

**As Passed by the House**

**134th General Assembly**

**Regular Session**

**2021-2022**

**Am. Sub. S. B. No. 256**

**Senator Wilson**

**Cosponsors: Senators Brenner, Blessing, Cirino, Hackett, Lang, Romanchuk, Schaffer, Thomas, Yuko Representatives Abrams, Carruthers, Crossman, Fraizer, Galonski, Grendell, Gross, Hicks-Hudson, Hillyer, Kick, Lepore-Hagan, Miranda, Seitz, Stephens, Speaker Cupp**

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**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  
abatting 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, 311  
any policy or contract of life or health insurance, for the 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 427  
annuity, paying bonuses to policyholders or otherwise abating 428  
their premiums in whole or in part out of surplus accumulated 429  
from nonparticipating insurance, provided that any such bonuses 430  
or abatement of premiums shall be fair and equitable to 431  
policyholders and in the best interests of the company and its 432  
policyholders; 433

(B) In the case of life insurance policies issued on the 434  
industrial debit plan, making allowance to policyholders who 435  
have continuously for a specified period made premium payments 436  
directly to an office of the insurer in an amount which fairly 437  
represents the saving in collection expenses; 438

(C) Readjustment of the rate of premium for a group 439  
insurance policy based on the loss or expense experience 440  
thereunder, at the end of the first or any subsequent policy 441  
year of insurance thereunder, which may be made retroactive only 442  
for such policy year; 443

(D)(1) Subject to divisions (D)(2) and (3) of this 444  
section, the offer or provision by insurers or producers, by or 445  
through employees, affiliates, or third party representatives, 446  
of value-added products or services at no or reduced cost when 447  
such products or services are not specified in the policy of 448  
insurance, if the product or service meets all of the following: 449

(a) The cost to the insurer or producer offering the 450  
product or service to any given consumer is reasonable in 451  
comparison to that consumer's premiums or insurance coverage for 452  
the policy class. 453



<u>(b) It relates to the insurance coverage.</u>	454
<u>(c) It is primarily designed to do one or more of the following:</u>	455
<u>(i) Provide loss mitigation or loss control;</u>	456
<u>(ii) Reduce claim costs or claim settlement costs;</u>	457
<u>(iii) Provide education about liability risks or risk of loss to persons or property;</u>	458
<u>(iv) Monitor or assess risk, identify risks, or identify risk of loss to persons or property;</u>	459
<u>(v) Enhance health;</u>	460
<u>(vi) Enhance financial wellness through items such as education or financial planning services;</u>	461
<u>(vii) Provide post-loss services;</u>	462
<u>(viii) Incentivize behavioral changes to improve the health or reduce the risk of death or disability of a consumer;</u>	463
<u>(ix) Assist in the administration of the employee or retiree benefit insurance coverage.</u>	464
<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>	465
<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>	466
<u>(b) The documented criteria shall be maintained by the</u>	467
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insurer or producer and shall be provided to the superintendent 480  
of insurance upon request. 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 Revised Code. Every insurer that is subject to registration under this section shall register initially not later than thirty days after it becomes subject to registration, unless the superintendent for good cause shown extends the time for registration, and then within the extended time, and every such insurer shall register annually after its initial registration. The superintendent may require any authorized insurer that is a member of a holding company system that is not subject to registration under this section to furnish a copy of the registration statement or other information filed by the insurance company with the insurance regulatory authority of domiciliary jurisdiction.

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

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

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

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

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

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



(c) Transactions not in the ordinary course of business;	682
(d) Guarantees or undertakings for the benefit of an affiliate that result in an actual contingent exposure of the insurer's assets to liability, other than insurance contracts entered into in the ordinary course of the insurer's business;	683 684 685 686
(e) All management and service contracts and all cost-sharing arrangements;	687 688
(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 any subsidiary or controlling affiliate, for a loan made to any member of the insurance holding company system;	692 693 694
(5) If requested by the superintendent, financial statements of an insurance holding company system, including all affiliates. Financial statements may include annual audited financial statements filed with the United States securities and exchange commission pursuant to the "Securities Act of 1933," 48 Stat. 74, 15 U.S.C. 77a, or the "Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78a. The insurer may satisfy the request by providing the superintendent with the most recently filed parent corporation financial statements that have been filed with the securities and exchange commission.	695 696 697 698 699 700 701 702 703 704
(6) Other matters concerning transactions between registered insurers and any affiliates as may be included from time to time in any registration forms adopted or approved by the superintendent;	705 706 707 708
(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



<u>successor, provided within the framework.</u>	916
(N) The failure to file any registration statement or any amendment thereto or enterprise risk report required by this section within the time specified for the filing is a violation of this section.	917 918 919 920
<b>Sec. 3901.34.</b> (A) Transactions within an insurance holding company system to which an insurer subject to registration is a party shall be subject to the following standards:	921 922 923
(1) The terms shall be fair and reasonable.	924
(2) Charges or fees for services performed shall be reasonable.	925 926
(3) Expenses incurred and payment received shall be allocated to the insurer in conformity with customary insurance accounting practices that are consistently applied.	927 928 929
(4) The books, accounts, and records of each party shall be so maintained as to clearly and accurately disclose the precise nature and details of the transactions including such accounting information as is necessary to support the reasonableness of the charges or fees to the respective parties.	930 931 932 933 934
(5) The insurer's surplus as regards policyholders following any dividends or distributions to shareholder affiliates shall be reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs.	935 936 937 938
(6) Agreements for cost-sharing services and management services shall include such provisions as required by the superintendent of insurance in rule or regulation;	939 940 941
<u>(7) If an insurer subject to sections 3901.32 to 3901.37 of the Revised Code is deemed by the superintendent to be in a</u>	942 943

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

<u>(ii) Policyholder lists;</u>	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</u>	997 998 999

insurer. Any right of offset in the event an insurer is placed 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~~†~~. 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 1474  
Code, the applicant has consented to a criminal records check 1475  
and the results of the applicant's criminal records check are 1476  
determined to be satisfactory by the superintendent in 1477  
accordance with section 9.79 of the Revised Code. 1478

(g) The applicant is a United States citizen or has 1479  
provided proof of having legal authorization to work in the 1480  
United States. 1481

(h) The applicant is honest and trustworthy and is 1482  
otherwise suitable to be licensed. 1483

