

**As Passed by the House**

**132nd General Assembly**

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**2017-2018**

**Sub. S. B. No. 169**

**Senator Wilson**

**Cosponsors: Senators Eklund, Hackett, Hottinger, Bacon, Burke, Coley, Hoagland, Huffman, Manning, O'Brien, Oelslager, Terhar, Thomas Representatives Anielski, Ashford, Boyd, Craig, Green, Holmes, Kent, Lepore-Hagan, Rogers, Schaffer, Scherer, Schuring, Seitz, Sprague**

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**A BILL**

To amend sections 3901.32, 3903.01, 3903.05, 1  
3903.26, 3905.01, 3905.06, and 3905.40 and to 2  
enact sections 3901.352 and 3905.064 of the 3  
Revised Code to permit the Superintendent of 4  
Insurance to act as or select a group-wide 5  
supervisor for an internationally active 6  
insurance group, regarding delinquency 7  
proceedings involving insurer-members of federal 8  
home loan banks, and to oversee the sale of 9  
travel insurance. 10

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

**Section 1.** That sections 3901.32, 3903.01, 3903.05, 11  
3903.26, 3905.01, 3905.06, and 3905.40 be amended and sections 12  
3901.352 and 3905.064 of the Revised Code be enacted to read as 13  
follows: 14

**Sec. 3901.32.** As used in sections 3901.32 to 3901.37 of 15  
the Revised Code: 16

(A) "Affiliate of" or "affiliated with" a specific person 17  
means a person that, directly or indirectly, through one or more 18  
intermediaries, controls, is controlled by, or is under common 19  
control with, the person specified. 20

(B) "Control," including "controlling," "controlled by," 21  
and "under common control with," means the possession, direct or 22  
indirect, of the power to direct or cause the direction of the 23  
management and policies of a person, whether through the 24  
ownership of voting securities, by contract other than a 25  
commercial contract for goods or nonmanagement services, or 26  
otherwise, unless the power is the result of an official 27  
position with or corporate office held by the person. Control 28  
shall be presumed to exist if any person, directly or 29  
indirectly, owns, controls, holds with the power to vote, or 30  
holds proxies representing, ten per cent or more of the voting 31  
securities of any other person. This presumption may be rebutted 32  
by a showing made in the manner provided in division (J) of 33  
section 3901.33 of the Revised Code that control does not exist 34  
in fact. The superintendent of insurance may determine, after 35  
furnishing all persons in interest notice and opportunity to be 36  
heard and making specific findings of fact to support such 37  
determination, that control exists in fact, notwithstanding the 38  
absence of a presumption to that effect. 39

(C) "Enterprise risk" means any activity, circumstance, 40  
event, or series of events involving one or more affiliates of 41  
an insurer that, if not remedied promptly, is likely to have a 42  
materially adverse effect on the financial condition or 43  
liquidity of the insurer or its insurance holding company system 44  
as a whole. "Enterprise risk" includes anything that would cause 45  
the insurer's risk-based capital to fall into company action 46  
level as set forth in section 3903.83 of the Revised Code or 47

would cause the insurer to be in a hazardous financial 48  
condition. 49

(D) "Group-wide supervisor" means the regulatory official 50  
who is authorized by the superintendent to conduct and 51  
coordinate group-wide supervision of an internationally active 52  
insurance group and who is determined by the superintendent 53  
pursuant to division (A) of section 3901.352 of the Revised Code 54  
to have sufficient contacts with the internationally active 55  
insurance group. 56

(E) "Insurance holding company system" means two or more 57  
affiliated persons, one or more of which is an insurer. 58

~~(E)~~ (F) "Insurer" means any person engaged in the business 59  
of insurance, guaranty, or membership, an inter-insurance 60  
exchange, a mutual or fraternal benefit society, or a health 61  
insuring corporation. "Insurer" does not include any agency, 62  
authority, or instrumentality of the United States, its 63  
possessions and territories, the Commonwealth of Puerto Rico, 64  
the District of Columbia, or a state or political subdivision of 65  
a state. 66

~~(F)~~ (G) "Internationally active insurance group" means an 67  
insurance holding company system that includes an insurer 68  
registered under section 3901.33 of the Revised Code and that 69  
meets all of the following criteria: 70

(1) Insurers that are part of the insurance holding 71  
company system write premiums in at least three countries. 72

(2) The percentage of gross premiums written outside the 73  
United States by the insurance holding company system is at 74  
least ten per cent of the system's total gross written premiums. 75

(3) Based on a three-year rolling average, either the 76

total assets of the insurance holding company system are at 77  
least fifty billion dollars, or the total gross written premiums 78  
of the insurance holding company system are at least ten billion 79  
dollars. 80

(H) "Person" means an individual, a corporation, a 81  
partnership, an association, a joint stock company, a trust, an 82  
unincorporated organization, any similar entity, or any 83  
combination of the foregoing acting in concert. 84

~~(G)~~ (I) "Subsidiary" of a specified person is an affiliate 85  
controlled by such person, directly or indirectly, through one 86  
or more intermediaries. 87

~~(H)~~ (J) "Voting security" includes any security 88  
convertible into or evidencing a right to acquire a voting 89  
security. 90

**Sec. 3901.352.** (A) (1) The superintendent of insurance is 91  
authorized to act as the group-wide supervisor for any 92  
internationally active insurance group in accordance with this 93  
section. However, the superintendent may otherwise acknowledge a 94  
regulatory official from another jurisdiction as the group-wide 95  
supervisor for an internationally active insurance group, if the 96  
group meets any of the following conditions: 97

(a) Does not have substantial insurance operations in the 98  
United States; 99

(b) Has substantial operations in the United States, but 100  
not in this state; 101

(c) Has substantial insurance operations in the United 102  
States and this state, but the superintendent has determined 103  
pursuant to the factors set forth in divisions (B) and (F) of 104  
this section that the other regulatory official is the 105

appropriate group-wide supervisor. 106

(2) An insurance holding company system that does not 107  
otherwise qualify as an internationally active insurance group 108  
may request that the superintendent make a determination or 109  
acknowledgment as to a group-wide supervisor for the insurance 110  
holding company system pursuant to this section. 111

(B) (1) In cooperation with other state, federal, and 112  
international regulatory agencies, the superintendent shall 113  
identify one group-wide supervisor for each internationally 114  
active insurance group. The superintendent may determine that 115  
the superintendent is the appropriate group-wide supervisor for 116  
an internationally active insurance group that conducts 117  
substantial insurance operations concentrated in this state. 118  
However, the superintendent may acknowledge that a regulatory 119  
official from another jurisdiction is the appropriate group-wide 120  
supervisor for the internationally active insurance group. The 121  
superintendent shall consider the following factors when making 122  
a determination or acknowledgment under division (B) (1) of this 123  
section: 124

(a) The place of domicile of the insurers within the 125  
internationally active insurance group that hold the largest 126  
share of the group's written premiums, assets, or liabilities; 127

(b) The place of domicile of the top-tiered insurer in the 128  
internationally active insurance group's insurance holding 129  
company system; 130

(c) The location of the executive offices or largest 131  
operational offices of the internationally active insurance 132  
group; 133

