

AN ACT

To amend sections 1101.05, 1109.20, 1121.10, 1125.23, 1181.08, 1322.01, 1322.07, 1322.09, 1322.12, 1322.34, 1322.40, 1322.50, 1733.01, 1733.04, 1733.041, 1733.05, 1733.13, 1733.14, 1733.16, 1733.19, 1733.22, 1733.24, 1733.32, 1733.329, and 1733.39, to enact sections 103.31, 1121.101, 1121.61, 1349.72, 1733.051, 1733.152, 1733.328, 1733.441, and 1733.53, and to repeal section 1733.26 of the Revised Code to revise the laws governing credit unions, to provide some regulatory relief to state banks and credit unions, to provide for data analytics to be conducted on publicly available information regarding banks, credit unions, and consumer finance companies, to require registration of mortgage loan servicers, and to require a specified notice be given to a debtor for certain debt collection.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 1101.05, 1109.20, 1121.10, 1125.23, 1181.08, 1322.01, 1322.07, 1322.09, 1322.12, 1322.34, 1322.40, 1322.50, 1733.01, 1733.04, 1733.041, 1733.05, 1733.13, 1733.14, 1733.16, 1733.19, 1733.22, 1733.24, 1733.32, 1733.329, and 1733.39 be amended and sections 103.31, 1121.101, 1121.61, 1349.72, 1733.051, 1733.152, 1733.328, 1733.441, and 1733.53 of the Revised Code be enacted to read as follows:

Sec. 103.31. (A) For the purpose of providing impartial, accurate information to assist the general assembly in proposing and evaluating legislation, the speaker of the house of representatives or the president of the senate may, at any time, request the director of the legislative service commission to arrange for data analytics to be conducted on any publicly available information regarding state banks, credit unions organized under Chapter 1733. of the Revised Code, or entities licensed or registered under Chapter 1321. or 1322. of the Revised Code.

(B) The director may, in making the arrangement described in division (A) of this section, retain economists, financial analysts, and any other necessary professionals on a consulting basis.

(C) As used in this section, "data analytics" means the use of qualitative and quantitative techniques to examine data to gain a better understanding of the data itself and the organizations that produced it.

Sec. 1101.05. (A) Except as otherwise expressly provided, the provisions of Chapters 1101. to 1127. of the Revised Code and any rules adopted under those chapters:

~~(A)~~—(1) Are enforceable only by the superintendent of financial institutions, the superintendent's designee, the federal deposit insurance corporation, the federal reserve, or, with respect to Chapter 1127. of the Revised Code, a prosecuting attorney; and

~~(B)~~—(2) Do not create or provide a private right of action or defense for or on behalf of any

party other than the superintendent or the superintendent's designee.

(B) Division (A) of this section does not apply with respect to sections 1109.18 and 1109.20 of the Revised Code and any rules adopted under those sections.

Sec. 1109.20. (A) A bank may contract for and receive interest or finance charges at any rate or rates agreed upon or consented to by the parties to the loan contract, extension of credit, or revolving credit agreement, but not exceeding an annual percentage rate of twenty-five per cent. In addition, a bank may charge, collect, and receive, as interest, other fees and charges that are agreed upon by the bank and the borrower, including, but not limited to, periodic membership fees, cash advance fees, charges for exceeding a designated credit limit, charges for late payments, charges for the return of a dishonored check or other payment instrument, guarantee fees, origination fees, processing fees, application fees, and prepayment fees. Any fees and charges charged, collected, or received by a bank in accordance with this division shall not be included in the computation of the annual percentage rate or the rates of interest or finance charges for purposes of applying the twenty-five per cent limitation.

The computation of the loan balance on which interest and finance charges are assessed and the method of compounding interest on the balance shall be as agreed upon by the bank and the borrower.

(B) For the purposes of section 85 of the "National Bank Act," 48 Stat. 191 (1933), 12 U.S.C.A. 85, and section 521 of the "Depository Institutions Deregulation and Monetary Control Act of 1980," 94 Stat. 132, 12 U.S.C.A. 1831d, both of the following apply:

(1) All the interest and finance charges and other fees and charges authorized under division (A) of this section are deemed to be interest and may be charged, collected, and received as interest by a bank.

(2) All terms, conditions, and other provisions authorized by this section and other provisions contained in any agreement with the borrower, including, but not limited to, terms, conditions, and other provisions relating to the method of determining the balance upon which interest or finance charges are applied, time periods within which fees and charges may be avoided, reasons for default and rights to cure any default, rights to accelerate payments, account cancellation, choice of law, and change-in-terms requirements, are deemed to be material to the determination of the interest rate.

(C) Any agreement between a bank and a borrower, wherever the borrower's place of residence, shall be governed solely by the laws of this state and federal law, unless otherwise provided for in the agreement.

(D) Subject to any requirements under applicable federal law, a bank and a borrower may specify in their agreement any terms and conditions for modifying or amending the agreement.

~~(E) Except as provided in section 1343.011 of the Revised Code, the~~ The charging, collection, or receipt of the interest and finance charges, and other fees and charges authorized under this section are deemed not to violate any provision of the Revised Code that prescribes, regulates, or limits any fee, charge, rate of interest, or finance charges.

Sec. 1121.10. (A) ~~As Except as otherwise provided in section 1121.101 of the Revised Code,~~ as often as the superintendent of financial institutions considers necessary, but at least once each twenty-four-month cycle, the superintendent, or any deputy or examiner appointed by the superintendent for that purpose, shall thoroughly examine the records and affairs of each state bank.

The examination shall include a review of all of the following:

- (1) Compliance with law;
- (2) Safety and soundness;
- (3) Other matters the superintendent determines.

(B) The superintendent may examine the records and affairs of any of the following as the superintendent considers necessary:

(1) Any party to a proposed reorganization for which the superintendent's approval is required by section 1115.11 or 1115.14 of the Revised Code;

(2) Any bank, savings and loan association, or savings bank proposing to convert to a bank doing business under authority granted by the superintendent for which the superintendent's approval is required by section 1115.02 of the Revised Code;

(3) Any person proposing to acquire control of a state bank for which the superintendent's approval is required by section 1115.06 of the Revised Code, or who acquired control of a state bank without the approval of the superintendent when that approval was required by section 1115.06 of the Revised Code, with respect to the state bank of which control is to be, or was, acquired;

(4) Any bank proposing to establish or acquire a branch for which the superintendent's approval is required by section 1117.02 of the Revised Code;

(5) Any foreign bank that maintains, or proposes to establish, one or more offices in this state;

(6) Any trust company.

(C) The board of directors or holders of a majority of the shares of a state bank or trust company may request the superintendent conduct a special examination of the records and affairs of the bank or trust company. The superintendent has sole discretion over the scope and timing of a special examination, and may impose restrictions and limitations on the use of the results of a special examination in addition to the restrictions and limitations otherwise imposed by law. The fee for a special examination shall be paid by the bank or trust company examined in accordance with section 1121.29 of the Revised Code.