(2) The superintendent shall issue a resident insurance 1484  
agent license to a business entity applicant upon submission of 1485  
a completed application and payment of any applicable fees 1486  
required under this chapter if the superintendent finds all of 1487  
the following: 1488

(a) Except as provided under division (C)(2) of section 1489  
3905.062 or division (C)(2) of section 3905.063 of the Revised 1490  
Code, the applicant either is domiciled in Ohio or maintains its 1491  
principal place of business in Ohio. 1492

(b) The applicant has designated a licensed insurance 1493  
agent who will be responsible for the applicant's compliance 1494  
with the insurance laws of this state. 1495

(c) The applicant has not committed any act that is a 1496  
ground for the denial, suspension, or revocation of a license 1497  
under section 3905.14 of the Revised Code. 1498

(d) Any applicant applying for a portable electronics 1499  
insurance license line of authority satisfies the requirements 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 <del>section</del> <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 members, 1671

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

(9) Any entertainment production company obtaining travel 1676  
insurance coverage for any group of participants, volunteers, 1677  
audience members, contestants, or workers; 1678

(10) Any volunteer fire department, ambulance, rescue, 1679  
police, or court, or any first aid, civil defense, or other such 1680  
volunteer group; 1681

(11) Preschools, day-care institutions for children or 1682  
adults, and senior citizen clubs; 1683

(12) Any automobile or truck rental or leasing company 1684  
obtaining travel insurance coverage for a group of individuals 1685  
who may become renters, lessees, or passengers, defined by their 1686  
travel status, on the rented or leased vehicles; 1687

(13) Any other group whose members the superintendent has 1688  
determined are engaged in a common enterprise, or that have an 1689  
economic, educational, or social affinity or relationship, if 1690  
the superintendent also determines that issuance of the travel 1691  
insurance policy would not be contrary to the public interest. 1692

(E) "Fulfillment materials" means documentation sent to 1693  
the purchaser of a travel protection plan confirming the 1694  
purchase and providing the travel protection plan's coverage and 1695  
assistance details. 1696

(F) "Group travel insurance" means travel insurance issued 1697  
to any eligible group. 1698

~~(1)~~ (G) "Limited lines travel insurance agent" means an 1699

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

~~(2)~~ (H) "Offer and sell" means providing general 1704  
information, including a description of the coverage and price, 1705  
as well as processing the application and collecting premiums. 1706

(I) "Primary certificate holder" means an individual 1707  
person who elects and purchases travel insurance under a group 1708  
policy. 1709

(J) "Primary policyholder" means an individual person who 1710  
elects and purchases individual travel insurance. 1711

(K) "Travel administrator" means a person who directly or 1712  
indirectly underwrites, collects charges, collateral, or 1713  
premiums from, or adjusts or settles claims on residents of this 1714  
state, in connection with travel insurance. The following 1715  
persons shall not be considered a travel administrator if they 1716  
engage in no other activities that would cause them to be 1717  
considered a travel administrator: 1718

(1) A person working for a travel administrator to the 1719  
extent that the person's activities are subject to the 1720  
supervision and control of the travel administrator; 1721

(2) An insurance agent selling insurance or engaged in 1722  
administrative and claims-related activities within the scope of 1723  
the agent's license; 1724

(3) A travel retailer offering and selling travel 1725  
insurance and registered under the license of a limited-lines 1726  
travel insurance agent in accordance with sections 3905.065 and 1727  
3905.066 of the Revised Code; 1728

(4) An individual adjusting or settling claims in the 1729  
normal course of that individual's practice or employment as an 1730  
attorney at law and who does not collect charges or premiums in 1731  
connection with insurance coverage; 1732

(5) A business entity affiliated with a licensed insurer 1733  
while that insurer is acting as a travel administrator for the 1734  
direct and assumed insurance business of a separate affiliated 1735  
insurer. 1736

(L) "Travel assistance services" means noninsurance 1737  
services for which the consumer is not indemnified based on a 1738  
fortuitous event, and where providing the service does not 1739  
result in transfer or shifting of risk that would constitute the 1740  
business of insurance. "Travel assistance services" include all 1741  
of the following: 1742

(1) Security advisories; 1743

(2) Destination information; 1744

(3) Vaccination and immunization information services; 1745

(4) Travel reservation services; 1746

(5) Entertainment; 1747

(6) Activity and event planning; 1748

(7) Translation assistance; 1749

(8) Emergency messaging; 1750

(9) International legal and medical referrals; 1751

(10) Medical case monitoring; 1752

(11) Coordination of transportation arrangements; 1753

(12) Emergency cash transfer assistance; 1754

<u>(13) Medical prescription replacement assistance;</u>	1755
<u>(14) Passport and travel document replacement assistance;</u>	1756
<u>(15) Lost luggage assistance;</u>	1757
<u>(16) Concierge services;</u>	1758
<u>(17) Any other service that is furnished in connection</u> <u>with planned travel.</u>	1759 1760
<u>(M) (1) "Travel insurance" means insurance coverage for</u> personal risks incident to planned travel, including all of the following:	1761 1762 1763
(a) Interruption or cancellation of a trip or event;	1764
(b) Loss of baggage or personal effects;	1765
(c) Damages to accommodations or rental vehicles;	1766
(d) Sickness, accident, disability, or death occurring during travel;	1767 1768
<u>(e) Emergency evacuation;</u>	1769
<u>(f) Repatriation of remains;</u>	1770
<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>	1771 1772 1773 1774
<u>(2) "Travel insurance" does not include <del>major</del> any of the</u> <u>following:</u>	1775 1776
<u>(a) Major</u> medical plans that provide comprehensive medical protection for a traveler with a trip lasting six months or longer, including a plan covering a person working overseas as an expatriate or in a deployed military unit;	1777 1778 1779 1780