(d) For the purposes of division (C) (1) of this section, 134

whether another regulatory official is acting or is seeking to 135  
act as the group-wide supervisor for the internationally active 136  
insurance group under a regulatory system that the 137  
superintendent determines to be either of the following: 138

(i) Substantially similar to the regulatory system under 139  
the laws of this state; 140

(ii) Otherwise sufficient in terms of providing for group- 141  
wide supervision, enterprise risk analysis, and cooperation with 142  
other regulatory officials. 143

(e) Whether another regulatory official acting, or seeking 144  
to act, as the group-wide supervisor for the internationally 145  
active insurance group provides the superintendent with 146  
reasonably reciprocal recognition and cooperation. 147

(2) If the superintendent is identified in division (B) (1) 148  
of this section as the group-wide supervisor of an 149  
internationally active insurance group, the superintendent may 150  
determine that it is appropriate to acknowledge another 151  
supervisor to serve as the group-wide supervisor. The 152  
acknowledgment of the new group-wide supervisor shall be made in 153  
accordance with all of the following: 154

(a) After consideration of the factors listed in division 155  
(B) (1) of this section; 156

(b) In cooperation with and subject to the acknowledgment 157  
of other regulatory officials involved with supervision of 158  
members of the internationally active insurance group; 159

(c) In consultation with the internationally active 160  
insurance group. 161

(C) (1) Notwithstanding any other provision of law, when 162

another regulatory official is acting as the group-wide 163  
supervisor of an internationally active insurance group, the 164  
superintendent shall acknowledge that regulatory official as the 165  
group-wide supervisor. 166

(2) The superintendent shall make a determination or 167  
acknowledgment under division (B) of this section as to the 168  
appropriate group-wide supervisor for an internationally active 169  
insurance group if a material change in the internationally 170  
active insurance group results in either of the following: 171

(a) The internationally active insurance group's insurers 172  
domiciled in this state holding the largest share of the group's 173  
premiums, assets, or liabilities; 174

(b) This state being the place of domicile of the top- 175  
tiered insurer in the internationally active insurance group's 176  
insurance holding company system. 177

(D) (1) Pursuant to section 3901.35 of the Revised Code, 178  
the superintendent may collect from any insurer registered under 179  
section 3901.33 of the Revised Code all information necessary to 180  
determine whether the superintendent may act as the group-wide 181  
supervisor of an internationally active insurance group or if 182  
the superintendent may acknowledge another regulatory official 183  
to act as the group-wide supervisor. 184

(2) Prior to issuing a determination that an 185  
internationally active insurance group is subject to group-wide 186  
supervision by the superintendent, the superintendent shall 187  
notify the insurer registered under section 3901.33 of the 188  
Revised Code and the ultimate controlling person within the 189  
internationally active insurance group. The superintendent shall 190  
give the internationally active insurance group not less than 191

thirty days to provide the superintendent with additional 192  
information pertinent to the pending determination. 193

(3) The superintendent shall publish on its internet web 194  
site the identity of internationally active insurance groups 195  
that the superintendent has determined are subject to group-wide 196  
supervision by the superintendent. 197

(E) If the superintendent is the group-wide supervisor for 198  
an internationally active insurance group, the superintendent 199  
may engage in any of the following activities: 200

(1) Assess the enterprise risks within the internationally 201  
active insurance group to ensure all of the following: 202

(a) That the material financial condition and liquidity 203  
risks to members of the internationally active insurance group 204  
that are engaged in the business of insurance are identified by 205  
management; 206

(b) That reasonable and effective mitigation measures are 207  
in place. 208

(2) Request from any member of an internationally active 209  
insurance group subject to the superintendent's supervision 210  
information necessary and appropriate to assess enterprise risk, 211  
including information about the members of the internationally 212  
active insurance group regarding all of the following: 213

(a) Governance, risk assessment, and management; 214

(b) Capital adequacy; 215

(c) Material intercompany transactions. 216

(3) Coordinate and, through the authority of the 217  
regulatory officials of the jurisdictions in which members of 218



the internationally active insurance group are domiciled, compel 219  
development and implementation of reasonable measures designed 220  
to ensure that the internationally active insurance group is 221  
able to timely recognize and mitigate enterprise risks to 222  
members of the internationally active insurance group that are 223  
engaged in the business of insurance; 224

(4) Communicate with other state, federal, and 225  
international regulatory agencies for members of the 226  
internationally active insurance group and share relevant 227  
information, subject to the confidentiality provisions of 228  
section 3901.36 of the Revised Code, through a supervisory 229  
college as set forth in section 3901.351 of the Revised Code or 230  
otherwise; 231

(5) Enter into agreements with or obtain documentation 232  
from any insurer registered under section 3901.33 of the Revised 233  
Code, any member of the internationally active insurance group, 234  
and any other state, federal, and international regulatory 235  
agency for members of the internationally active insurance 236  
group, that provides the basis for or otherwise clarifies the 237  
superintendent's role as group-wide supervisor. The agreements 238  
or documentation may include provisions for resolving disputes 239  
with other regulatory officials. The agreements or documentation 240  
shall not serve as evidence in any proceeding to show that any 241  
insurer or person within an insurance holding company system not 242  
domiciled or incorporated in this state is doing business in 243  
this state or is otherwise subject to jurisdiction in this 244  
state. 245

(6) Any other group-wide supervision activities consistent 246  
with this section that the superintendent considers necessary. 247

(F) If the superintendent acknowledges that another 248

regulatory official from a jurisdiction that is not accredited 249  
by the national association of insurance commissioners is the 250  
group-wide supervisor of an internationally active insurance 251  
group, the superintendent may reasonably cooperate, through a 252  
supervisory college as set forth in section 3901.351 of the 253  
Revised Code or otherwise, with group-wide supervision 254  
undertaken by the group-wide supervisor if all of the following 255  
are true: 256

(1) The superintendent's cooperation is in compliance with 257  
the Revised Code. 258

(2) The regulatory official also recognizes and cooperates 259  
with the superintendent's activities as a group-wide supervisor 260  
for other internationally active insurance groups, as 261  
applicable. If such recognition and cooperation is not 262  
reasonably reciprocal, the superintendent may refuse to 263  
recognize and cooperate with the regulatory official as group- 264  
wide supervisor. 265

(G) The superintendent may enter into agreements with or 266  
obtain documentation from any insurer registered under section 267  
3901.33 of the Revised Code, any affiliate of the insurer, and 268  
other state, federal, and international regulatory agencies for 269  
members of the internationally active insurance group that 270  
provides the basis for or otherwise clarifies a regulatory 271  
official's role as group-wide supervisor of an internationally 272  
active insurance group. 273

(H) An insurer registered under section 3901.33 of the 274  
Revised Code shall be liable for and shall pay the reasonable 275  
expenses of the superintendent's participation in the 276  
administration of this section, including engaging attorneys, 277  
actuaries, and any other professionals and all reasonable travel 278