(D) The superintendent may conduct all aspects of an examination concurrently or may divide the examination into constituent parts and conduct them at various times.

(E) The superintendent shall preserve the report of each examination, including related correspondence received and copies of related correspondence sent, for ten years after the examination date.

Sec. 1121.101. (A) Notwithstanding section 1121.10 of the Revised Code, and subject to division (B) of this section, the superintendent of financial institutions shall not conduct an examination of a state bank more frequently than once every twenty-four-month cycle, if the bank meets both of the following conditions:

(1) It has assets of ten billion dollars or less.

(2) Under the uniform financial institutions rating system, it maintains a composite rating of one.

(B) The superintendent may conduct more frequent examinations if either of the following applies:

(1) The superintendent has reasonable cause to believe that there is a risk of harm to the bank

and the examination of the bank is necessary to fully determine the risk to the bank or to determine how best to address the risk.

(2) The superintendent participates with financial institution regulatory authorities of other states or the United States in a joint, concurrent, or coordinated examination.

(C) A bank's composite rating used for purposes of division (A)(2) of this section is not a public record under section 149.43 of the Revised Code.

Sec. 1121.61. (A) As used in this section, "bona fide error" means an unintentional clerical, calculation, computer malfunction or programming, or printing error.

(B) A state bank, trust company, or regulated person shall not be held civilly liable in any action brought under Title XI or under Chapter 1309., 1317., or 1345. of the Revised Code, and shall not be subject to any sanction by the superintendent of financial institutions, if all of the following conditions are met:

(1) The bank, trust company, or person shows by a preponderance of evidence that the compliance failure was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(2) Within sixty days after discovering the error, and prior to the initiation of any action by the superintendent or the receipt of written notice of the error from the consumer, the bank, trust company, or person notifies the superintendent and the consumer of the error and the manner in which the bank, trust company, or person intends to make full restitution to the consumer.

(3) The bank, trust company, or person promptly makes reasonable restitution to the consumer.

(C) If, in the event of a compliance failure, the bank, trust company, or regulated person does not meet the conditions set forth in division (B) of this section, a consumer injured by the error has a cause of action to recover damages. Such an action may not, however, be maintained as a class action.

Sec. 1125.23. (A) The receiver shall promptly cause notice of the claims procedure to be published, in print or in a comparable electronic format, once a month for two consecutive months in a local newspaper of general circulation and to be mailed to each person whose name appears as a creditor upon the books of the state bank, at the last address of record.

(B)(1) All parties having claims of any kind against the bank, including prior judgments and claims of security, preference, priority, and offset, shall present their claims substantiated by legal proof to the receiver within one hundred eighty days after the date of the first publication of notice of the claims procedure or after actual receipt of notice of the claims procedure, whichever occurs first.

(2) Within one hundred eighty days after receipt of a claim, the receiver shall notify the claimant in writing whether the claim has been allowed or disallowed. The receiver may reject any claim in whole or in part, or may reject any claim of security, preference, priority, or offset against the bank. Any claimant whose claim has been rejected by the receiver shall petition the court for a hearing on the claim within sixty days after the date the notice was mailed or be forever barred from asserting the rejected claim.

(C) Any claims filed after the claim period and subsequently accepted by the receiver or allowed by the court, shall be entitled to share in the distribution of assets only to the extent of the undistributed assets in the hands of the receiver on the date the claims are accepted or allowed.

Sec. 1181.08. (A) In addition to the specific authority given the superintendent of financial institutions by other provisions of the Revised Code, the superintendent may from time to time adopt such rules as the superintendent considers necessary or appropriate for the administration of the division of financial institutions or to carry out any other duty of the superintendent.

(B) The superintendent shall not adopt any rule that has a retroactive effective date or apply any rule to conduct that took place exclusively before the effective date of that rule.

Sec. 1322.01. As used in this chapter:

(A) "Administrative or clerical tasks" mean the receipt, collection, and distribution of information common for the processing or underwriting of a loan in the mortgage industry, without performing any analysis of the information, and communication with a consumer to obtain information necessary for the processing or underwriting of a residential mortgage loan.

(B) "Advertising" means a commercial message in any medium that promotes, either directly or indirectly, a residential mortgage lending transaction.

(C) "Application" has the same meaning as in 12 C.F.R. 1026.2(a)(3).

(D) "Approved education course" means any course approved by the nationwide mortgage licensing system and registry.

(E) "Approved test provider" means any test provider approved by the nationwide mortgage licensing system and registry.

(F) "Borrower" means a person seeking a residential mortgage loan or an obligor on a residential mortgage loan.

(G) "Branch office" means a location at which a licensee conducts business other than a registrant's principal place of business, if at least one of the following applies to the location:

(1) The address of the location appears on business cards, stationery, or advertising used by the registrant;

(2) The registrant's name or advertising at the location suggests that mortgage transactions are made at the location;

(3) The location is held out to the public as a licensee's place of business due to the actions of an employee or independent contractor of the registrant; or

(4) The location within this state is controlled directly or indirectly by the registrant.

(H) "Buyer" means an individual who is solicited to purchase or who purchases the services of a mortgage loan originator for purposes of obtaining a residential mortgage loan. "Buyer" includes an individual whose mortgage loan is serviced by a mortgage servicer.

(I) "Consumer reporting agency" has the same meaning as in the "Fair Credit Reporting Act," 84 Stat. 1128, 15 U.S.C.A. 1681a, as amended.

(J) "Control" means the power, directly or indirectly, to direct the management or policies of an entity, whether through ownership of securities, by contract, or otherwise. A person is presumed to control an entity if that person:

(1) Is a director, general partner, or executive officer or is an individual that occupies a similar position or performs a similar function;

(2) Directly or indirectly has the right to vote five per cent or more of a class of a voting security or has the power to sell or direct the sale of five per cent or more of a class of voting securities;

(3) In the case of a limited liability company, is a managing member; or

(4) In the case of a partnership, has the right to receive upon dissolution or has contributed five per cent or more of the capital.

(K) "Depository institution" has the same meaning as in section 3 of the "Federal Deposit Insurance Act," 12 U.S.C. 1813(c), and also includes any credit union.

(L) "Dwelling" has the same meaning as in 15 U.S.C. 1602(w). "Dwelling" includes a single condominium unit, cooperative unit, mobile home, and trailer, if it is used as a residence, whether or not that structure is attached to real property.

(M) "Employee" means an individual for whom a mortgage broker or mortgage lender, in addition to providing a wage or salary, pays social security and unemployment taxes, provides workers' compensation coverage, and withholds local, state, and federal income taxes. "Employee" also includes any individual who acts as a mortgage loan originator or operations manager of a registrant, but for whom the registrant is prevented by law from making income tax withholdings.

(N) "Entity" means a business organization, including a sole proprietorship.

(O) "Expungement" means a court-ordered process that involves the destruction of documentation related to past arrests and convictions.

(P) "Federal banking agency" means the board of governors of the federal reserve system, the comptroller of the currency, the national credit union administration, or the federal deposit insurance corporation.

