) (b) of this section, paid prior to such time, decreased by 2339
the sum of: 2340

(i) Any prior withdrawals from or partial surrenders of 2341
the contract, accumulated at rates of interest determined in 2342
accordance with division (D) (2) of this section; 2343

(ii) An annual contract charge of fifty dollars, 2344
accumulated at rates of interest determined in accordance with 2345
division (D) (2) of this section; 2346

(iii) Any premium tax paid by the company for the 2347
contract, accumulated at rates of interest determined in 2348
accordance with division (D) (2) of this section; 2349

(iv) The amount of any indebtedness to the company on the 2350
contract, including interest due and accrued. 2351

(b) The net considerations for a given contract year used 2352
to define the minimum nonforfeiture amount shall be an amount 2353
equal to eighty-seven and one-half per cent of the gross 2354
considerations credited to the contract during that contract 2355
year. 2356

(2) (a) The interest rate used in determining minimum 2357
nonforfeiture amounts under divisions (D) (1) to (4) of this 2358
section shall be an annual rate of interest determined as the 2359
lesser of three per cent per annum or the following, which shall 2360
be specified in the contract if the interest rate will be reset: 2361

(i) The five-year constant maturity treasury rate reported 2362
by the federal reserve as of a date or an average over a period, 2363
rounded to the nearest one-twentieth of one per cent, specified 2364
in the contract, no longer than fifteen months prior to the 2365
contract issue date or the redetermination date specified in 2366
division (D) (2) (b) of this section; 2367

(ii) Reduced by one hundred twenty-five basis points; 2368

(iii) Where the resulting interest rate shall not be less 2369
than fifteen hundredths of one per cent. 2370

(b) The interest rate determined under division (D) (2) (a) 2371
of this section shall apply for an initial period and may be 2372
redetermined for additional periods. The redetermination date, 2373
basis and period, if any, shall be stated in the contract. The 2374
basis is the date or average over a specified period that 2375
produces the value of the five-year constant maturity treasury 2376
rate to be used at each redetermination date. 2377

(3) During the period or term that a contract provides 2378
substantive participation in an equity-indexed benefit, the 2379
contract may provide for an increase in the reduction described 2380

in division (D) (2) (a) (ii) of this section by a maximum of one 2381
hundred basis points to reflect the value of the equity-indexed 2382
benefit. The present value at the contract issue date, and at 2383
each redetermination date thereafter, of the additional 2384
reduction shall not exceed the market value of the benefit. The 2385
superintendent may require a demonstration that the present 2386
value of the additional reduction does not exceed the market 2387
value of the benefit. If the demonstration is not acceptable to 2388
the superintendent, the superintendent may disallow or limit the 2389
additional reduction. 2390

(4) The superintendent may adopt rules to implement 2391
division (D) (3) of this section and to provide for further 2392
adjustments to the calculation of minimum nonforfeiture amounts 2393
for contracts that provide substantive participation in an 2394
equity-indexed benefit and for other contracts for which the 2395
superintendent determines adjustments are justified. 2396

(E) Any paid-up annuity benefit available under a contract 2397
shall be such that its present value on the date annuity 2398
payments are to commence is at least equal to the minimum 2399
nonforfeiture amount on that date. Such present value shall be 2400
computed using the mortality table, if any, and the interest 2401
rate specified in the contract for determining the minimum paid- 2402
up annuity benefits guaranteed in the contract. 2403

(F) For contracts which provide cash surrender benefits, 2404
such cash surrender benefits available prior to maturity shall 2405
not be less than the present value as of the date of surrender 2406
of that portion of the maturity value of the paid-up annuity 2407
benefit that would be provided under the contract at maturity 2408
arising from considerations paid prior to the time of cash 2409
surrender reduced by the amount appropriate to reflect any prior 2410

withdrawals from or partial surrenders of the contract, such 2411
present value being calculated on the basis of an interest rate 2412
not more than one per cent higher than the interest rate 2413
specified in the contract for accumulating the net 2414
considerations to determine such maturity value, decreased by 2415
the amount of any indebtedness to the company on the contract, 2416
including interest due and accrued, and increased by any 2417
existing additional amounts credited by the company to the 2418
contract. In no event shall any cash surrender benefit be less 2419
than the minimum nonforfeiture amount at that time. The death 2420
benefit under such contracts shall be at least equal to the cash 2421
surrender benefit. 2422