<u>(b) Any other product that requires a specific insurance agent license;</u>	1781
	1782
<u>(c) Travel assistance services;</u>	1783
<u>(d) Cancellation fee waivers.</u>	1784
<del>(3)</del> <u>(N) "Travel insurer" means an insurer, as defined in section 3901.32 of the Revised Code, that provides travel insurance.</u>	1785
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	1787
<u>(O) "Travel protection plan" means a plan that provides one or more of the following: travel insurance, travel assistance services, and cancellation fee waivers.</u>	1788
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	1790
<u>(P) "Travel retailer" means a business entity that makes, arranges, or offers travel services, and that may offer or sell travel insurance as a service to its customers on behalf of, and under the direction of, a limited lines travel insurance agent in conjunction with the making, arranging, or offering of travel services.</u>	1791
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<del>(B) No person shall offer or sell travel insurance except as provided in this section.</del>	1797
	1798
<del>(C) Notwithstanding any other provision of law, the superintendent of insurance may issue to an individual or business entity a limited lines travel insurance agent license that authorizes the holder of the license to sell, solicit, or negotiate travel insurance through a licensed insurer if both of the following requirements are met:</del>	1799
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<del>(1) The individual or business entity has submitted an application to the superintendent for the license on a form and in a manner prescribed by the superintendent.</del>	1805
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	1807
<del>(2) The individual or business entity has paid all fees</del>	1808

~~applicable under this chapter.~~ 1809

~~(D) (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 agent's behalf.~~ 1810  
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~~(2) 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.~~ 1815  
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~~(E) Notwithstanding any other provision of law, a travel retailer may offer and sell travel insurance under a limited lines travel insurance agent that is a business entity if all of the following conditions are met:~~ 1819  
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~~(1) The limited lines travel insurance agent or travel retailer provides all of the following information to purchasers of travel insurance at the time of sale or in the fulfillment materials provided to purchasers:~~ 1823  
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~~(a) A description of the material terms or the actual terms of the insurance coverage;~~ 1827  
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~~(b) A description of the process for filing a claim;~~ 1829

~~(c) A description of the review or cancellation process for the travel insurance policy;~~ 1830  
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~~(d) The identity and contact information of the insurer and limited lines travel insurance agent.~~ 1832  
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~~(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~~ 1834  
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~~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:~~ 1837  
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~~(i) Travel;~~ 1842

~~(ii) Property;~~ 1843

~~(iii) Personal.~~ 1844

~~(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.~~ 1845  
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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.~~ 1849  
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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.~~ 1853  
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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.~~ 1857  
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~~(b) The superintendent may review all training programs or  
materials at the superintendent's discretion.~~ 1860  
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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.~~ 1862  
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1864

~~(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.~~

~~(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:~~

~~(a) The identity and contact information of the insurer and the limited lines travel insurance agent;~~

~~(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;~~

~~(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.~~

~~(2) A travel retailer's employee or authorized representative who is not licensed as an insurance agent shall not do any of the following:~~

~~(a) Evaluate or interpret the technical terms, benefits, and conditions of the offered travel insurance coverage;~~

~~(b) Evaluate or provide advice concerning a prospective purchaser's existing insurance coverage;~~

~~(c) Hold itself out as a licensed insurer, licensed agent, or insurance expert;~~ 1893  
1894

~~(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.~~ 1895  
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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.~~ 1898  
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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.~~ 1913  
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~~(b) All costs paid or charged to a consumer for the purchase of travel insurance or related services shall be separately itemized on the customer's bill.~~ 1919  
1920  
1921

~~(H) Travel insurance may be provided under individual or group insurance.~~ 1922  
1923

~~(I) Any limited lines travel insurance agent, or any travel retailer offering or selling travel insurance under a limited lines travel insurance agent, that fails to comply with the provisions of this section is deemed to have engaged in an unfair and deceptive act or practice in the business of insurance as defined in section 3901.21 of the Revised Code and is subject to section 3905.14 of the Revised Code.~~ 1924  
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~~(J) A license issued under this section shall be renewed on a biennial basis as set forth in sections 3905.06 and 3905.07 of the Revised Code.~~ 1931  
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Sec. 3905.065. (A) No person shall offer or sell travel insurance except as provided in sections 3905.064 to 3905.0611 of the Revised Code. 1934  
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(B) Notwithstanding any other provision of law, the superintendent of insurance may issue to an individual or business entity a limited lines travel insurance agent license that authorizes the holder of the license to sell, solicit, or negotiate travel insurance through a licensed insurer if both of the following requirements are met: 1937  
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(1) The individual or business entity has submitted an application to the superintendent for the license on a form and in a manner prescribed by the superintendent. 1943  
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(2) The individual or business entity has paid all fees applicable under this chapter. 1946  
1947

(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 1948  
1949  
1950

superintendent, a register of each travel retailer that offers 1951  
or sells travel insurance on the limited lines travel agent's 1952  
behalf. 1953

(2) (a) The register shall include the name, address, and 1954  
contact information of the travel retailer and an officer or 1955  
person who directs or controls the travel retailer's operations, 1956  
and the travel retailer's federal tax identification number. 1957

(b) The limited lines travel insurance agent shall update 1958  
the register as needed to maintain its accuracy. 1959

(3) (a) The limited lines travel insurance agent shall 1960  
submit the register to the department of insurance upon 1961  
reasonable request and shall certify that the registered travel 1962  
retailer complies with 18 U.S.C. 1033. 1963

(b) The superintendent may apply the grounds for license 1964  
suspension, license revocation, and the imposition of penalties 1965  
that are found in section 3905.14 of the Revised Code and that 1966  
are applicable to resident insurance agents, to limited lines 1967  
travel insurance agents and travel retailers. 1968

(D) A limited lines travel insurance agent, as well as any 1969  
travel retailer and the retailer's employees that are registered 1970  
under division (C) of this section, are exempt from any 1971  
examination and education requirements as set forth in section 1972  
3905.04 of the Revised Code for purposes of sections 3905.064 to 1973  
3905.0611 of the Revised Code only. 1974

(E) Travel insurance may be provided under an individual, 1975  
group, or blanket insurance policy. 1976

(F) A person authorized to offer a travel protection plan 1977  
under sections 3905.064 to 3905.0611 of the Revised Code may 1978  
offer a travel protection plan for one price for the combined 1979

features that the travel protection plan offers in this state if 1980  
all of the following are met: 1981

(1) At or prior to the time of purchase, the travel 1982  
protection plan does both of the following: 1983

(a) Clearly discloses to the consumer that it includes 1984  
travel insurance, travel assistance services, and cancellation 1985  
fee waivers, as applicable; 1986

(b) Provides information and an opportunity for the 1987  
consumer to obtain additional information regarding the features 1988  
and pricing of each of the combined features. 1989

(2) The fulfillment materials provided to the consumer 1990  
include all of the following, as applicable: 1991

(a) A description and delineation of the travel insurance, 1992  
travel assistance services, and cancellation fee waivers in the 1993  
travel protection plan; 1994