(Q) "Immediate family" means an individual's spouse, child, stepchild, parent, stepparent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, or sister-in-law.

(R) "Independent contractor" means an individual who performs duties for another person and is not subject to that person's supervision or control.

(S) "Individual" means a natural person.

(T) "Licensee" means any individual who has been issued a mortgage loan originator license under this chapter.

(U) "Loan commitment" means a statement transmitted in writing or electronically by a mortgage lender setting forth the terms and conditions upon which the mortgage lender is willing to make a particular residential mortgage loan to a particular borrower.

(V) "Loan processor or underwriter" means an individual who, with respect to the origination of a residential mortgage loan, performs administrative or clerical tasks as an employee at the direction of and subject to the supervision of a mortgage lender or mortgage broker. For purposes of this division, "origination of a residential mortgage loan" means all activities related to a residential mortgage loan, from the taking of a loan application through the completion of all required loan closing documents and the funding of the loan.

(W) "Mortgage" means the consensual interest in real property located in this state, including improvements to that property, securing a debt evidence by a mortgage, trust indenture, deed of trust, or other lien on real property.

(X) "Mortgage broker" means an entity that obtains, attempts to obtain, or assists in obtaining a mortgage loan for a borrower from a mortgage lender in return for consideration or in anticipation of consideration. For purposes of this division, "attempting to obtain or assisting in obtaining" a mortgage loan includes referring a borrower to a mortgage lender, soliciting or offering to solicit a

mortgage loan on behalf of a borrower, or negotiating or offering to negotiate the terms or conditions of a mortgage loan with a mortgage lender on behalf of a borrower.

(Y) "Mortgage lender" means an entity that consummates a residential mortgage loan, advances funds, offers to advance funds, or commits to advancing funds for a residential mortgage loan applicant.

(Z)(1) "Mortgage loan originator" means an individual who for compensation or gain, or in the expectation of compensation or gain, does any of the following:

- (a) Takes a residential mortgage loan application;
- (b) Assists or offers to assist a buyer in obtaining or applying to obtain a residential mortgage loan by, among other things, advising on loan terms, including rates, fees, and other costs;
- (c) Offers or negotiates terms of a residential mortgage loan;
- (d) Issues or offers to issue a commitment for a residential mortgage loan to a buyer.

(2) "Mortgage loan originator" does not include any of the following:

(a) An individual who performs purely administrative or clerical tasks on behalf of a mortgage loan originator;

(b) A person licensed under Chapter 4735. of the Revised Code, or under the similar law of another state, who performs only real estate brokerage activities permitted by that license, provided the person is not compensated by a mortgage lender, mortgage broker, mortgage loan originator, or by any agent thereof;

(c) A person solely involved in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. 101;

(d) An employee of a mortgage lender or mortgage broker who acts solely as a loan processor or underwriter and who does not represent to the public, through advertising or other means of communicating, including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items, that the employee can or will perform any of the activities of a mortgage loan originator;

(e) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a mortgage lender, a mortgage broker, or another mortgage loan originator, or by any agent thereof;

(f) Any person engaged in the retail sale of manufactured homes, mobile homes, or industrialized units if, in connection with financing those retail sales, the person only assists the borrower by providing or transmitting the loan application and does not do any of the following:

- (i) Offer or negotiate the residential mortgage loan rates or terms;
- (ii) Provide any counseling with borrowers about residential mortgage loan rates or terms;
- (iii) Receive any payment or fee from any company or individual for assisting the borrower obtain or apply for financing to purchase the manufactured home, mobile home, or industrialized unit;

(iv) Assist the borrower in completing a residential mortgage loan application.

(g) An individual employed by a nonprofit organization that is recognized as tax exempt under 26 U.S.C. 501(c)(3) and whose primary activity is the construction, remodeling, or rehabilitation of homes for use by low-income families, provided that the nonprofit organization

makes no-profit mortgage loans or mortgage loans at zero per cent interest to low-income families and no fees accrue directly to the nonprofit organization or individual employed by the nonprofit organization from those mortgage loans and that the United States department of housing and urban development does not deny this exemption.

(AA) "Mortgage servicer" means an entity that, for itself or on behalf of the holder of a mortgage loan, holds the servicing rights, records mortgage payments on its books, or performs other functions to carry out the mortgage holder's obligations or rights under the mortgage agreement including, when applicable, the receipt of funds from the mortgagor to be held in escrow for payment of real estate taxes and insurance premiums and the distribution of such funds to the taxing authority and insurance company.

~~(BB)~~ "Nationwide mortgage licensing system and registry" means a licensing system developed and maintained by the conference of state bank supervisors and the American association of residential mortgage regulators, or their successor entities, for the licensing and registration of persons providing non-depository financial services.

~~(BB)~~~~(CC)~~ "Nontraditional mortgage product" means any mortgage product other than a thirty-year fixed rate mortgage.

~~(CC)~~~~(DD)~~ "Person" means an individual, sole proprietorship, corporation, company, limited liability company, partnership, limited liability partnership, trust, or association.

~~(DD)~~~~(EE)~~ "Real estate brokerage activity" means any activity that involves offering or providing real estate brokerage services to the public, including all of the following:

(1) Acting as a real estate salesperson or real estate broker for a buyer, seller, lessor, or lessee of real property;

(2) Bringing together parties interested in the sale, purchase, lease, rental, or exchange of real property;

(3) Negotiating, on behalf of any party, any portion of a contract relating to the sale, purchase, lease, rental, or exchange of real property, other than in connection with providing financing for any such transaction;

(4) Engaging in any activity for which a person engaged in that activity is required to be licensed as a real estate salesperson or real estate broker under the law of this state;

(5) Offering to engage in any activity, or to act in any capacity, described in division ~~(DD)~~ (EE) of this section.

~~(EE)~~~~(FF)~~ "Registered mortgage loan originator" means an individual to whom both of the following apply:

(1) The individual is a mortgage loan originator and an employee of a depository institution, a subsidiary that is owned and controlled by a depository institution and regulated by a federal banking agency, or an institution regulated by the farm credit administration.

(2) The individual is registered with, and maintains a unique identifier through, the nationwide mortgage licensing system and registry.

~~(FF)~~~~(GG)~~ "Registrant" means any person that has been issued a certificate of registration under this chapter.

~~(GG)~~~~(HH)~~ "Residential mortgage loan" means any loan that meets both of the following requirements:

(1) It is primarily for personal, family, or household use and is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling or on residential real estate located in Ohio.

(2) It is provided and secured by a first lien holder secured creditor or by a second lien holder secured creditor.

~~(HH)~~(II) "Residential real estate" means any real property located in this state upon which is constructed a dwelling or upon which a dwelling is intended to be built within a two-year period, subject to 24 C.F.R. 3500.5(b)(4). For purposes of this division, a borrower's intent to build a dwelling within a two-year period is presumed unless the borrower has submitted a written, signed statement to the contrary.