(G) For contracts that do not provide cash surrender 2423
benefits, the present value of any paid-up annuity benefit 2424
available as a nonforfeiture option at any time prior to 2425
maturity shall not be less than the present value of that 2426
portion of the maturity value of the paid-up annuity benefit 2427
provided under the contract arising from considerations paid 2428
prior to the time the contract is surrendered in exchange for, 2429
or changed to, a deferred paid-up annuity, such present value 2430
being calculated for the period prior to the maturity date on 2431
the basis of the interest rate specified in the contract for 2432
accumulating the net considerations to determine such maturity 2433
value, and increased by any existing additional amounts credited 2434
by the company to the contract. For contracts that do not 2435
provide any death benefits prior to the commencement of any 2436
annuity payments, such present values shall be calculated on the 2437
basis of such interest rate and the mortality table specified in 2438
the contract for determining the maturity value of the paid-up 2439
annuity benefit. However, in no event shall the present value of 2440
a paid-up annuity benefit be less than the minimum nonforfeiture 2441

amount at that time. 2442

(H) For the purpose of determining the benefits calculated 2443
under divisions (F) and (G) of this section, in the case of 2444
annuity contracts under which an election may be made to have 2445
annuity payments commence at optional maturity dates, the 2446
maturity date shall be deemed to be the latest date for which 2447
election shall be permitted by the contract, but shall not be 2448
deemed to be later than the anniversary of the contract next 2449
following the annuitant's seventieth birthday or the tenth 2450
anniversary of the contract, whichever is later. 2451

(I) Any contract that does not provide cash surrender 2452
benefits or does not provide death benefits at least equal to 2453
the minimum nonforfeiture amount prior to the commencement of 2454
any annuity payments shall include a statement in a prominent 2455
place in the contract that such benefits are not provided. 2456

(J) Any paid-up annuity, cash surrender, or death benefits 2457
available at any time, other than on the contract anniversary 2458
under any contract with fixed scheduled considerations, shall be 2459
calculated with allowance for the lapse of time and the payment 2460
of any scheduled considerations beyond the beginning of the 2461
contract year in which cessation of payment of considerations 2462
under the contract occurs. 2463

(K) For any contract that provides, within the same 2464
contract by rider or supplemental contract provision, both 2465
annuity benefits and life insurance benefits that are in excess 2466
of the greater of cash surrender benefits or a return of the 2467
gross considerations with interest, the minimum nonforfeiture 2468
benefit shall be equal to the sum of the minimum nonforfeiture 2469
benefits for the annuity portion and the minimum nonforfeiture 2470
benefits, if any, for the life insurance portion computed as if 2471

each portion were a separate contract. Notwithstanding the 2472
provisions of divisions (E), (F), (G), (H), and (J) of this 2473
section, additional benefits payable: 2474

(1) In the event of total and permanent disability; 2475

(2) As reversionary annuity or deferred reversionary 2476
annuity benefits; or 2477

(3) As other policy benefits additional to life insurance, 2478
endowment and annuity benefits, and considerations for all such 2479
additional benefits shall be disregarded in ascertaining the 2480
minimum nonforfeiture amounts, paid-up annuity, cash surrender, 2481
and death benefits that may be required by this section. 2482

The inclusion of such additional benefits shall not be 2483
required in any paid-up benefits, unless such additional 2484
benefits separately would require minimum nonforfeiture amounts, 2485
paid-up annuity, cash surrender, and death benefits. 2486

(L) The superintendent may adopt rules in accordance with 2487
Chapter 119. of the Revised Code to implement this section. 2488

Sec. 3953.01. As used in this chapter: 2489

(A) "Title insurance" means insuring, guaranteeing, or 2490
indemnifying owners of real property or others interested in 2491
real property against loss or damage suffered by reason of liens 2492
or encumbrances upon, defect in, or the unmarketability of the 2493
title to the real property, guaranteeing, warranting, or 2494
otherwise insuring by a title insurance company the correctness 2495
of searches relating to the title to real property, or doing any 2496
business in substance equivalent to any of the foregoing. 2497

(B) "The business of title insurance" means the following: 2498

(1) The making as insurer, guarantor, or surety, or 2499

proposing to make as insurer, guarantor, or surety, any contract 2500
or policy of title insurance; 2501

(2) The transacting, or proposing to transact, any phase 2502
of title insurance, including solicitation, negotiation 2503
preliminary to execution, execution of a contract of title 2504
insurance, insuring, and transacting matters subsequent to the 2505
execution of the contract and arising out of it, including 2506
reinsurance; 2507

(3) The doing or proposing to do any business in substance 2508
equivalent to any of the foregoing. 2509

(C) "Title insurance company" means any of the following: 2510

(1) Any domestic title guaranty company and domestic title 2511
guarantee and trust company to the extent that they are engaged 2512
in the business of title insurance; 2513

(2) Any domestic company organized under this chapter for 2514
the purpose of insuring titles to real property; 2515

(3) Any title insurance company organized under the laws 2516
of another state or foreign government; 2517

(4) Any domestic or foreign company that has the powers 2518
and is authorized to insure titles to real estate within this 2519
state on December 12, 1967, and that meets the requirements of 2520
this chapter. 2521

(D) "Applicants for insurance" includes all those, whether 2522
or not a prospective insured, who from time to time apply to a 2523
title insurance company or to its agent for title insurance and 2524
who at the time of that application are not agents for a title 2525
insurance company. 2526