(b) The travel insurance disclosures; 1995

(c) The contact information for persons providing travel 1996  
assistance services and cancellation fee waivers, as applicable. 1997

(G) In the event of a conflict between sections 3905.064 1998  
to 3905.0611 of the Revised Code and any other provision of 1999  
Title XXXIX of the Revised Code regarding the sale and marketing 2000  
of travel insurance and travel protection plans, the provisions 2001  
of sections 3905.064 to 3905.0611 of the Revised Code control. 2002

(H) (1) All documents provided to consumers prior to the 2003  
purchase of travel insurance, including sales materials, 2004  
advertising materials, and marketing materials, shall be 2005  
consistent with the travel insurance policy itself, including 2006  
forms, endorsements, policies, rate filings, and certificates of 2007

insurance. 2008

(2) For travel insurance policies or certificates that contain pre-existing condition exclusions, information and an opportunity to learn more about the pre-existing condition exclusions shall be provided any time prior to the time of purchase and in the coverage's fulfillment materials. 2009  
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(3) The fulfillment materials and the information described in division (A) (1) of section 3905.066 of the Revised Code shall be provided to a policyholder or certificate holder as soon as practicable after the purchase of a travel protection plan. 2014  
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(4) The travel insurer shall disclose in the policy documentation and fulfillment materials whether the travel insurance is primary or secondary to other applicable coverage. 2019  
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(I) (1) Unless the insured has either started a covered trip or filed a claim under the travel insurance coverage, a policyholder or certificate holder may cancel a travel insurance policy or certificate for a full refund of the travel protection plan price in accordance with the following: 2022  
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(a) If the travel protection plan's fulfillment materials are delivered by postal mail, the policyholder or certificate holder may cancel within fifteen days following the date of delivery. 2027  
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(b) If the travel protection plan's fulfillment materials are delivered by means other than postal mail, the policyholder or certificate holder may cancel within ten days following the date of delivery. 2031  
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(2) For the purposes of this division, "delivery" includes handing fulfillment materials to the policyholder or certificate 2035  
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holder or sending fulfillment materials by postal mail or 2037  
electronic means to the policyholder or certificate holder. 2038

(J) No person offering, selling, or negotiating travel 2039  
insurance or travel protection plans on an individual or group 2040  
basis may do so by using a negative option or opt out when the 2041  
consumer purchases a trip. As used in this division, "using a 2042  
negative option or opt out" includes requiring a consumer to 2043  
take an affirmative action to deselect coverage, such as 2044  
unchecking a box on an electronic form. 2045

(K) A license issued under this section shall be renewed 2046  
on a biennial basis as set forth in sections 3905.06 and 3905.07 2047  
of the Revised Code. 2048

**Sec. 3905.066.** (A) Notwithstanding any other provision of 2049  
law, a travel retailer may offer and sell travel insurance under 2050  
a limited lines travel insurance agent that is a business entity 2051  
if all of the following conditions are met: 2052

(1) The limited lines travel insurance agent or travel 2053  
retailer provides all of the following information to purchasers 2054  
of travel insurance at the time of sale or in the fulfillment 2055  
materials provided to purchasers: 2056

(a) A description of the material terms or the actual 2057  
terms of the insurance coverage; 2058

(b) A description of the process for filing a claim; 2059

(c) A description of the review or cancellation process 2060  
for the travel insurance policy; 2061

(d) The identity and contact information of the insurer 2062  
and limited lines travel insurance agent. 2063

(2) (a) The limited lines travel insurance agent designates 2064



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

(i) Travel; 2074

(ii) Property; 2075

(iii) Personal. 2076

(b) The responsible insurance agent, president, secretary, 2077  
treasurer, and any other officer or person who directs or 2078  
controls the limited lines travel insurance agent's insurance 2079  
operations shall comply with the fingerprinting requirements of 2080  
section 3905.051 of the Revised Code or the applicable 2081  
fingerprinting requirements of the home state of the limited 2082  
lines travel insurance agent. 2083

(3) The limited lines travel insurance agent business 2084  
entity and the responsible insurance agent are responsible for 2085  
the acts of the travel retailer and use reasonable means to 2086  
ensure compliance with sections 3905.064 to 3905.0611 of the 2087  
Revised Code by the travel retailer. 2088

(4) (a) The limited lines travel insurance agent requires 2089  
each employee and authorized representative of the travel 2090  
retailer, whose duties include offering or selling travel 2091  
insurance, to receive a program of instruction or training that 2092  
is subject, at the discretion of the superintendent, to review 2093

and approval. 2094

(b) The training material shall, at minimum, contain 2095  
instructions on the types of insurance offered, ethical sales 2096  
practices, and required disclosures to prospective customers. 2097

(B) (1) Any travel retailer offering or selling travel 2098  
insurance shall make available to prospective purchasers 2099  
brochures or other written materials that have been approved by 2100  
the travel insurer. Such materials shall contain all of the 2101  
following: 2102

(a) The identity and contact information of the insurer 2103  
and the limited lines travel insurance agent; 2104

(b) An explanation that the purchase of travel insurance 2105  
is not required in order to purchase any other product or 2106  
service from the travel retailer; 2107

(c) An explanation that an unlicensed travel retailer is 2108  
permitted to provide general information about the insurance 2109  
offered by the travel retailer, including a description of the 2110  
coverage and price, but is not qualified or authorized to answer 2111  
technical questions about the terms and conditions of the 2112  
insurance offered by the travel retailer or to evaluate the 2113  
adequacy of the customer's existing insurance coverage. 2114

(2) A travel retailer's employee or authorized 2115  
representative who is not licensed as an insurance agent shall 2116  
not do any of the following: 2117

(a) Evaluate or interpret the technical terms, benefits, 2118  
and conditions of the offered travel insurance coverage; 2119

(b) Evaluate or provide advice concerning a prospective 2120  
purchaser's existing insurance coverage; 2121

(c) Hold itself out as a licensed insurer, licensed agent, 2122  
or insurance expert. 2123