~~(H)~~(JJ) "Superintendent of financial institutions" includes the deputy superintendent for consumer finance as provided in section 1181.21 of the Revised Code.

~~(J)~~(KK) "Unique identifier" means a number or other identifier assigned by protocols established by the nationwide mortgage licensing system and registry.

Sec. 1322.07. (A) No person, on the person's own behalf or on behalf of any other person, shall act as a mortgage lender, mortgage servicer, or mortgage broker without first having obtained a certificate of registration from the superintendent of financial institutions for the principal office and every branch office to be maintained by the person for the transaction of business as a mortgage lender, mortgage servicer, or mortgage broker in this state. A registrant shall maintain an office location for the transaction of business as a mortgage lender, mortgage servicer, or mortgage broker in this state.

(B)(1) No individual shall act as a mortgage loan originator without first having obtained a license from the superintendent. A mortgage loan originator shall be employed by or associated with a mortgage lender, mortgage broker, or entity holding a valid letter of exemption under division (B) (1) of section 1322.05 of the Revised Code, but shall not be employed by or associated with more than one registrant or entity holding a valid letter of exemption under division (B)(1) of section 1322.05 of the Revised Code at any one time.

(2) An individual acting under the individual's authority as a registered mortgage loan originator shall not be required to be licensed under division (B)(1) of this section.

(3) An individual who holds a valid temporary mortgage loan originator license issued pursuant to section 1322.24 of the Revised Code may engage in the business of a mortgage loan originator in accordance with this chapter during the term of the temporary license.

Sec. 1322.09. (A) An application for a certificate of registration shall be in writing, under oath, and in a form prescribed by the superintendent of financial institutions that complies with the requirements of the nationwide mortgage licensing system and registry. The application shall be accompanied by a nonrefundable application fee of five hundred dollars for each location of an office to be maintained by the applicant in accordance with division (A) of section 1322.07 of the Revised Code and any additional fee required by the nationwide mortgage licensing system and registry.

(B) Upon the filing of the application and payment of the nonrefundable application fee and any fee required by the nationwide mortgage licensing system and registry, the superintendent shall investigate the applicant and any individual whose identity is required to be disclosed in the application. As part of that investigation, the superintendent shall conduct a civil records check.

If, in order to issue a certificate of registration to an applicant, additional investigation by the superintendent outside this state is necessary, the superintendent may require the applicant to advance sufficient funds to pay the actual expenses of the investigation, if it appears that these expenses will exceed five hundred dollars. The superintendent shall provide the applicant with an itemized statement of the actual expenses that the applicant is required to pay.

(C) In connection with applying for a certificate of registration, the applicant shall furnish to the nationwide mortgage licensing system and registry information concerning the applicant's identity, including all of the following:

(1) The applicant's fingerprints for submission to the federal bureau of investigation, and any other governmental agency or entity authorized to receive such information, for purposes of a state, national, and international criminal history background check;

(2) Personal history and experience in a form prescribed by the nationwide mortgage licensing system and registry, along with authorization for the superintendent and the nationwide mortgage licensing system and registry to obtain both of the following:

(a) An independent credit report from a consumer reporting agency;

(b) Information related to any administrative, civil, or criminal findings by any governmental jurisdiction.

(D) The superintendent shall pay all funds advanced and application and renewal fees and penalties the superintendent receives pursuant to this section and section 1322.10 of the Revised Code to the treasurer of state to the credit of the consumer finance fund created in section 1321.21 of the Revised Code.

(E) If an application for a certificate of registration does not contain all of the information required under this section, and if that information is not submitted to the superintendent or to the nationwide mortgage licensing system and registry within ninety days after the superintendent or the nationwide mortgage licensing system and registry requests the information in writing, including by electronic transmission or facsimile, the superintendent may consider the application withdrawn.

(F) A certificate of registration and the authority granted under that certificate is not transferable or assignable and cannot be franchised by contract or any other means.

(G)(1) The superintendent may establish relationships or enter into contracts with the nationwide mortgage licensing system and registry, or any entities designated by it, to collect and maintain records and process transaction fees or other fees related to mortgage lender, mortgage servicer, or mortgage broker certificates of registration or the persons associated with a mortgage lender, mortgage servicer, or mortgage broker.

(2) For purposes of this section and to reduce the points of contact that the federal bureau of investigation may have to maintain, the division of financial institutions may use the nationwide mortgage licensing system and registry as a channeling agent for requesting information from and distributing information to the United States department of justice or other governmental agencies.

(3) For purposes of this section and to reduce the points of contact that the division may have to maintain, the division may use the nationwide mortgage licensing system and registry as a channeling agent for requesting information from and distributing information to any source as determined by the division.

Sec. 1322.12. Each registrant or entity holding a valid letter of exemption under division (B)

(1) of section 1322.05 of the Revised Code shall designate an employee or owner of that registrant's business as the operations manager. The operations manager shall be responsible for the management, supervision, and control of a particular location.

To be eligible for such a designation, an employee or owner shall have at least three years of experience as a mortgage loan originator or registered mortgage loan originator. While acting as the operations manager, the employee or owner shall be licensed as a mortgage loan originator under this chapter and shall not be employed by any other mortgage lender or mortgage broker. This paragraph shall not apply to the designated operations manager of an entity registered exclusively as a mortgage servicer.

Sec. 1322.34. (A) As often as the superintendent of financial institutions considers it necessary, the superintendent may examine the registrant's or licensee's records, including all records created or processed by a licensee, pertaining to business transacted pursuant to this chapter.

(B) A registrant or licensee shall maintain records pertaining to business transacted pursuant to this chapter for four years. For purposes of this division, "registrant or licensee" includes any person whose certificate of registration or license is cancelled, surrendered, or revoked or who otherwise ceases to engage in business as a mortgage lender, mortgage servicer, mortgage broker, or mortgage loan originator.

No registrant or licensee shall fail to comply with this division.

(C) Each registrant, licensee, and entity holding a valid letter of exemption under division (B) (1) of section 1322.05 of the Revised Code shall submit to the nationwide mortgage licensing system and registry call reports or other reports of condition, which reports shall be in such form and shall contain such information as the nationwide mortgage licensing system and registry may require. Each registrant and entity holding a valid letter of exemption under division (B)(1) of section 1322.05 of the Revised Code shall ensure that all residential mortgage loans that are consummated as a result of a mortgage loan originator's loan origination activities are included in the report of condition submitted to the nationwide mortgage licensing system and registry.

(D) Any document or record that is required to be signed and that is filed in this state as an electronic record through the nationwide mortgage licensing system and registry, and any other electronic record filed through the nationwide mortgage licensing system and registry, shall be considered a valid original document upon reproduction to paper form by the division of financial institutions.