<u>expenses.</u>	279
<u>(I) The superintendent may adopt rules in accordance with</u>	280
<u>Chapter 119. of the Revised Code as necessary to implement this</u>	281
<u>section.</u>	282
<b>Sec. 3903.01.</b> As used in sections 3903.01 to 3903.59 of	283
the Revised Code:	284
(A) "Admitted assets" means investment in assets which	285
will be admitted by the superintendent of insurance pursuant to	286
the law of this state.	287
(B) "Affiliate" has the same meaning as "affiliate of" or	288
"affiliated with," as defined in section 3901.32 of the Revised	289
Code.	290
(C) "Assets" means all property, real and personal, of	291
every nature and kind whatsoever or any interest therein.	292
(D) "Ancillary state" means any state other than a	293
domiciliary state.	294
(E) "Commodity contract" means any of the following:	295
(1) A contract for the purchase or sale of a commodity for	296
future delivery on, or subject to the rules of, a board of trade	297
designated as a contract market by the commodity futures trading	298
commission under the "Commodity Exchange Act," 7 U.S.C. 1 et	299
seq., as amended, or a board of trade outside the United States;	300
(2) An agreement that is subject to regulation under	301
section 19 of the "Commodity Exchange Act," 7 U.S.C. 23, as	302
amended, and that is commonly known to the commodities trade as	303
a margin account, margin contract, leverage account, or leverage	304
contract;	305

(3) An agreement or transaction that is subject to regulation under section 4c(b) of the "Commodity Exchange Act," 7 U.S.C. 6c(b), as amended, and that is commonly known to the commodities trade as a commodity option;	306 307 308 309
(4) Any combination of agreements or transactions described in division (E) of this section;	310 311
(5) Any option to enter into an agreement or transaction described in division (E) of this section.	312 313
(F) "Creditor" means a person having any claim, whether matured or unmatured, liquidated or unliquidated, secured or unsecured, absolute, fixed, or contingent.	314 315 316
(G) "Delinquency proceeding" means any proceeding commenced against an insurer for the purpose of liquidating, rehabilitating, reorganizing, or conserving the insurer, and any summary proceeding under section 3903.09 or 3903.10 of the Revised Code. "Formal delinquency proceeding" means any liquidation or rehabilitation proceeding.	317 318 319 320 321 322
(H) "Doing business" includes any of the following acts, whether effected by mail or otherwise:	323 324
(1) The issuance or delivery of contracts of insurance to persons resident in this state;	325 326
(2) The solicitation of applications for such contracts, or other negotiations preliminary to the execution of such contracts;	327 328 329
(3) The collection of premiums, membership fees, assessments, or other consideration for such contracts;	330 331
(4) The transaction of matters subsequent to execution of such contracts and arising out of them;	332 333

(5) Operating under a license or certificate of authority, 334  
as an insurer, issued by the department of insurance. 335

(I) "Domiciliary state" means the state in which an 336  
insurer is incorporated or organized, or, in the case of an 337  
alien insurer, its state of entry. 338

(J) "Fair consideration" is given for property or 339  
obligation when either of the following apply: 340

(1) When in exchange for such property or obligation, as a 341  
fair equivalent therefor, and in good faith, property is 342  
conveyed, services are rendered, an obligation is incurred, or 343  
an antecedent debt is satisfied; 344

(2) When such property or obligation is received in good 345  
faith to secure a present advance or antecedent debt in an 346  
amount not disproportionately small as compared to the value of 347  
the property or obligation obtained. 348

(K) "Federal home loan bank" means an institution 349  
chartered under the "Federal Home Loan Bank Act of 1932," 12 350  
U.S.C. 1421, et seq. 351

(L) "Foreign country" means any other jurisdiction not in 352  
any state. 353

~~(L)~~ (M) "Forward contract" has the same meaning as in the 354  
federal "Deposit Insurance Act," 64 Stat. 884, 12 U.S.C. 1821(e) 355  
(8) (D), as now and hereafter amended. 356

~~(M)~~ (N) "Guaranty association" means the Ohio insurance 357  
guaranty association created by section 3955.06 of the Revised 358  
Code and any other similar entity hereafter created by the 359  
general assembly for the payment of claims of insolvent 360  
insurers. "Foreign guaranty association" means any similar 361

entities now in existence in or hereafter created by the 362  
legislature of any other state. 363

~~(N)~~(O) "Insolvency" or "insolvent" means: 364

(1) For an insurer issuing only assessable fire insurance 365  
policies either of the following: 366

(a) The inability to pay any obligation within thirty days 367  
after it becomes payable; 368

(b) If an assessment is made within thirty days after such 369  
date, the inability to pay the obligation thirty days following 370  
the date specified in the first assessment notice issued after 371  
the date of loss. 372

(2) For any other insurer, that it is unable to pay its 373  
obligations when they are due, or when its admitted assets do 374  
not exceed its liabilities plus the greater of either of the 375  
following: 376

(a) Any capital and surplus required by law for its 377  
organization; 378

(b) The total par or stated value of its authorized and 379  
issued capital stock. 380

(3) As to any insurer licensed to do business in this 381  
state as of the effective date of sections 3903.01 to 3903.59 of 382  
the Revised Code that does not meet the standard established 383  
under division (N) (2) of this section, the term "insolvency" or 384  
"insolvent" means, for a period not to exceed three years from 385  
the effective date of sections 3903.01 to 3903.59 of the Revised 386  
Code, that it is unable to pay its obligations when they are due 387  
or that its admitted assets do not exceed its liabilities plus 388  
any required capital contribution ordered by the superintendent 389

under provisions of Title XXXIX of the Revised Code. 390

(4) For purposes of divisions (N) (2) to (4) of this 391  
section, "liabilities" includes, but is not limited to, reserves 392  
required by statute or by rules of the superintendent or 393  
specific requirements imposed by the superintendent upon a 394  
subject company at the time of admission or subsequent thereto. 395

~~(O)~~ (P) "Insurer" means any person who has done, purports 396  
to do, is doing, or is licensed to do an insurance business, and 397  
is or has been subject to the authority of, or to liquidation, 398  
rehabilitation, reorganization, supervision, or conservation by, 399  
any insurance commissioner, superintendent, or equivalent 400  
official. For purposes of sections 3903.01 to 3903.59 of the 401  
Revised Code, any other persons included under section 3903.03 402  
of the Revised Code are deemed to be insurers. 403

~~(P)~~ (Q) "Netting agreement" means: 404

(1) A contract or agreement, including a master agreement, 405  
and any terms and conditions incorporated by reference in such a 406  
contract or agreement, that provides for the netting, 407  
liquidation, setoff, termination, acceleration, or close out 408  
under or in connection with a qualified financial contract, or 409  
any present or future payment or delivery obligations or 410  
entitlements under a qualified financial contract, including 411  
liquidation or close-out values relating to those obligations or 412  
entitlements; 413

(2) A master agreement, together with all schedules, 414  
confirmations, definitions, and addenda to the agreement and 415  
transactions under the agreement, which shall be treated as one 416  
netting agreement, and any bridge agreement for one or more 417  
master agreements; 418

(3) Any security agreement or arrangement, credit support 419  
document, or guarantee or reimbursement obligation related to 420  
any contract or agreement described in division (P) of this 421  
section. 422

Any contract or agreement described in division (P) of 423  
this section relating to agreements or transactions that are not 424  
qualified financial contracts shall be deemed to be a netting 425  
agreement only with respect to those agreements or transactions 426  
that are qualified financial contracts. 427