(3) Notwithstanding any other provision of law, a travel 2124  
retailer whose insurance-related activities, and those of its 2125  
employees and authorized representatives, are limited to 2126  
offering and selling travel insurance on behalf of and under the 2127  
direction of a limited lines travel insurance agent that meets 2128  
the requirements of section 3905.065 of the Revised Code, is 2129  
authorized to offer and sell insurance and receive related 2130  
compensation for these services, if the travel retailer is 2131  
registered by the limited lines travel insurance agent as 2132  
described in section 3905.065 of the Revised Code. Any 2133  
compensation paid to a travel retailer's employee or authorized 2134  
representative for the services described in this section shall 2135  
be incidental to the employee's or authorized representative's 2136  
overall compensation and not based primarily on the number of 2137  
customers who purchase travel insurance coverage. 2138

(C) Nothing in this section shall be construed to prohibit 2139  
payment of compensation to a travel retailer or its employees or 2140  
authorized representatives for activities under the limited 2141  
lines travel insurance agent's license that are incidental to 2142  
the overall compensation of the travel retailer or the employees 2143  
or authorized representatives of the facility. 2144

**Sec. 3905.067.** (A) Except as otherwise provided in this 2145  
section, all persons offering travel insurance to residents of 2146  
this state are subject to sections 3901.19 to 3901.26 of the 2147  
Revised Code. 2148

(B) Any limited lines travel insurance agent, or any 2149  
travel retailer offering or selling travel insurance under a 2150  
limited lines travel insurance agent, that fails to comply with 2151

the provisions of sections 3905.064 to 3905.0611 of the Revised 2152  
Code is deemed to have engaged in an unfair and deceptive act or 2153  
practice in the business of insurance as defined in section 2154  
3901.21 of the Revised Code and is subject to section 3905.14 of 2155  
the Revised Code. 2156

(C) Both of the following shall be considered an unfair 2157  
and deceptive act or practice in the business of insurance, as 2158  
defined in section 3901.21 of the Revised Code, and are subject 2159  
to, in addition to the penalties prescribed in section 3901.22 2160  
of the Revised Code, disciplinary action under section 3905.14 2161  
of the Revised Code: 2162

(1) Offering or selling a travel insurance policy that 2163  
could never result in payment of any claims; 2164

(2) Marketing blanket travel insurance coverage as free. 2165

(D) Marketing travel insurance directly to a consumer 2166  
through a travel insurer's web site or by others through an 2167  
aggregator site is not an unfair and deceptive act or practice 2168  
or other violation of law if both of the following conditions 2169  
are met: 2170

(1) An accurate summary or short description of coverage 2171  
is provided on the web site; 2172

(2) The consumer has access to the full provisions of the 2173  
policy through electronic means. 2174

(E) Where a consumer's destination jurisdiction requires 2175  
insurance coverage, it is not an unfair and deceptive act or 2176  
practice in the business of insurance to require a consumer to 2177  
choose between the following options as a condition of 2178  
purchasing a trip or travel package: 2179

(1) Purchasing the coverage required by the destination jurisdiction through the travel retailer or limited lines travel insurance agent supplying the trip or travel package; 2180  
2181  
2182

(2) Agreeing to obtain and provide proof of coverage that meets the destination jurisdiction's requirements prior to departure. 2183  
2184  
2185

**Sec. 3905.068.** (A) A travel insurer shall pay premium tax, as provided in Chapters 5725. and 5729. of the Revised Code, on travel insurance premiums paid by any of the following: 2186  
2187  
2188

(1) An individual primary policyholder who is a resident of this state; 2189  
2190

(2) A primary certificate holder who is a resident of this state who elects coverage under a group travel insurance policy; 2191  
2192

(3) (a) A blanket travel insurance policyholder, when the policy covers eligible blanket group members, that is a resident of, or has its principal place of business in, this state, including when the policy covers an affiliate or subsidiary, regardless of the location of the affiliate or subsidiary. 2193  
2194  
2195  
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2197

(b) Such payments shall be subject to any apportionment rules that apply to the insurer across multiple taxing jurisdictions or that permit the insurer to allocate premium on an apportioned basis in a reasonable and equitable manner in those jurisdictions. 2198  
2199  
2200  
2201  
2202

(B) A travel insurer shall: 2203

(1) Document the state of residence or principal place of business of the policyholder or certificate holder, as necessary to comply with division (A)(1) of this section; 2204  
2205  
2206

(2) Report as a premium only the amount allocable to 2207

<u>travel insurance and not any amounts received for travel</u>	2208
<u>assistance services or cancellation fee waivers.</u>	2209
<u>(C) Neither of the following are insurance:</u>	2210
<u>(1) A cancellation fee waiver;</u>	2211
<u>(2) Travel assistance services.</u>	2212
<u>(D) Surplus lines brokers selling travel insurance shall</u>	2213
<u>pay taxes on premiums related to travel insurance in accordance</u>	2214
<u>with sections 3905.30 to 3905.38 of the Revised Code and not in</u>	2215
<u>accordance with the requirements of this section.</u>	2216
<u>(E) With regard to an automobile or truck rental or</u>	2217
<u>leasing company obtaining travel insurance coverage for a group</u>	2218
<u>of individuals who may become renters, lessees, or passengers,</u>	2219
<u>defined by their travel status on the rented or leased vehicles,</u>	2220
<u>the common carrier, operator, owner, or lessor of a means of</u>	2221
<u>transportation, or the automobile or truck rental or leasing</u>	2222
<u>company, is the policyholder under a policy to which sections</u>	2223
<u>3905.064 to 3905.0611 of the Revised Code apply.</u>	2224
<u><b>Sec. 3905.069.</b> (A) Notwithstanding any other provisions of</u>	2225
<u>Title XXXIX of the Revised Code, no person shall act or</u>	2226
<u>represent the person's self as a travel administrator for travel</u>	2227
<u>insurance in this state unless that person holds one of the</u>	2228
<u>following licenses in good standing in this state:</u>	2229
<u>(1) Property and casualty license;</u>	2230
<u>(2) Managing general agent license;</u>	2231
<u>(3) Third-party administrator license.</u>	2232
<u>(B) (1) A travel insurer is responsible for the acts of a</u>	2233
<u>travel administrator administering travel insurance underwritten</u>	2234

by the travel insurer and is responsible for ensuring that the 2235  
travel administrator maintains all books and records relevant to 2236  
the travel insurer. 2237

(2) The travel administrator shall make such books and 2238  
records available to the superintendent of insurance upon 2239  
request. 2240

**Sec. 3905.0610.** (A) (1) Except as provided in division (A) 2241  
(2) of this section, travel insurance shall be classified and 2242  
filed, for purposes of rates and forms, under an inland marine 2243  
line of insurance. 2244