Sec. 1322.40. No registrant, licensee, or person required to be registered or licensed under this chapter, or individual disclosed in an application as required by this chapter, shall do any of the following:

(A) Obtain a certificate of registration or mortgage loan originator license through any false or fraudulent representation of a material fact or any omission of a material fact required by state law, or make any substantial misrepresentation in any registration or license application;

(B) Make false or misleading statements of a material fact, omissions of statements required by state or federal law, or false promises regarding a material fact, through advertising or other means, or engage in a continued course of misrepresentations;

(C) Engage in conduct that constitutes improper, fraudulent, or dishonest dealings;

(D) Fail to notify the division of financial institutions within thirty days after any of the

following:

(1) Being convicted of or pleading guilty or nolo contendere to a felony in a domestic, foreign, or military court;

(2) Being convicted of or pleading guilty or nolo contendere to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, breach of trust, dishonesty, or drug trafficking, or any criminal offense involving money or securities, in a domestic, foreign, or military court;

(3) Having a mortgage lender, mortgage servicer, or mortgage broker certificate of registration or mortgage loan originator license, or any comparable authority, revoked in any governmental jurisdiction.

(E) Knowingly make, propose, or solicit fraudulent, false, or misleading statements on any mortgage loan document or on any document related to a mortgage loan, including a mortgage application, real estate appraisal, or real estate settlement or closing document. For purposes of this division, "fraudulent, false, or misleading statements" does not include mathematical errors, inadvertent transposition of numbers, typographical errors, or any other bona fide error.

(F) Knowingly instruct, solicit, propose, or otherwise cause a buyer to sign in blank a mortgage related document;

(G) Knowingly compensate, instruct, induce, coerce, or intimidate, or attempt to compensate, instruct, induce, coerce, or intimidate, a person licensed or certified under Chapter 4763. of the Revised Code for the purpose of corrupting or improperly influencing the independent judgment of the person with respect to the value of the dwelling offered as security for repayment of a mortgage loan;

(H) Promise to refinance a loan in the future at a lower interest rate or with more favorable terms, unless the promise is set forth in writing and is initialed by the buyer;

(I) Engage in any unfair, deceptive, or unconscionable act or practice prohibited under sections 1345.01 to 1345.13 of the Revised Code.

Sec. 1322.50. (A) After notice and opportunity for a hearing conducted in accordance with Chapter 119. of the Revised Code, the superintendent of financial institutions may do the following:

(1) Suspend, revoke, or refuse to issue or renew a certificate of registration or license if the superintendent finds any of the following:

(a) A violation of or failure to comply with any provision of this chapter or the rules adopted under this chapter, federal lending law, or any other law applicable to the business conducted under a certificate of registration or license;

(b) A conviction of or guilty or nolo contendere plea to a felony in a domestic, foreign, or military court;

(c) A conviction of or guilty or nolo contendere plea to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, breach of trust, dishonesty, or drug trafficking, or any criminal offense involving money or securities, in a domestic, foreign, or military court;

(d) The revocation of a certificate of registration or mortgage loan originator license, or any comparable authority, in any governmental jurisdiction.

(2) Impose a fine of not more than one thousand dollars, for each day a violation of a law or

rule is committed, repeated, or continued. If the registrant or licensee engages in a pattern of repeated violations of a law or rule, the superintendent may impose a fine of not more than two thousand dollars for each day the violation is committed, repeated, or continued. All fines collected pursuant to this division shall be paid to the treasurer of state to the credit of the consumer finance fund created in section 1321.21 of the Revised Code. In determining the amount of a fine to be imposed pursuant to this division, the superintendent may consider all of the following, to the extent known by the division of financial institutions:

(a) The seriousness of the violation;
(b) The registrant's or licensee's good faith efforts to prevent the violation;
(c) The registrant's or licensee's history regarding violations and compliance with division orders;

(d) The registrant's or licensee's financial resources;
(e) Any other matters the superintendent considers appropriate in enforcing this chapter.

(B) The superintendent may investigate alleged violations of this chapter or the rules adopted under this chapter or complaints concerning any violation.

(1) The superintendent may make application to the court of common pleas for an order enjoining any violation and, upon a showing by the superintendent that a person has committed or is about to commit that violation, the court shall grant an injunction, restraining order, or other appropriate relief.

(2) The superintendent may make application to the court of common pleas for an order enjoining any person from acting as a mortgage lender, mortgage servicer, mortgage broker, registrant, mortgage loan originator, or licensee in violation of division (A) or (B) of section 1322.07 of the Revised Code, and may seek and obtain civil penalties for unregistered or unlicensed conduct of not more than five thousand dollars per violation.

(C) In conducting any investigation pursuant to this section, the superintendent may compel, by subpoena, witnesses to testify in relation to any matter over which the superintendent has jurisdiction and may require the production of any book, record, or other document pertaining to that matter. If a person fails to file any statement or report, obey any subpoena, give testimony, produce any book, record, or other document as required by a subpoena, or permit photocopying of any book, record, or other document subpoenaed, the court of common pleas of any county in this state, upon application made to it by the superintendent, shall compel obedience by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from the court or a refusal to testify therein.

(D) If the superintendent determines that a person is engaged in or is believed to be engaged in activities that may constitute a violation of this chapter or any rule adopted thereunder, the superintendent, after notice and a hearing conducted in accordance with Chapter 119. of the Revised Code, may issue a cease and desist order. If the administrative action is to enjoin a person from acting as a mortgage lender, mortgage servicer, mortgage broker, or mortgage loan originator in violation of division (A) or (B) of section 1322.07 of the Revised Code, the superintendent may seek and impose fines for that conduct in an amount not to exceed five thousand dollars per violation. Such an order shall be enforceable in the court of common pleas.

(E) If the superintendent revokes a certificate of registration or mortgage loan originator

license, the revocation shall be permanent and with prejudice.

(F)(1) To protect the public interest, the superintendent may, without a prior hearing, do any of the following:

(a) Suspend the certificate of registration or mortgage loan originator license of a registrant or licensee who is convicted of or pleads guilty or nolo contendere to a criminal violation of any provision of this chapter or any criminal offense described in division (A)(1)(b) or (c) of this section;

(b) Suspend the certificate of registration of a registrant who violates division (F) of section 1322.32 of the Revised Code;

(c) Suspend the certificate of registration or mortgage loan originator license of a registrant or licensee who fails to comply with a request made by the superintendent under section 1322.09 or 1322.20 of the Revised Code to inspect qualifying education transcripts located at the registrant's or licensee's place of business.

(2) The superintendent may, in accordance with Chapter 119. of the Revised Code, subsequently revoke any registration or license suspended under division (F)(1) of this section.

(G) The imposition of fines under this section does not preclude any penalty imposed under section 1322.99 of the Revised Code.

Sec. 1349.72. (A) Before a person collecting a debt secured by residential real property collects or attempts to collect any part of the debt, the person shall first send a written notice as described in division (B) of this section via United States mail to the residential address of the debtor, if both of the following apply:

(1) The debt is a second mortgage or junior lien on the debtor's residential real property.

(2) The debt is in default.