~~(Q)~~(R) "Preferred claim" means any claim with respect to 428  
which the terms of sections 3903.01 to 3903.59 of the Revised 429  
Code accord priority of payment from the assets of the insurer. 430

~~(R)~~(S) "Qualified financial contract" means any commodity 431  
contract, forward contract, repurchase agreement, securities 432  
contract, swap agreement, and any similar agreement that the 433  
superintendent may determine by rule or order to be a qualified 434  
financial contract for purposes of this chapter. 435

~~(S)~~(T) "Reciprocal state" means any state other than this 436  
state in which in substance and effect division (A) of section 437  
3903.18, and sections 3903.52, 3903.53, and 3903.55 to 3903.57 438  
of the Revised Code are in force, in which provisions are in 439  
force requiring that the superintendent or equivalent official 440  
be the receiver, liquidator, rehabilitator, or conservator of a 441  
delinquent insurer, and in which some provision exists for the 442  
avoidance of fraudulent conveyances and preferential transfers. 443

~~(T)~~(U) "Repurchase agreement" has the same meaning as in 444  
the federal "Deposit Insurance Act," 64 Stat. 884, 12 U.S.C. 445  
1821(e) (8) (D), as now and hereafter amended. 446

~~(U)~~(V) "Secured claim" means any claim secured by 447



mortgage, trust deed, security agreement, pledge, deposit as 448  
security, escrow, or otherwise, but not including special 449  
deposit claims or claims against assets. The term also includes 450  
claims which have become liens upon specific assets by reason of 451  
judicial process. 452

~~(V)~~(W) "Securities contract" has the same meaning as in 453  
the federal "Deposit Insurance Act," 64 Stat. 884, 12 U.S.C. 454  
1821(e) (8) (D), as now and hereafter amended. 455

~~(W)~~(X) "Special deposit claim" means any claim secured by 456  
a deposit made pursuant to statute for the security or benefit 457  
of a limited class or classes of persons, but not including any 458  
claim secured by assets. 459

~~(X)~~(Y) "State" has the meaning set forth in division (G) 460  
of section 1.59 of the Revised Code. 461

~~(Y)~~(Z) "Superintendent" or "superintendent of insurance" 462  
means the superintendent of insurance of this state, or, when 463  
the context requires, the superintendent or commissioner of 464  
insurance, or equivalent official, of another state. 465

~~(Z)~~(AA) "Swap agreement" has the same meaning as in the 466  
federal "Deposit Insurance Act," 64 Stat. 884, 12 U.S.C. 1821(e) 467  
(8) (D), as now and hereafter amended. 468

~~(AA)~~(BB) "Transfer" includes the sale and every other and 469  
different mode, direct or indirect, of disposing of or of 470  
parting with property or with an interest in property, or with 471  
the possession of property or of fixing a lien upon property or 472  
upon an interest in property, absolutely or conditionally, 473  
voluntarily, or by or without judicial proceedings. The 474  
retention of a security title to property delivered to a debtor 475  
shall be deemed a transfer suffered by the debtor. 476

<b>Sec. 3903.05.</b> (A) Upon complaint or motion of any	477
receiver, conservator, rehabilitator, or liquidator appointed in	478
a proceeding under sections 3903.01 to 3903.59 of the Revised	479
Code, any court of general jurisdiction may issue a temporary	480
restraining order, a preliminary injunction, a permanent	481
injunction, or such other orders that the court considers	482
necessary and proper to prevent any one or more of the	483
following:	484
(1) The transaction of further business;	485
(2) The transfer of property;	486
(3) Interference with the receiver, conservator,	487
rehabilitator, or liquidator or with a proceeding under sections	488
3903.01 to 3903.59 of the Revised Code;	489
(4) Waste of the insurer's assets;	490
(5) Dissipation and transfer of bank accounts;	491
(6) The commencement or further prosecution of any actions	492
or proceedings;	493
(7) The obtaining of preferences, judgments, attachments,	494
garnishments, or liens against the insurer, its assets, or its	495
policyholders;	496
(8) The levying of execution against the insurer, its	497
assets, or its policyholders;	498
(9) The making of any sale or deed for nonpayment of taxes	499
or assessments that would lessen the value of the assets of the	500
insurer;	501
(10) The withholding from the receiver, conservator,	502
rehabilitator, or liquidator of books, accounts, documents, or	503

other records relating to the business of the insurer; 504

(11) Any other threatened or contemplated action that 505  
might lessen the value of the insurer's assets or prejudice the 506  
rights of policyholders, creditors, or shareholders, or the 507  
administration of any proceeding under sections 3903.01 to 508  
3903.59 of the Revised Code. 509

(B) The receiver, conservator, rehabilitator, or 510  
liquidator may apply to any court outside of this state for any 511  
relief described in division (A) of this section. 512

(C) (1) A federal home loan bank shall not be stayed or 513  
otherwise prohibited by a court from exercising its rights 514  
regarding collateral pledged by an insurer-member for more than 515  
ten days following the date a temporary restraining order, 516  
preliminary injunction, or permanent injunction is issued by the 517  
court pursuant to division (A) of this section. 518

(2) A federal home loan bank exercising its rights 519  
regarding collateral pledged by an insurer-member shall, within 520  
seven days of receiving a redemption request made by the 521  
insurer-member, repurchase any of the insurer-member's 522  
outstanding capital stock in excess of the amount the insurer- 523  
member must hold as a minimum investment. The federal home loan 524  
bank shall repurchase the excess outstanding capital stock only 525  
to the extent that it determines in good faith that the 526  
repurchase is both of the following: 527

(a) Permissible under federal laws and regulations and the 528  
federal home loan bank's capital plan; 529

(b) Consistent with the capital stock practices currently 530  
applicable to the federal home loan bank's entire membership. 531

(D) (1) Not later than ten days after the date of 532

appointment of a receiver, conservator, rehabilitator, or 533  
liquidator in a proceeding under sections 3903.01 to 3903.59 of 534  
the Revised Code involving an insurer-member of a federal home 535  
loan bank, the federal home loan bank shall provide to the 536  
receiver, conservator, rehabilitator, or liquidator a process 537  
and timeline for all of the following: 538

(a) The release of any collateral held by the federal home 539  
loan bank that exceeds the amount that is required to support 540  
the secured obligations of the insurer-member and that is 541  
remaining after any repayment of loans, as determined under the 542  
applicable agreements between the federal home loan bank and the 543  
insurer-member; 544

(b) The release of any collateral of the insurer-member 545  
remaining in the federal home loan bank's possession following 546  
repayment in full of all outstanding secured obligations of the 547  
insurer-member; 548

(c) The payment of fees owed by the insurer-member and the 549  
operation, maintenance, closure, or disposition of deposits and 550  
other accounts of the insurer-member, as mutually agreed upon by 551  
the receiver, conservator, rehabilitator, or liquidator and the 552  
federal home loan bank; 553

(d) Any redemption or repurchase of federal home loan bank 554  
stock or excess stock of any class that the insurer-member is 555  
required to own under agreements between the federal home loan 556  
bank and the insurer-member. 557