(2) Travel insurance that provides coverage for sickness, 2245  
accident, disability, or death occurring during travel, either 2246  
exclusively or in conjunction with related coverages of 2247  
emergency evacuation or repatriation of remains, or incidental 2248  
limited property and casualty benefits such as baggage or trip 2249  
cancellation, may be filed under either an accident and health 2250  
line of insurance or an inland marine line of insurance. 2251

(B) Eligibility and underwriting standards for travel 2252  
insurance may be developed and provided based on travel 2253  
protection plans designed for individual or identified marketing 2254  
or distribution channels, provided those standards also meet the 2255  
state's underwriting standards for inland marine. 2256

**Sec. 3905.0611.** The superintendent may adopt rules as 2257  
needed to implement sections 3905.064 to 3905.0611 of the 2258  
Revised Code. 2259

**Sec. 3915.073.** (A) This section shall be known as the 2260  
standard nonforfeiture law for individual deferred annuities. 2261

(B) This section does not apply to any reinsurance, group 2262  
annuity purchased under a retirement plan or plan of deferred 2263

compensation established or maintained by an employer, including 2264  
a partnership or sole proprietorship, or by an employee 2265  
organization, or by both, other than a plan providing individual 2266  
retirement accounts or individual retirement annuities under 2267  
section 408 of the Internal Revenue Code of 1954, 26 U.S.C.A. 2268  
408, as amended, premium deposit fund, variable annuity, 2269  
investment annuity, immediate annuity, any deferred annuity 2270  
contract after annuity payments have commenced, or reversionary 2271  
annuity, nor to any contract which is delivered outside this 2272  
state through an agent or other representative of the company 2273  
issuing the contract. 2274

(C) No contract of annuity, except as stated in division 2275  
(B) of this section, shall be delivered or issued for delivery 2276  
in this state unless the contract contains in substance the 2277  
following provisions, or corresponding provisions that in the 2278  
opinion of the superintendent of insurance are at least as 2279  
favorable to the contract owners, relative to the cessation of 2280  
payment of consideration under the contract: 2281

(1) That upon cessation of payment of considerations under 2282  
a contract, or upon the written request of the contract owner, 2283  
the company shall grant a paid-up annuity benefit on a plan 2284  
stipulated in the contract of such value as is specified in 2285  
divisions (E), (F), (G), (H), and (J) of this section; 2286

(2) If a contract provides for a lump sum settlement at 2287  
maturity, or at any other time, that upon surrender of the 2288  
contract at or prior to the commencement of any annuity 2289  
payments, the company shall pay in lieu of any paid-up annuity 2290  
benefit a cash surrender benefit of such amount as is specified 2291  
in divisions (E), (F), (H), and (J) of this section. The company 2292  
may reserve the right to defer the payment of such cash 2293



surrender benefit for a period not to exceed six months after 2294  
demand therefor with surrender of the contract. The deferral is 2295  
contingent upon the company's conveyance of a written request 2296  
for the deferral to the superintendent and the company's receipt 2297  
of written approval from the superintendent for the deferral. 2298  
The request shall address the necessity and equitability to all 2299  
contract owners of the deferral. 2300

(3) A statement of the mortality table, if any, and 2301  
interest rates used in calculating any minimum paid-up annuity, 2302  
cash surrender, or death benefits that are guaranteed under the 2303  
contract, together with sufficient information to determine the 2304  
amounts of such benefits; 2305

(4) A statement that any paid-up annuity, cash surrender, 2306  
or death benefits that may be available under the contract are 2307  
not less than the minimum benefits required by any statute of 2308  
the state in which the contract is delivered and an explanation 2309  
of the manner in which such benefits are altered by the 2310  
existence of any additional amounts credited by the company to 2311  
the contract, any indebtedness to the company on the contract, 2312  
or any prior withdrawals from or partial surrenders of the 2313  
contract. 2314

Notwithstanding the requirements of this section, any 2315  
deferred annuity contract may provide that if no considerations 2316  
have been received under a contract for a period of two full 2317  
years and the portion of the paid-up annuity benefit at maturity 2318  
on the plan stipulated in the contract arising from 2319  
considerations paid prior to such period would be less than 2320  
twenty dollars monthly, the company may at its option terminate 2321  
such contract by payment in cash of the then present value of 2322  
such portion of the paid-up annuity benefit, calculated on the 2323

basis of the mortality table, if any, and interest rate 2324  
specified in the contract for determining the paid-up annuity 2325  
benefit, and by such payment shall be relieved of any further 2326  
obligation under such contract. 2327

(D) The minimum values as specified in divisions (E), (F), 2328  
(G), (H), and (J) of this section of any paid-up annuity, cash 2329  
surrender, or death benefits available under an annuity contract 2330  
shall be based upon minimum nonforfeiture amounts as defined in 2331  
this division. 2332

(1) (a) The minimum nonforfeiture amount at any time at or 2333  
prior to the commencement of any annuity payments shall be equal 2334  
to an accumulation up to such time at rates of interest 2335  
determined in accordance with division (D) (2) of this section of 2336  
the net considerations, determined in accordance with division 2337  
(D) (1) (b) of this section, paid prior to such time, decreased by 2338  
the sum of: 2339

(i) Any prior withdrawals from or partial surrenders of 2340  
the contract, accumulated at rates of interest determined in 2341  
accordance with division (D) (2) of this section; 2342

(ii) An annual contract charge of fifty dollars, 2343  
accumulated at rates of interest determined in accordance with 2344  
division (D) (2) of this section; 2345

(iii) Any premium tax paid by the company for the 2346  
contract, accumulated at rates of interest determined in 2347  
accordance with division (D) (2) of this section; 2348

(iv) The amount of any indebtedness to the company on the 2349  
contract, including interest due and accrued. 2350

(b) The net considerations for a given contract year used 2351  
to define the minimum nonforfeiture amount shall be an amount 2352

equal to eighty-seven and one-half per cent of the gross 2353  
considerations credited to the contract during that contract 2354  
year. 2355

(2) (a) The interest rate used in determining minimum 2356  
nonforfeiture amounts under divisions (D) (1) to (4) of this 2357  
section shall be an annual rate of interest determined as the 2358  
lesser of three per cent per annum or the following, which shall 2359  
be specified in the contract if the interest rate will be reset: 2360