(B) The written notice shall be printed in at least twelve-point type and state the following:

(1) The name and contact information of the person collecting the debt;

(2) The amount of the debt;

(3) A statement that the debtor has a right to an attorney;

(4) A statement that the debtor may qualify for debt relief under Chapter 7 or 13 of the United States Bankruptcy Code, 11 U.S.C. Chapter 7 or 13, as amended;

(5) A statement that a debtor that qualifies under Chapter 13 of the United States Bankruptcy Code may be able to protect their residential real property from foreclosure.

(C) Upon written request of the debtor, the owner of the debt shall provide a copy of the note and the loan history to the debtor.

(D)(1) As used in this division, "bona fide error" means an unintentional clerical, calculation, computer malfunction or programming, or printing error.

(2) Any owner of debt subject to divisions (A), (B), and (C) of this section shall not be held civilly liable in any action, if all of the following are met:

(a) The owner of the debt shows by a preponderance of evidence that the compliance failure was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(b) Within sixty days after discovering the error, and prior to the initiation of any action, the owner of the debt notifies the debtor of the error and the manner in which the owner of the debt intends to make full restitution to the debtor.

(c) The owner of the debt promptly makes reasonable restitution to the debtor.

(3) If, in the event of a compliance failure, the owner of the debt does not meet the conditions set forth in division (D)(2) of this section, a debtor injured by the error has a cause of action to recover damages. Such an action shall not, however, be maintained as a class action.

Sec. 1733.01. As used in this chapter, unless the context otherwise requires:

(A) "Credit union" means a corporation organized and qualified as such under this chapter. In addition to the powers enumerated in this chapter and unless restricted in this chapter, every credit union has the general powers conferred upon corporations by Chapter 1701. of the Revised Code. A credit union is a nonprofit cooperative financial institution and as such is organized and operates for the mutual benefit and general welfare of its members with the earnings, savings, benefits, or services of the credit union being distributed to its members as patron savers and borrowers and not to its members as individuals.

(B) "Corporate credit union" means a credit union, eligibility for membership in which is being a credit union qualified to do business in this state. Such credit union shall use the term "corporate" in its official name.

(C) "Foreign credit union" means a credit union formed under the laws of another state which are substantially similar to this chapter.

(D) "Member" means a person who is a member of a credit union.

(E) "Association member" means any member of a credit union other than a credit union or an individual member.

(F) "Voting member" means an association member or an individual member who is qualified to vote as provided by law, the articles, or the regulations.

(G) "Person" includes, without limitation, an individual, the estate of a deceased individual, a corporation, an unincorporated society or association, or any other organization of individuals.

(H) "Articles" includes original articles of incorporation, agreements of merger, amended articles, and amendments to any of these.

(I) "Regulations" includes the code of regulations of a credit union and any amendments thereto or an amended code of regulations and any amendments thereto.

(J) Persons having a "common bond of association" include those persons and their families.

~~(K) "Membership share" means a share of the credit union, the subscription to which shall be a prerequisite for membership in the credit union.~~

~~(L)~~ "Share account" means an account established for a member for which no share certificates are issued but which are included in the registry of shares, which includes all transactions of the credit union pertaining to such shares.

~~(M)~~ ~~(L)~~ "Undivided earnings" consist of all accumulated net earnings and reserves required under division (B) of section 1733.31 of the Revised Code.

~~(N)~~ ~~(M)~~ "State" means the United States, any state, territory, insular possession, or other political subdivision of the United States, including the District of Columbia.

~~(O)~~ ~~(N)~~ An "emergency" exists when an emergency exists for other corporations as the same is defined and described in section 1701.01 of the Revised Code.

~~(P)~~ ~~(O)~~ "Superintendent of credit unions" means the "division of financial institutions," ~~or the~~ "superintendent of the division of financial institutions of this state," or the "deputy superintendent

for credit unions"; and whenever the context requires it, may be read as "director of commerce"~~or as "chief of the division of financial institutions."~~ Whenever the division or superintendent of credit unions is referred to or designated in any statute, rule, contract, or other document, the reference or designation shall be deemed to refer to the division ~~or of financial institutions, the superintendent of~~ financial institutions, or the deputy superintendent for credit unions, as the case may be.

~~(Q)-(P)~~ "Outside auditor" means an accountant who is licensed to practice as a certified public accountant or public accountant by this state, and who is retained by a credit union to audit its accounts, but who is not otherwise employed by the credit union.

~~(R)-(Q)~~ "Regulated individual" means a director, committee member, officer, or employee of a credit union.

~~(S)-(R)~~ "Financial institution regulatory authority" includes a regulator of business activity in which a credit union is engaged, or has applied to engage in, to the extent that the regulator has jurisdiction over a credit union engaged in that business activity. A credit union is engaged in a business activity, and a regulator of that business activity has jurisdiction over the credit union, whether the credit union conducts the activity directly or a subsidiary or affiliate of the credit union conducts the activity.

Sec. 1733.04. (A) In addition to the authority conferred by section 1701.13 of the Revised Code, but subject to any limitations contained in sections 1733.01 to 1733.45 of the Revised Code, and its articles and regulations, a credit union may do any of the following:

- (1) Make loans as provided in section 1733.25 of the Revised Code;
- (2) Invest its money as provided in section 1733.30 of the Revised Code;
- (3) If authorized by the code of regulations, rebate to the borrowing members a portion of the member's interest paid to the credit union;
- (4) If authorized by the regulations, charge a membership or entrance fee ~~not to exceed one dollar per member~~;
- (5) Purchase group savings life insurance and group credit life insurance;
- (6) Make reasonable contributions to any nonprofit civic, charitable, or service organizations;
- (7) Act as trustee or custodian, for which reasonable compensation may be received, under any written trust instrument or custodial agreement created or organized in the United States and forming part of a tax-advantaged savings plan that qualifies for specific tax treatment under sections 223, 401(d), 408, 408A, and 530 of the Internal Revenue Code, 26 U.S.C. 223, 401(d), 408, 408A, and 530, as amended, for its members or groups of its members, provided that the funds of such plans are invested in share accounts or share certificate accounts of the credit union. These services include, but are not limited to, acting as a trustee or custodian for member retirement, education, or health savings accounts.

(8) Participate in and pledge assets in connection with the business linked deposit program under sections 135.77 to 135.774 of the Revised Code and the agricultural linked deposit program under sections 135.71 to 135.76 of the Revised Code.

(B) The authority of a credit union shall be subject to the following:

- (1) A credit union may not borrow money in excess of twenty-five per cent of its shares and undivided earnings, without prior specific authorization by the superintendent of credit unions.
- (2) A credit union may not pay a commission or other compensation to any person for

securing members or for the sale of its shares, except that reasonable incentives may be made available directly to members or potential members to promote thrift.

~~(3)-(C)(1)~~ A credit union, ~~subject to the approval of the superintendent,~~ may have service facilities other than its home office.