(2) Upon the request of a receiver, conservator, 558  
rehabilitator, or liquidator appointed in a proceeding under 559  
sections 3903.01 to 3903.59 of the Revised Code involving a 560  
federal home loan bank insurer-member, the federal home loan 561

bank shall provide to the receiver, conservator, rehabilitator, 562  
or liquidator any available options for the insurer-member to 563  
renew or restructure a loan. In determining which options are 564  
available, the federal home loan bank may consider market 565  
conditions, the terms of any loans outstanding to the insurer- 566  
member, the applicable policies of the federal home loan bank, 567  
and the federal laws and regulations applicable to federal home 568  
loan banks. 569

(E) As used in this section, "insurer-member" means a 570  
member of the federal home loan bank in question that is an 571  
insurer. 572

**Sec. 3903.26.** (A) Every Except as provided in division (D) 573  
of this section, every transfer made or suffered and every 574  
obligation incurred by an insurer within one year prior to the 575  
filing of a successful complaint for rehabilitation or 576  
liquidation under sections 3903.01 to 3903.59 of the Revised 577  
Code is fraudulent as to then existing and future creditors if 578  
made or incurred without fair consideration, or with actual 579  
intent to hinder, delay, or defraud either existing or future 580  
creditors. A transfer made or an obligation incurred by an 581  
insurer ordered to be rehabilitated or liquidated under sections 582  
3903.01 to 3903.59 of the Revised Code, which is fraudulent 583  
under this section, may be avoided by the rehabilitator or 584  
liquidator, except as to a person who in good faith is a 585  
purchaser, lienor, or obligee for a present fair equivalent 586  
value, and except that any purchaser, lienor, or obligee, who in 587  
good faith has given a consideration less than fair for such 588  
transfer, lien, or obligation, may retain the property, lien, or 589  
obligation as security for repayment. The court may, on due 590  
notice, order any such transfer or obligation to be preserved 591  
for the benefit of the estate, and in that event, the 592

rehabilitator or liquidator shall succeed to and may enforce the 593  
rights of the purchaser, lienor, or obligee. 594

(B) (1) A transfer of property other than real property is 595  
deemed to be made or suffered when it becomes so far perfected 596  
that no subsequent lien obtainable by legal or equitable 597  
proceedings on a simple contract could become superior to the 598  
rights of the transferee under division (C) of section 3903.28 599  
of the Revised Code. 600

(2) A transfer of real property is deemed to be made or 601  
suffered when it becomes so far perfected that no subsequent 602  
bona fide purchaser from the insurer could obtain rights 603  
superior to the rights of the transferee. 604

(3) A transfer which creates an equitable lien is not 605  
deemed to be perfected if there are available means by which a 606  
legal lien can be created. 607

(4) Any transfer not perfected prior to the filing of a 608  
complaint for rehabilitation or liquidation is deemed to be made 609  
immediately before the filing of the complaint. 610

(5) The provisions of divisions (B) (1) to (5) of this 611  
section apply whether or not there are or were creditors who 612  
might have obtained any liens or persons who might have become 613  
bona fide purchasers. 614

(C) Any transaction of the insurer with a reinsurer shall 615  
be deemed fraudulent and may be avoided by the rehabilitator or 616  
liquidator under division (A) of this section if both of the 617  
following apply: 618

(1) The transaction consists of the termination, 619  
adjustment, or settlement of a reinsurance contract in which the 620  
reinsurer is released from any part of its duty to pay the 621

originally specified share of losses that had occurred prior to 622  
the time of the transaction, unless the reinsurer gives a 623  
present fair equivalent value for the release; 624

(2) Any part of the transaction took place within one year 625  
prior to the date of filing of the complaint through which the 626  
rehabilitation or liquidation was commenced. 627

(D) (1) Except as provided in division (D) (2) of this 628  
section, any transfer of and any obligation to transfer money or 629  
other property from an insurer-member of a federal home loan 630  
bank to the federal home loan bank under a federal home loan 631  
bank security, pledge, collateral, or guarantee agreement, or 632  
other similar arrangement or credit enhancement, shall not be 633  
deemed fraudulent and shall not be avoided by the rehabilitator 634  
or liquidator under division (A) of this section if the 635  
agreement, arrangement, or enhancement is both of the following: 636

(a) Made in the ordinary course of business; 637

(b) Made in compliance with the applicable federal home 638  
loan bank agreement. 639

(2) Notwithstanding division (D) (1) of this section, a 640  
transfer may be deemed fraudulent and may be avoided by the 641  
rehabilitator or liquidator under division (A) of this section 642  
if the transfer is made with the intent to hinder, delay, or 643  
defraud an insurer-member of the federal home loan bank, the 644  
liquidator or rehabilitator of the insurer-member, or existing 645  
or future creditors of the insurer-member. 646

(3) As used in division (D) of this section, "insurer- 647  
member" means a member of the federal home loan bank in question 648  
that is an insurer. 649

**Sec. 3905.01.** As used in this chapter: 650

(A) "Affordable Care Act" means the "Patient Protection and Affordable Care Act," 124 Stat. 119, 42 U.S.C. 18031 (2011). 651  
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(B) "Business entity" means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity. 653  
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(C) "Home state" means the state or territory of the United States, including the District of Columbia, in which an insurance agent maintains the insurance agent's principal place of residence or principal place of business and is licensed to act as an insurance agent. 656  
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(D) "In-person assister" means any person, other than a navigator, who receives any funding from, or who is selected or designated by, an exchange, the state, or the federal government to perform any of the activities and duties identified in division (i) of section 1311 of the Affordable Care Act. "In-person assister" includes any individual that is employed by, supervised by, or affiliated with an in-person assister and performs any of the activities and duties identified in division (i) of section 1311 of the Affordable Care Act, any non-navigator assistance personnel, and any other person deemed as such by rules adopted by the superintendent under division (L) of section 3905.471 of the Revised Code. 661  
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(E) "Insurance" means any of the lines of authority set forth in Chapter 1739., 1751., or 1761. or Title XXXIX of the Revised Code, or as additionally determined by the superintendent of insurance. 673  
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(F) "Insurance agent" or "agent" means any person that, in order to sell, solicit, or negotiate insurance, is required to be licensed under the laws of this state, including limited 677  
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lines insurance agents and surplus line brokers. 680

(G) "Insurer" has the same meaning as in section 3901.32 681  
of the Revised Code. 682

(H) "License" means the authority issued by the 683  
superintendent to a person to act as an insurance agent for the 684  
lines of authority specified, but that does not create any 685  
actual, apparent, or inherent authority in the person to 686  
represent or commit an insurer. 687

(I) "Limited line credit insurance" means credit life, 688  
credit disability, credit property, credit unemployment, 689  
involuntary unemployment, mortgage life, mortgage guaranty, 690  
mortgage disability, guaranteed automobile protection insurance, 691  
or any other form of insurance offered in connection with an 692  
extension of credit that is limited to partially or wholly 693  
extinguishing that credit obligation and that is designated by 694  
the superintendent as limited line credit insurance. 695