(i) The five-year constant maturity treasury rate reported 2361  
by the federal reserve as of a date or an average over a period, 2362  
rounded to the nearest one-twentieth of one per cent, specified 2363  
in the contract, no longer than fifteen months prior to the 2364  
contract issue date or the redetermination date specified in 2365  
division (D) (2) (b) of this section; 2366

(ii) Reduced by one hundred twenty-five basis points; 2367

(iii) Where the resulting interest rate shall not be less 2368  
than fifteen hundredths of one per cent. 2369

(b) The interest rate determined under division (D) (2) (a) 2370  
of this section shall apply for an initial period and may be 2371  
redetermined for additional periods. The redetermination date, 2372  
basis and period, if any, shall be stated in the contract. The 2373  
basis is the date or average over a specified period that 2374  
produces the value of the five-year constant maturity treasury 2375  
rate to be used at each redetermination date. 2376

(3) During the period or term that a contract provides 2377  
substantive participation in an equity-indexed benefit, the 2378  
contract may provide for an increase in the reduction described 2379  
in division (D) (2) (a) (ii) of this section by a maximum of one 2380  
hundred basis points to reflect the value of the equity-indexed 2381

benefit. The present value at the contract issue date, and at 2382  
each redetermination date thereafter, of the additional 2383  
reduction shall not exceed the market value of the benefit. The 2384  
superintendent may require a demonstration that the present 2385  
value of the additional reduction does not exceed the market 2386  
value of the benefit. If the demonstration is not acceptable to 2387  
the superintendent, the superintendent may disallow or limit the 2388  
additional reduction. 2389

(4) The superintendent may adopt rules to implement 2390  
division (D) (3) of this section and to provide for further 2391  
adjustments to the calculation of minimum nonforfeiture amounts 2392  
for contracts that provide substantive participation in an 2393  
equity-indexed benefit and for other contracts for which the 2394  
superintendent determines adjustments are justified. 2395

(E) Any paid-up annuity benefit available under a contract 2396  
shall be such that its present value on the date annuity 2397  
payments are to commence is at least equal to the minimum 2398  
nonforfeiture amount on that date. Such present value shall be 2399  
computed using the mortality table, if any, and the interest 2400  
rate specified in the contract for determining the minimum paid- 2401  
up annuity benefits guaranteed in the contract. 2402

(F) For contracts which provide cash surrender benefits, 2403  
such cash surrender benefits available prior to maturity shall 2404  
not be less than the present value as of the date of surrender 2405  
of that portion of the maturity value of the paid-up annuity 2406  
benefit that would be provided under the contract at maturity 2407  
arising from considerations paid prior to the time of cash 2408  
surrender reduced by the amount appropriate to reflect any prior 2409  
withdrawals from or partial surrenders of the contract, such 2410  
present value being calculated on the basis of an interest rate 2411

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

(G) For contracts that do not provide cash surrender 2422  
benefits, the present value of any paid-up annuity benefit 2423  
available as a nonforfeiture option at any time prior to 2424  
maturity shall not be less than the present value of that 2425  
portion of the maturity value of the paid-up annuity benefit 2426  
provided under the contract arising from considerations paid 2427  
prior to the time the contract is surrendered in exchange for, 2428  
or changed to, a deferred paid-up annuity, such present value 2429  
being calculated for the period prior to the maturity date on 2430  
the basis of the interest rate specified in the contract for 2431  
accumulating the net considerations to determine such maturity 2432  
value, and increased by any existing additional amounts credited 2433  
by the company to the contract. For contracts that do not 2434  
provide any death benefits prior to the commencement of any 2435  
annuity payments, such present values shall be calculated on the 2436  
basis of such interest rate and the mortality table specified in 2437  
the contract for determining the maturity value of the paid-up 2438  
annuity benefit. However, in no event shall the present value of 2439  
a paid-up annuity benefit be less than the minimum nonforfeiture 2440  
amount at that time. 2441

(H) For the purpose of determining the benefits calculated 2442

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

(I) Any contract that does not provide cash surrender 2451  
benefits or does not provide death benefits at least equal to 2452  
the minimum nonforfeiture amount prior to the commencement of 2453  
any annuity payments shall include a statement in a prominent 2454  
place in the contract that such benefits are not provided. 2455

(J) Any paid-up annuity, cash surrender, or death benefits 2456  
available at any time, other than on the contract anniversary 2457  
under any contract with fixed scheduled considerations, shall be 2458  
calculated with allowance for the lapse of time and the payment 2459  
of any scheduled considerations beyond the beginning of the 2460  
contract year in which cessation of payment of considerations 2461  
under the contract occurs. 2462

(K) For any contract that provides, within the same 2463  
contract by rider or supplemental contract provision, both 2464  
annuity benefits and life insurance benefits that are in excess 2465  
of the greater of cash surrender benefits or a return of the 2466  
gross considerations with interest, the minimum nonforfeiture 2467  
benefit shall be equal to the sum of the minimum nonforfeiture 2468  
benefits for the annuity portion and the minimum nonforfeiture 2469  
benefits, if any, for the life insurance portion computed as if 2470  
each portion were a separate contract. Notwithstanding the 2471  
provisions of divisions (E), (F), (G), (H), and (J) of this 2472

section, additional benefits payable:	2473
(1) In the event of total and permanent disability;	2474
(2) As reversionary annuity or deferred reversionary annuity benefits; or	2475 2476
(3) As other policy benefits additional to life insurance, endowment and annuity benefits, and considerations for all such additional benefits shall be disregarded in ascertaining the minimum nonforfeiture amounts, paid-up annuity, cash surrender, and death benefits that may be required by this section.	2477 2478 2479 2480 2481
The inclusion of such additional benefits shall not be required in any paid-up benefits, unless such additional benefits separately would require minimum nonforfeiture amounts, paid-up annuity, cash surrender, and death benefits.	2482 2483 2484 2485
(L) The superintendent may adopt rules in accordance with Chapter 119. of the Revised Code to implement this section.	2486 2487
<b>Sec. 3953.01.</b> As used in this chapter:	2488
(A) "Title insurance" means insuring, guaranteeing, or indemnifying owners of real property or others interested in real property against loss or damage suffered by reason of liens or encumbrances upon, defect in, or the unmarketability of the title to the real property, guaranteeing, warranting, or otherwise insuring by a title insurance company the correctness of searches relating to the title to real property, or doing any business in substance equivalent to any of the foregoing.	2489 2490 2491 2492 2493 2494 2495 2496
(B) "The business of title insurance" means the following:	2497
(1) The making as insurer, guarantor, or surety, or proposing to make as insurer, guarantor, or surety, any contract or policy of title insurance;	2498 2499 2500