(E) "Risk premium" for title insurance means that portion 2527

of the fee charged by a title insurance company, agent of a 2528
title insurance company, or approved attorney of a title 2529
insurance company to an insured or an applicant for insurance 2530
for the assumption by the title insurance company of the risk 2531
created by the issuance of the title insurance policy. 2532

(F) "Fee" for title insurance means the risk premium, 2533
abstracting or searching charge, examination charge, and every 2534
other charge, exclusive of settlement, closing, or escrow 2535
charges, whether denominated premium or otherwise, made by a 2536
title insurance company, agent of a title insurance company, or 2537
an approved attorney of a title insurance company to an insured 2538
or an applicant for insurance for any policy or contract for the 2539
issuance of title insurance. "Fee" does not include any charges 2540
paid to and retained by an attorney at law or abstractor acting 2541
as an independent contractor whether or not the attorney or 2542
abstractor is acting as an agent of a title insurance company or 2543
an approved attorney and does not include any charges made for 2544
special services not constituting title insurance, even though 2545
performed in connection with a title insurance policy or 2546
contract. 2547

(G) "Approved attorney" means an attorney at law who is 2548
not an employee of a title insurance company or a title 2549
insurance agent and upon whose examination of title and report 2550
on the examination a title insurance company may issue a policy 2551
of title insurance. 2552

(H) "Title insurance agent" means a person, partnership, 2553
or corporation authorized in writing by a title insurance 2554
company to solicit insurance and collect premiums and to issue 2555
or countersign policies on its behalf. "Title insurance agent" 2556
does not include officers and salaried employees of any title 2557

insurance company authorized to do a title insurance business 2558
within this state. 2559

(I) "Single insurance risk" means the insured amount of 2560
any policy or contract of title insurance issued by a title 2561
insurance company. 2562

(J) "Foreign title insurance company" means a title 2563
insurance company organized under the laws of any state or 2564
territory of the United States or the District of Columbia. 2565

(K) "Alien title insurance company" means a title 2566
insurance company that is incorporated or organized under the 2567
laws of any foreign nation or any province or territory of a 2568
foreign nation and that is not a foreign title insurance 2569
company. 2570

(L) "Non-directed escrow funds" means any funds delivered 2571
to a title insurance agent or title insurance company with 2572
instructions to hold or disburse the funds pursuant to a 2573
transaction in which a title insurance policy will be issued, 2574
but without written instructions to either deposit the funds in 2575
an account for the benefit of a specific person or to pay the 2576
interest earned on the funds to a specific person. 2577

(M) "Business day" means any day, other than a Saturday or 2578
Sunday, or a legal holiday, on which a bank, savings and loan 2579
association, credit union, or savings bank is open to the public 2580
for carrying on substantially all of its functions. 2581

(N) "Housing accommodations" and "restrictive covenant" 2582
have the same meanings as in section 4112.01 of the ~~revised code~~ 2583
Revised Code. 2584

(O) "Joint venture" means an arrangement undertaken 2585
jointly by two or more parties in regard to ownership of a 2586

business entity title insurance agent. 2587

Sec. 3953.331. (A) For a title insurance ~~company~~ agency 2588
that is a joint venture, the annual review required under 2589
section 3953.33 of the Revised Code shall ~~assess whether or not~~ 2590
demonstrate that all members of the joint venture received 2591
revenue during the year in question from the title ~~company~~ 2592
agency commensurate to their ownership interest in the title 2593
~~company~~ agency. The superintendent of insurance shall promulgate 2594
rules under Chapter 119. of the Revised Code setting forth the 2595
standards of the review required under this section and the form 2596
in which this information is to be provided. 2597

(B) Title insurance ~~companies~~ agencies that are joint 2598
ventures shall maintain sufficient records of their affairs, 2599
including their escrow operations, escrow trust accounts, and 2600
operating accounts so that the superintendent may adequately 2601
ensure that the title insurance ~~company~~ agency that is a joint 2602
venture and all members of the joint venture are in compliance 2603
with the requirements of this section. Records kept pursuant to 2604
this section shall be kept for a period of not less than ten 2605
years following the transactions to which the records relate. 2606
The superintendent may prescribe the specific records and 2607
documents to be kept. 2608

Sec. 3953.36. For a title ~~company~~ agency that is a joint 2609
venture that is set to dissolve or terminate on a specified 2610
date, all members of that joint venture shall be allowed or 2611
invited to join any successor joint ventures formed upon 2612
dissolution or termination of the original joint venture, and 2613
the percentage of ownership in any successor joint venture shall 2614
not be based on the percentage of title insurance business 2615
referred to the original joint venture. 2616

Section 2. That existing sections 3901.21, 3901.32, 2617
3901.33, 3901.34, 3901.341, 3901.36, 3905.051, 3905.06, 2618
3905.064, 3915.073, 3953.01, 3953.331, and 3953.36 of the 2619
Revised Code are hereby repealed. 2620

Section 3. The amendments to section 3905.064 and the 2621
enactment of sections 3905.065 to 3905.0611 of the Revised Code 2622
take effect ninety days after the effective date of this 2623
section. 2624