(J) "Limited line credit insurance agent" means a person 696  
that sells, solicits, or negotiates one or more forms of limited 697  
line credit insurance to individuals through a master, 698  
corporate, group, or individual policy. 699

(K) "Limited lines insurance" means those lines of 700  
authority set forth in divisions (B) (7) to ~~(12)~~ (13) of section 701  
3905.06 of the Revised Code or in rules adopted by the 702  
superintendent, or any lines of authority the superintendent 703  
considers necessary to recognize for purposes of complying with 704  
section 3905.072 of the Revised Code. 705

(L) "Limited lines insurance agent" means a person 706  
authorized by the superintendent to sell, solicit, or negotiate 707  
limited lines insurance. 708

(M) "NAIC" means the national association of insurance commissioners.	709 710
(N) "Insurance navigator" means a person selected to perform the activities and duties identified in division (i) of section 1311 of the Affordable Care Act that is certified by the superintendent of insurance under section 3905.471 of the Revised Code. "Insurance navigator" refers to a navigator specified in section 1311 of the Affordable Care Act, 42 U.S.C. 13031.	711 712 713 714 715 716 717
(O) "Negotiate" means to confer directly with, or offer advice directly to, a purchaser or prospective purchaser of a particular contract of insurance with respect to the substantive benefits, terms, or conditions of the contract, provided the person that is conferring or offering advice either sells insurance or obtains insurance from insurers for purchasers.	718 719 720 721 722 723
(P) "Person" means an individual or a business entity.	724
(Q) "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurer.	725 726
(R) "Self-service storage facility" means an entity that is engaged in the business of providing real property designed and used for the purpose of renting or leasing individual storage space to the public who are to have access to the space for the purpose of storing and removing personal property on a self-service basis, but does not include a garage or other storage area in a private residence.	727 728 729 730 731 732 733
(S) "Solicit" means to attempt to sell insurance, or to ask or urge a person to apply for a particular kind of insurance from a particular insurer.	734 735 736
(T) "Superintendent" or "superintendent of insurance"	737

means the superintendent of insurance of this state.	738
(U) "Terminate" means to cancel the relationship between an insurance agent and the insurer or to terminate an insurance agent's authority to transact insurance.	739 740 741
(V) "Uniform application" means the NAIC uniform application for resident and nonresident agent licensing, as amended by the NAIC from time to time.	742 743 744
(W) "Uniform business entity application" means the NAIC uniform business entity application for resident and nonresident business entities, as amended by the NAIC from time to time.	745 746 747
(X) "Exchange" means a health benefit exchange established by the state government of Ohio or an exchange established by the United States department of health and human services in accordance with the "Patient Protection and Affordable Care Act," 124 Stat. 119, 42 U.S.C. 18031 (2011).	748 749 750 751 752
<b>Sec. 3905.06.</b> (A) (1) The superintendent of insurance shall issue a resident insurance agent license to an individual applicant whose home state is Ohio upon submission of a completed application and payment of any applicable fee required under this chapter, if the superintendent finds all of the following:	753 754 755 756 757 758
(a) The applicant is at least eighteen years of age.	759
(b) The applicant has not committed any act that is a ground for the denial, suspension, or revocation of a license under section 3905.14 of the Revised Code.	760 761 762
(c) If required under section 3905.04 of the Revised Code, the applicant has completed a program of insurance education for each line of authority for which the applicant has applied.	763 764 765

(d) If required under section 3905.04 of the Revised Code, 766  
the applicant has passed an examination for each line of 767  
authority for which the applicant has applied. 768

(e) Any applicant applying for variable life-variable 769  
annuity line of authority is registered with the financial 770  
industry regulatory authority (FINRA) as a registered 771  
representative after having passed at least one of the following 772  
examinations administered by the FINRA: the series 6 773  
examination, the series 7 examination, the series 63 774  
examination, the series 66 examination, or any other FINRA 775  
examination approved by the superintendent. 776

(f) If required under section 3905.051 of the Revised 777  
Code, the applicant has consented to a criminal records check 778  
and the results of the applicant's criminal records check are 779  
determined to be satisfactory by the superintendent. 780

(g) The applicant is a United States citizen or has 781  
provided proof of having legal authorization to work in the 782  
United States. 783

(h) The applicant is of good reputation and character, is 784  
honest and trustworthy, and is otherwise suitable to be 785  
licensed. 786

(2) The superintendent shall issue a resident insurance 787  
agent license to a business entity applicant upon submission of 788  
a completed application and payment of any applicable fees 789  
required under this chapter if the superintendent finds all of 790  
the following: 791

(a) Except as provided under division (C)(2) of section 792  
3905.062 or division (C)(2) of section 3905.063 of the Revised 793  
Code, the applicant either is domiciled in Ohio or maintains its 794

principal place of business in Ohio. 795

(b) The applicant has designated a licensed insurance 796  
agent who will be responsible for the applicant's compliance 797  
with the insurance laws of this state. 798

(c) The applicant has not committed any act that is a 799  
ground for the denial, suspension, or revocation of a license 800  
under section 3905.14 of the Revised Code. 801

(d) Any applicant applying for a portable electronics 802  
insurance license line of authority satisfies the requirements 803  
of division (C) (1) of section 3905.062 of the Revised Code or 804  
any applicant applying for a self-service storage insurance 805  
license line of authority satisfies the requirements of division 806  
(C) (1) of section 3905.063 of the Revised Code. 807

(e) The applicant has submitted any other documents 808  
requested by the superintendent. 809

(B) An insurance agent license issued pursuant to division 810  
(A) of this section shall state the licensee's name, the license 811  
number, the date of issuance, the date the license expires, the 812  
line or lines of authority for which the licensee is qualified, 813  
and any other information the superintendent deems necessary. 814

A licensee may be qualified for any of the following lines 815  
of authority: 816

(1) Life, which is insurance coverage on human lives, 817  
including benefits of endowment and annuities, and may include 818  
benefits in the event of death or dismemberment by accident and 819  
benefits for disability income; 820

(2) Accident and health, which is insurance coverage for 821  
sickness, bodily injury, or accidental death, and may include 822

benefits for disability income;	823
(3) Property, which is insurance coverage for the direct	824
or consequential loss or damage to property of any kind;	825
(4) Casualty, which is insurance coverage against legal	826
liability, including coverage for death, injury, or disability	827
or damage to real or personal property;	828
(5) Personal lines, which is property and casualty	829
insurance coverage sold to individuals and families for	830
noncommercial purposes;	831
(6) Variable life and variable annuity products, which is	832
insurance coverage provided under variable life insurance	833
contracts and variable annuities;	834
(7) Credit, which is limited line credit insurance;	835
(8) Title, which is insurance coverage against loss or	836
damage suffered by reason of liens against, encumbrances upon,	837
defects in, or the unmarketability of, real property;	838
(9) Surety bail bond, which is the authority set forth in	839
sections 3905.83 to 3905.95 of the Revised Code;	840
(10) Portable electronics insurance, which is a limited	841
line described in section 3905.062 of the Revised Code;	842
(11) Self-service storage insurance, which is a limited	843
line described in section 3905.063 of the Revised Code;	844
(12) <u>Travel insurance, which is a limited line described</u>	845
<u>in section 3905.064 of the Revised Code;</u>	846
<u>(13) Any other line of authority designated by the</u>	847
superintendent.	848
(C) (1) An individual seeking to renew a resident insurance	849

agent license shall apply biennially for a renewal of the 850  
license on or before the last day of the licensee's birth month. 851  
A business entity seeking to renew a resident insurance agent 852  
license shall apply biennially for a renewal of the license on 853  
or before the date determined by the superintendent. The 854  
superintendent shall send a renewal notice to all licensees at 855  
least one month prior to the renewal date. 856