~~(4)-(2)~~ Real estate may be acquired by lease, purchase, or otherwise as necessary and to the extent required for use of the credit union presently and in the future operation of its office or headquarters, and in case of a purchase of real estate, the superintendent must first be notified in writing prior to the purchase of the real estate. ~~The superintendent shall notify the credit union not more than thirty days after receipt of the notification to purchase the real estate if the purchase is denied, approved, or modified. If the superintendent does not respond within thirty days after receipt of the notification to purchase the real estate, it shall be deemed approved.~~ Nothing herein contained shall be deemed to prohibit a credit union from taking title to real estate in connection with a default in the payment of a loan, provided that title to such real estate shall not be held by the credit union for more than two years without the prior written approval of the superintendent. A credit union also may lease space in any real estate it acquires in accordance with rules adopted by the superintendent.

~~(E)(D)(1)~~ As used in division ~~(E)-(D)~~ of this section:

(a) "School" means an elementary or secondary school.

(b) "Student" means a child enrolled in a school.

(c) "Student branch" means the designation provided to the credit union for the in-school services and financial education offered to students.

(2) A credit union, upon agreement with a school board, in the case of a public school, or the governing authority, in the case of a nonpublic school, and with the permission of the superintendent, may open and maintain a student branch.

(3) Notwithstanding any other provision of this section, any student enrolled in the school maintaining a student branch who is not otherwise qualified for membership in the credit union maintaining the student branch is qualified to be a member of that student branch.

(4) The student's membership in the student branch expires upon the student's graduation from secondary school.

(5) The student branch is for the express use of students and may not be used by faculty, staff, or lineal ancestors or descendants of students.

(6) Faculty, staff, or lineal ancestors or descendants of students are not eligible for membership in the credit union maintaining the student branch unless otherwise qualified by this section to be members.

(7) The superintendent may adopt rules appropriate to the formation and operation of student branches.

~~(D)-(E)~~ A credit union may guarantee the signature of a member in connection with a transaction involving tangible or intangible property in which a member has or seeks to acquire an interest.

Sec. 1733.041. Each credit union operating under this chapter or otherwise authorized to do business in this state shall obtain insurance for the protection of their members' accounts. Such share guarantee insurance may be obtained from the national credit union administration operating under the "Federal Credit Union Act," 84 Stat. 994 (1970), 12 U.S.C. 1751, and any amendments thereto, or

from ~~the national deposit~~ a credit union share guaranty corporation, established under Chapter 1761. of the Revised Code, or from any insurer qualified under the laws of this state to write such insurance.

Sec. 1733.05. (A) Persons otherwise qualifying for membership in a credit union under this section, the articles, and the regulations, and who are elected to membership by the board of directors, shall become members of a credit union, provided that in lieu of electing persons to membership, the board of directors may elect or appoint one or more membership officers and delegate authority to any such membership officer to accept persons into membership.

~~(B) No (1) A person shall qualified for membership may become a member of a credit union who has not subscribed to or purchased at least one upon the occurrence of any of the following:~~

(a) The purchase of a membership share of such in the credit union as provided in the credit union's bylaws;

(b) The payment of an entrance fee established from time to time by the board of directors of the credit union;

(c) The purchase of one or more shares in the credit union as provided in the credit union's bylaws.

(2) Each member is responsible for maintaining a current address with the credit union.

(C) The membership of a credit union shall be limited to groups having a common bond of occupation or association or groups within a well-defined neighborhood, community, or rural district; however, except as otherwise provided in the articles or regulations, a person shall be deemed to retain affiliation with the credit union so long as ~~he~~ the person remains a member of the credit union even though no longer within the field of membership.

(D) Unless otherwise provided in the articles of incorporation or the code of regulations, and subject to such conditions as the superintendent of credit unions may establish, groups composed of persons within the field of membership of a credit union may become members of such credit union.

(1) Any credit union may, with the approval of the superintendent, pursuant to section 1733.33 of the Revised Code, amend its articles of incorporation and, if appropriate, its code of regulations, to permit select groups having a common bond of occupation or association or select groups within a well-defined neighborhood, community, or rural district, to become members of such credit union in accordance with rules adopted by the superintendent.

(2) Before the select group is permitted membership in a credit union, the superintendent must approve, in writing, both the select group and the credit union.

(E) With the approval of the superintendent, any select group, within a field of membership and described in division (D)(1) of this section, may disaffiliate from the credit union with which it is associated if a majority of the persons within the select group vote for disaffiliation. Any such proposed disaffiliation must be pursuant to a written plan approved by the superintendent. This plan shall be distributed to such persons in advance of the vote on the proposed disaffiliation, which plan must have due regard for the equitable division of assets and liabilities, including share accounts and loans of the select group seeking to disaffiliate, and any other consideration required by the superintendent.

(F) Credit unions qualified to do business in this state have a common bond of association for the purpose of forming and operating a corporate credit union.

(G) No interstate charter amendment, conversion, merger, or other expansion of a credit union field of membership shall be authorized without the approval of all supervisory authorities affected, whether state or federal, in accordance with rules adopted by the superintendent in terms of administrative control and authority, the location of the surviving credit union in the case of a merger, or the home office in the case of an expansion, is controlling.

Sec. 1733.051. (A) The senior management officials of a credit union may terminate the membership of, or some or all services to, a member of the credit union, if the member does any of the following:

(1) Causes a loss to the credit union;

(2) Commits fraud or any similar misdeed against the credit union or against any person on the premises of the credit union;

(3) Engages in inappropriate behavior involving another person, such as physical or verbal abuse of another member or an employee of the credit union;

(4) Otherwise engages in conduct detrimental to the credit union.

(B) A member that has its membership terminated or services suspended under division (A) of this section may, within ninety days after the termination or suspension, appeal the action to the board of directors of the credit union. The board may affirm, disaffirm, or modify the action, and its decision is final.

Sec. 1733.13. (A) Each voting member present in person, by proxy, ~~or~~ by mail ballot, by electronic ballot, or as otherwise prescribed by a credit union's bylaws is entitled to cast one vote, irrespective of the number of shares the member owns, on each matter properly submitted to the members for their vote, consent, waiver, release, or other action.

(B) The chairperson of the board, the president, any vice-president, secretary, or treasurer of any association member of the credit union shall conclusively be presumed to have authority to cast the vote of such association member and to appoint proxies and execute consents, waivers, releases, on its behalf, unless before a vote is taken or a consent, waiver, or release is acted upon, it appears by a certified copy of the code of regulations, bylaws, or a resolution of the trustees, directors, or executive committee of the said association member, that such authority does not exist or is vested in some other officer or person. For the purposes of this section, a person exercising such authority as such officer is prima-facie to be considered duly elected, qualified, and acting as such officer.

(C) If the articles or regulations so provide, any person, who is entitled to attend a members' meeting to vote thereat, or to execute consents, waivers, or releases, may:

(1) Vote thereat, and execute consents, waivers, and releases, and exercise any of the person's other rights, by mail ballot delivered to, or electronic ballot received by, the office of the credit union at least seven days prior to the date set for the meeting. At least thirty days' notice shall be given to all eligible members of the date set for such meeting. No mail ballot or electronic ballot shall be valid after the expiration of eleven months after delivery to or receipt by the credit union. The form of any mail ballot or electronic ballot shall comply with criteria established by the superintendent of financial institutions or have the prior written approval of the superintendent ~~of credit unions~~.