(2) The transacting, or proposing to transact, any phase 2501  
of title insurance, including solicitation, negotiation 2502  
preliminary to execution, execution of a contract of title 2503  
insurance, insuring, and transacting matters subsequent to the 2504  
execution of the contract and arising out of it, including 2505  
reinsurance; 2506

(3) The doing or proposing to do any business in substance 2507  
equivalent to any of the foregoing. 2508

(C) "Title insurance company" means any of the following: 2509

(1) Any domestic title guaranty company and domestic title 2510  
guarantee and trust company to the extent that they are engaged 2511  
in the business of title insurance; 2512

(2) Any domestic company organized under this chapter for 2513  
the purpose of insuring titles to real property; 2514

(3) Any title insurance company organized under the laws 2515  
of another state or foreign government; 2516

(4) Any domestic or foreign company that has the powers 2517  
and is authorized to insure titles to real estate within this 2518  
state on December 12, 1967, and that meets the requirements of 2519  
this chapter. 2520

(D) "Applicants for insurance" includes all those, whether 2521  
or not a prospective insured, who from time to time apply to a 2522  
title insurance company or to its agent for title insurance and 2523  
who at the time of that application are not agents for a title 2524  
insurance company. 2525

(E) "Risk premium" for title insurance means that portion 2526  
of the fee charged by a title insurance company, agent of a 2527  
title insurance company, or approved attorney of a title 2528



insurance company to an insured or an applicant for insurance 2529  
for the assumption by the title insurance company of the risk 2530  
created by the issuance of the title insurance policy. 2531

(F) "Fee" for title insurance means the risk premium, 2532  
abstracting or searching charge, examination charge, and every 2533  
other charge, exclusive of settlement, closing, or escrow 2534  
charges, whether denominated premium or otherwise, made by a 2535  
title insurance company, agent of a title insurance company, or 2536  
an approved attorney of a title insurance company to an insured 2537  
or an applicant for insurance for any policy or contract for the 2538  
issuance of title insurance. "Fee" does not include any charges 2539  
paid to and retained by an attorney at law or abstractor acting 2540  
as an independent contractor whether or not the attorney or 2541  
abstractor is acting as an agent of a title insurance company or 2542  
an approved attorney and does not include any charges made for 2543  
special services not constituting title insurance, even though 2544  
performed in connection with a title insurance policy or 2545  
contract. 2546

(G) "Approved attorney" means an attorney at law who is 2547  
not an employee of a title insurance company or a title 2548  
insurance agent and upon whose examination of title and report 2549  
on the examination a title insurance company may issue a policy 2550  
of title insurance. 2551

(H) "Title insurance agent" means a person, partnership, 2552  
or corporation authorized in writing by a title insurance 2553  
company to solicit insurance and collect premiums and to issue 2554  
or countersign policies on its behalf. "Title insurance agent" 2555  
does not include officers and salaried employees of any title 2556  
insurance company authorized to do a title insurance business 2557  
within this state. 2558

(I) "Single insurance risk" means the insured amount of 2559  
any policy or contract of title insurance issued by a title 2560  
insurance company. 2561

(J) "Foreign title insurance company" means a title 2562  
insurance company organized under the laws of any state or 2563  
territory of the United States or the District of Columbia. 2564

(K) "Alien title insurance company" means a title 2565  
insurance company that is incorporated or organized under the 2566  
laws of any foreign nation or any province or territory of a 2567  
foreign nation and that is not a foreign title insurance 2568  
company. 2569

(L) "Non-directed escrow funds" means any funds delivered 2570  
to a title insurance agent or title insurance company with 2571  
instructions to hold or disburse the funds pursuant to a 2572  
transaction in which a title insurance policy will be issued, 2573  
but without written instructions to either deposit the funds in 2574  
an account for the benefit of a specific person or to pay the 2575  
interest earned on the funds to a specific person. 2576

(M) "Business day" means any day, other than a Saturday or 2577  
Sunday, or a legal holiday, on which a bank, savings and loan 2578  
association, credit union, or savings bank is open to the public 2579  
for carrying on substantially all of its functions. 2580

(N) "Housing accommodations" and "restrictive covenant" 2581  
have the same meanings as in section 4112.01 of the ~~revised code~~ 2582  
Revised Code. 2583

(O) "Joint venture" means an arrangement undertaken 2584  
jointly by two or more parties in regard to ownership of a 2585  
business entity title insurance agent. 2586

**Sec. 3953.331.** (A) For a title insurance ~~company~~ agency 2587

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

(B) Title insurance ~~companies~~agencies that are joint 2597  
ventures shall maintain sufficient records of their affairs, 2598  
including their escrow operations, escrow trust accounts, and 2599  
operating accounts so that the superintendent may adequately 2600  
ensure that the title insurance ~~company~~agency that is a joint 2601  
venture and all members of the joint venture are in compliance 2602  
with the requirements of this section. Records kept pursuant to 2603  
this section shall be kept for a period of not less than ten 2604  
years following the transactions to which the records relate. 2605  
The superintendent may prescribe the specific records and 2606  
documents to be kept. 2607

**Sec. 3953.36.** For a title ~~company~~agency that is a joint 2608  
venture that is set to dissolve or terminate on a specified 2609  
date, all members of that joint venture shall be allowed or 2610  
invited to join any successor joint ventures formed upon 2611  
dissolution or termination of the original joint venture, and 2612  
the percentage of ownership in any successor joint venture shall 2613  
not be based on the percentage of title insurance business 2614  
referred to the original joint venture. 2615

**Section 2.** That existing sections 3901.21, 3901.32, 2616  
3901.33, 3901.34, 3901.341, 3901.36, 3905.051, 3905.06, 2617

3905.064, 3915.073, 3953.01, 3953.331, and 3953.36 of the 2618  
Revised Code are hereby repealed. 2619

**Section 3.** The amendments to section 3905.064 and the 2620  
enactment of sections 3905.065 to 3905.0611 of the Revised Code 2621  
take effect ninety days after the effective date of this 2622  
section. 2623