Applications shall be submitted to the superintendent on 857  
forms prescribed by the superintendent. Each application shall 858  
be accompanied by a biennial renewal fee. The superintendent 859  
also may require an applicant to submit any document reasonably 860  
necessary to verify the information contained in the renewal 861  
application. 862

(2) To be eligible for renewal, an individual applicant 863  
shall complete the continuing education requirements pursuant to 864  
section 3905.481 of the Revised Code prior to the renewal date. 865

(3) If an applicant submits a completed renewal 866  
application, qualifies for renewal pursuant to divisions (C)(1) 867  
and (2) of this section, and has not committed any act that is a 868  
ground for the refusal to issue, suspension of, or revocation of 869  
a license under section 3905.14 of the Revised Code, the 870  
superintendent shall renew the applicant's resident insurance 871  
agent license. 872

(D) If an individual or business entity does not apply for 873  
the renewal of the individual or business entity's license on or 874  
before the license renewal date specified in division (C)(1) of 875  
this section, the individual or business entity may submit a 876  
late renewal application along with all applicable fees required 877  
under this chapter prior to the first day of the second month 878  
following the license renewal date. 879

(E) A license issued under this section that is not 880  
renewed on or before its renewal date pursuant to division (C) 881  
of this section or its late renewal date pursuant to division 882  
(D) of this section automatically is suspended for nonrenewal on 883  
the first day of the second month following the renewal date. If 884  
a license is suspended for nonrenewal pursuant to this division, 885  
the individual or business entity is eligible to apply for 886  
reinstatement of the license within the twelve-month period 887  
following the date by which the license should have been renewed 888  
by complying with the reinstatement procedure established by the 889  
superintendent and paying all applicable fees required under 890  
this chapter. 891

(F) A license that is suspended for nonrenewal that is not 892  
reinstated pursuant to division (E) of this section 893  
automatically is canceled unless the superintendent is 894  
investigating any allegations of wrongdoing by the agent or has 895  
initiated proceedings under Chapter 119. of the Revised Code. In 896  
that case, the license automatically is canceled after the 897  
completion of the investigation or proceedings unless the 898  
superintendent revokes the license. 899

(G) An individual licensed as a resident insurance agent 900  
who is unable to comply with the license renewal procedures 901  
established under this section and who is unable to engage in 902  
the business of insurance due to military service, a long-term 903  
medical disability, or some other extenuating circumstance may 904  
request an extension of the renewal date of the individual's 905  
license. To be eligible for such an extension, the individual 906  
shall submit a written request with supporting documentation to 907  
the superintendent. At the superintendent's discretion, the 908  
superintendent may not consider a written request made after the 909  
renewal date of the license. 910



<u>Sec. 3905.064. (A) As used in this section:</u>	911
<u>(1) "Limited lines travel insurance agent" means an individual or business entity licensed to sell, solicit, or negotiate travel insurance under this section.</u>	912 913 914
<u>(2) "Travel insurance" means insurance coverage for personal risks incident to planned travel, including all of the following:</u>	915 916 917
<u>(a) Interruption or cancellation of a trip or event;</u>	918
<u>(b) Loss of baggage or personal effects;</u>	919
<u>(c) Damages to accommodations or rental vehicles;</u>	920
<u>(d) Sickness, accident, disability, or death occurring during travel.</u>	921 922
<u>"Travel insurance" does not include major 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.</u>	923 924 925 926 927
<u>(3) "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>	928 929 930 931 932 933
<u>(B) No person shall offer or sell travel insurance except as provided in this section.</u>	934 935
<u>(C) Notwithstanding any other provision of law, the superintendent of insurance may issue to an individual or</u>	936 937

business entity a limited lines travel insurance agent license 938  
that authorizes the holder of the license to sell, solicit, or 939  
negotiate travel insurance through a licensed insurer if both of 940  
the following requirements are met: 941

(1) The individual or business entity has submitted an 942  
application to the superintendent for the license on a form and 943  
in a manner prescribed by the superintendent. 944

(2) The individual or business entity has paid all fees 945  
applicable under this chapter. 946

(D) (1) At the time the superintendent of insurance issues 947  
a license under this section, the limited lines travel insurance 948  
agent shall establish and maintain on a form prescribed by the 949  
superintendent a register of each travel retailer that offers or 950  
sells travel insurance on the agent's behalf. 951

(2) The limited lines travel insurance agent shall submit 952  
the register to the department of insurance upon reasonable 953  
request, and shall certify that the registered travel retailer 954  
complies with 18 U.S.C. 1033. 955

(E) Notwithstanding any other provision of law, a travel 956  
retailer may offer and sell travel insurance under a limited 957  
lines travel insurance agent that is a business entity if all of 958  
the following conditions are met: 959

(1) The limited lines travel insurance agent or travel 960  
retailer provides all of the following information to purchasers 961  
of travel insurance at the time of sale or in the fulfillment 962  
materials provided to purchasers: 963

(a) A description of the material terms or the actual 964  
terms of the insurance coverage; 965

<u>(b) A description of the process for filing a claim;</u>	966
<u>(c) A description of the review or cancellation process for the travel insurance policy;</u>	967 968
<u>(d) The identity and contact information of the insurer and limited lines travel insurance agent.</u>	969 970
<u>(2) (a) The limited lines travel insurance agent designates one of the agent's employees as the responsible insurance agent who is responsible for the limited lines travel insurance agent's compliance with the travel insurance laws and rules of this state. The designated responsible insurance agent must be a licensed insurance agent qualified in any of the following lines of authority in accordance with section 3905.06 of the Revised Code:</u>	971 972 973 974 975 976 977 978
<u>(i) Travel;</u>	979
<u>(ii) Property;</u>	980
<u>(iii) Personal.</u>	981
<u>(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.</u>	982 983 984 985
<u>(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.</u>	986 987 988 989
<u>(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.</u>	990 991 992 993

<u>(ii) The training material shall, at minimum, contain</u>	994
<u>instructions on the types of insurance offered, ethical sales</u>	995
<u>practices, and required disclosures to prospective customers.</u>	996
<u>(b) The superintendent may review all training programs or</u>	997
<u>materials at the superintendent's discretion.</u>	998
<u>(5) The travel retailer offers or sells the travel</u>	999
<u>insurance only in conjunction with the making, arranging, or</u>	1000
<u>offering of travel services.</u>	1001
<u>(F) A limited lines travel insurance agent, as well as any</u>	1002
<u>travel retailer and the retailer's employees that are registered</u>	1003
<u>under division (D) of this section, are exempt from any</u>	1004
<u>examination and education requirements as set forth in section</u>	1005
<u>3905.04 of the Revised Code for purposes of this section only.</u>	1006
<u>(G) (1) Any travel retailer offering or selling travel</u>	1007
<u>insurance shall make available to prospective purchasers</u>	1008
<u>brochures or other written materials that contain all of the</u>	1009
<u>following:</u>	1010
<u>(a) The identity and contact information of the insurer</u>	1011
<u>and the limited lines travel insurance agent;</u>	1012
<u>(b) An explanation that the purchase of travel insurance</u>	1013
<u>is not required in order to purchase any other product or</u>	1014
<u>service from the travel retailer;</u>	1015
<u>(c) An explanation that an unlicensed travel retailer is</u>	1016
<u>permitted to provide general information about the insurance</u>	1017
<u>offered by the travel retailer, including a description of the</u>	1018
<u>coverage and price, but is not qualified or authorized to answer</u>	1019
<u>technical questions about the terms and conditions of the</u>	1020
<u>insurance offered by the travel retailer or to evaluate the</u>	1021
<u>adequacy of the customer's existing insurance coverage.</u>	1022

(2) A travel retailer's employee or authorized representative who is not licensed as an insurance agent shall not do any of the following: 1023  
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(a) Evaluate or interpret the technical terms, benefits, and conditions of the offered travel insurance coverage; 1026  
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(b) Evaluate or provide advice concerning a prospective purchaser's existing insurance coverage; 1028  
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(c) Hold itself out as a licensed insurer, licensed agent, or insurance expert; 1030  
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(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. 1032  
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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. 1035  
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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 1050  
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authorized representatives for activities under the limited 1052  
lines travel insurance agent's license that are incidental to 1053  
the overall compensation of the travel retailer or the employees 1054  
or authorized representatives of the facility. 1055

(b) All costs paid or charged to a consumer for the 1056  
purchase of travel insurance or related services shall be 1057  
separately itemized on the customer's bill. 1058

(H) Travel insurance may be provided under individual or 1059  
group insurance. 1060

(I) Any limited lines travel insurance agent, or any 1061  
travel retailer offering or selling travel insurance under a 1062  
limited lines travel insurance agent, that fails to comply with 1063  
the provisions of this section is deemed to have engaged in an 1064  
unfair and deceptive act or practice in the business of 1065  
insurance as defined in section 3901.21 of the Revised Code and 1066  
is subject to section 3905.14 of the Revised Code. 1067

(J) A license issued under this section shall be renewed 1068  
on a biennial basis as set forth in sections 3905.06 and 3905.07 1069  
of the Revised Code. 1070

**Sec. 3905.40.** There shall be paid to the superintendent of 1071  
insurance the following fees: 1072

(A) Each insurance company doing business in this state 1073  
shall pay: 1074

(1) For filing a copy of its charter or deed of 1075  
settlement, two hundred fifty dollars; 1076

(2) For filing each statement, one hundred seventy-five 1077  
dollars; 1078

(3) For each certificate of authority or license, one 1079

hundred seventy-five, and for each certified copy thereof, five dollars; 1080  
1081

(4) For each copy of a paper filed in the superintendent's office, twenty cents per page; 1082  
1083

(5) For issuing certificates of deposits or certified copies thereof, five dollars for the first certificate or copy and one dollar for each additional certificate or copy; 1084  
1085  
1086

(6) For issuing certificates of compliance or certified copies thereof, sixty dollars; 1087  
1088

(7) For affixing the seal of office and certifying documents, other than those enumerated herein, two dollars; 1089  
1090

(8) For each agent appointment and each annual renewal of an agent appointment, not more than twenty dollars. 1091  
1092

(B) Each domestic life insurance company doing business in this state shall pay for annual valuation of its policies, one cent on every one thousand dollars of insurance. 1093  
1094  
1095

(C) Each applicant for licensure as an insurance agent except applicants for licensure as surety bail bond agents, surplus line brokers, portable electronics insurance vendors, and self-service storage facilities shall pay ten dollars for each line of authority requested. Fees collected under this division shall be credited to the department of insurance operating fund created in section 3901.021 of the Revised Code. 1096  
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(D) Each domestic mutual life insurance company shall pay for verifying that any amendment to its articles of incorporation was regularly adopted, two hundred fifty dollars with each application for verification. Any such amendment shall be considered to have been regularly adopted when approved by 1103  
1104  
1105  
1106  
1107

the affirmative vote of two-thirds of the policyholders present 1108  
in person or by proxy at any annual meeting of policyholders or 1109  
at a special meeting of policyholders called for that purpose. 1110

(E) Each insurance agent doing business in this state 1111  
shall pay a biennial license renewal fee of twenty-five dollars, 1112  
except the following insurance agents are not required to pay 1113  
that license renewal fee: 1114

(1) Individual resident agents who have met their 1115  
continuing education requirements under section 3905.481 of the 1116  
Revised Code; 1117

(2) Surety bail bond agents; 1118

(3) Surplus line brokers; 1119

(4) Portable electronics insurance vendors; 1120

(5) Self-service storage facilities; 1121

(6) Limited lines travel insurance agents. 1122

(F) Each applicant for licensure as a portable electronics 1123  
insurance vendor with a portable electronics insurance limited 1124  
lines license and each licensed vendor doing business in this 1125  
state shall pay the following fees prescribed by the 1126  
superintendent: 1127

(1) For vendors engaged in portable electronic 1128  
transactions at more than ten locations in this state, an 1129  
application fee not to exceed five thousand dollars for an 1130  
initial license and a biennial license renewal fee not to exceed 1131  
two thousand five hundred dollars for each renewal thereafter; 1132

(2) For vendors engaged in portable electronic 1133  
transactions at ten or fewer locations in this state, an 1134



application fee not to exceed three thousand dollars for an 1135  
initial license and a biennial license renewal fee not to exceed 1136  
one thousand dollars for each renewal thereafter. 1137

(G) Each applicant for licensure as a limited lines travel 1138  
insurance agent shall pay an application fee prescribed by the 1139  
superintendent not to exceed fifty dollars for an initial 1140  
license and a biennial license renewal fee prescribed by the 1141  
superintendent not to exceed fifty dollars for each renewal 1142  
thereafter. 1143

(H) Each applicant for a self-service storage insurance 1144  
limited lines license and each holder of such a license in this 1145  
state shall pay an application fee not to exceed ten dollars for 1146  
an initial license and a biennial license renewal fee not to 1147  
exceed twenty-five dollars for each renewal thereafter. 1148

~~(H)~~ (I) All fees collected by the superintendent under 1149  
this section except any fees collected under divisions (A) (2), 1150  
(3), and (6) of this section shall be credited to the department 1151  
of insurance operating fund created under section 3901.021 of 1152  
the Revised Code. 1153

**Section 2.** That existing sections 3901.32, 3903.01, 1154  
3903.05, 3903.26, 3905.01, 3905.06, and 3905.40 of the Revised 1155  
Code are hereby repealed. 1156

**Section 3.** The amendment of sections 3901.32, 3905.01, 1157  
3905.06, and 3905.40 and the enactment of sections 3901.352 and 1158  
3905.064 of the Revised Code in this act shall take effect 1159  
ninety days after the effective date of this act. 1160