(2) Be represented at such meeting or vote thereat, and execute consents, waivers, and releases, and exercise any of the person's other rights, by proxy or proxies appointed by a writing signed by such person. No appointment of a proxy shall be valid after the expiration of eleven

months after it is made. The form of any proxy shall comply with criteria established by the superintendent or have the prior written approval of the superintendent.

Sec. 1733.14. The quorum for a members' meeting, which may be set forth in the articles or regulations of a credit union, shall include those members present and eligible to vote as provided in section 1733.13 of the Revised Code. Unless the articles or regulations otherwise provide:

(A) ~~Ten~~One per cent of the voting members of a credit union, ~~whether they are present in person, by mail ballot, or by proxy or twenty-five, whichever is lower,~~ constitutes a quorum at any meeting of members ~~constitute a quorum for such meeting.~~

(B) The act of a majority of the voting members represented in person, by mail ballot, ~~or by~~ electronic ballot, by proxy, or as otherwise prescribed by a credit union's bylaws, at a meeting at which a quorum is present shall control, but no action required by law, the articles, or regulations to be authorized or taken by a designated proportion of the members may be authorized or taken by a lesser proportion.

(C) The voting members represented at a meeting, whether or not a quorum is present, may adjourn such meeting from time to time.

Sec. 1733.152. (A) The board of directors of a credit union may, in its discretion, appoint one or more associate directors to serve in an advisory, ex officio capacity. The board shall prescribe the duties of an associate director and the manner in which associate directors are appointed and removed.

(B) Prior to appointing an associate director, the board shall confirm that the person meets all of the requirements to serve as a director.

(C) An associate director may participate in meetings of the board but may not vote or otherwise act as a director. An associate director shall not be considered a director for purposes of this chapter.

(D) The board shall require each associate director to sign a confidentiality agreement to ensure that information concerning the credit union remains confidential.

Sec. 1733.16. Unless otherwise provided in the articles, regulations, or bylaws, and subject to the exceptions applicable during an emergency, as that term is defined in section 1733.01 of the Revised Code:

(A) Meetings of the directors may be called by the chairperson, vice-chairperson, president, or any vice-president of the board or any two directors.

(B) Regularly scheduled meetings of the directors shall be held in the manner prescribed by the credit union's code of regulations, but not less frequently than quarterly.

(C) Meetings of the directors may be held within or without the state. Unless the articles or regulations prohibit participation by directors at a meeting by means of communication equipment, meetings of the directors may be held through any communication equipment if all the persons participating can hear each other, and participation in the meeting pursuant to this division constitutes presence at the meeting.

~~(D)~~ Notice of the place, if any, and time of each meeting of the directors shall be given to each director either by personal delivery or by mail, telegram, cablegram, overnight delivery service, or any other means of communication authorized by the director at least two days before the meeting, unless otherwise specified in the regulations or bylaws. The notice described in this division need not

specify the purpose of the meeting.

~~(D)~~(E) Notice of adjournment of a meeting need not be given, if the time and place to which it is adjourned are fixed and announced at the meeting.

Sec. 1733.19. (A) The regulations may provide for the creation by the directors of an executive committee consisting of not less than three directors, and may authorize the delegation to any such committee of any of the authority of directors other than any action requiring more than a majority vote of the board of directors; provided, that the executive committee shall exercise only such authority in the interim between the meetings of the board and shall make a full report of, and the board shall review, all actions taken at any meeting of such committee at the next regular meeting of the board of directors following the meeting of the executive committee.

(B) Unless the articles or regulations provide a different method for the establishment of a supervisory audit committee, the board of directors shall appoint a supervisory audit committee of not less than three individual voting members for such term as is provided in the regulations. The committee shall audit the books of the credit union at least annually, using generally accepted auditing procedures and standards, and shall report its findings to the board. Under the supervision of the supervisory audit committee, accounts showing installment payments by members upon shares of the credit union shall be verified at least annually.

(C) In lieu of the appointment of a supervisory audit committee as provided in division (B) of this section, the board of directors may employ a public accountant or a firm of public accountants to perform the functions of a supervisory audit committee. The board of directors may appoint an audit committee to oversee the public accountant or firm of public accountants.

(D) The superintendent of credit unions may require at any time that a credit union have its accounts audited in accordance with generally accepted auditing standards by an outside auditor. The outside auditor shall be retained, and expense of any such audit shall be paid, by the credit union.

(E)(1) Unless the articles or regulations provide for the appointment of loan officers in lieu of a credit committee, the board of directors shall appoint, or the members shall elect, a credit committee composed of not less than three individual voting members, which committee shall have such powers in the granting of loans and the supervision of lending practices as shall be delegated to it by the articles, regulations, or resolutions of the board of directors. The credit committee shall make regular reports of their activities to the board of directors, and the board of directors shall review the reports.

(2) The credit committee may be delegated the authority to appoint one or more loan officers, and delegate to them power to approve loans within limits fixed by the regulations, bylaws, or resolutions of the board of directors. Such loan officers also may be loan originators registered with the nationwide mortgage licensing system and registry as provided in section 1733.352 of the Revised Code.

(3) If loan officers are appointed pursuant to division (E)(2) of this section, all applications for loans denied by a loan officer may be reviewed by the credit committee, and the approval of the majority of the members of the committee who are present at the meeting when the review is undertaken shall be required to reverse the decision of the loan officer, provided that a majority of the full committee is present.

(4) In the absence of a credit committee, the board shall, upon the written request of a

member, review a loan application denied by a loan officer.

(F) If the articles or regulations so provide, a credit union may establish an advisory board consisting of persons selected by the board of directors or their designee. Persons serving on the advisory board need not be members of the credit union, they may be paid per diem not exceeding thirty dollars per day and expenses for their services on such board, and their duties shall be to make recommendations on financial and policy matters of the credit union.

(G) A credit union may establish such other committee or committees as shall be provided for in the articles, regulations, bylaws, or by resolution of the board of directors.

~~Sec. 1733.22. (A) No officer, director, or employee of any credit union shall receive any commission, salary, or other emolument for services arising out of the officer's, director's, or employee's association with the credit union except per diem, wages, or salary which the officer, director, or employee receives, subject to rules adopted under section 1733.411 of the Revised Code, as compensation for services to the credit union.~~

~~(B) No director or member of any committee shall receive any compensation for services as such; however, unless otherwise provided in the articles or regulations, a credit union may provide, at its expense, a director or committee member reasonable health, accident, and related types of personal insurance protection. A director or committee member is entitled, subject to rules adopted under section 1733.411 of the Revised Code and when so authorized by the board of directors, to reimbursement for the director's or committee member's expenses incurred in connection with the business of the credit union.~~

(B) A credit union may provide any of the following to its directors and supervisory audit committee members:

(1) Reasonable compensation for their service as directors or supervisory audit committee members;

(2) Gifts of minimal value;

(3) Insurance coverage or other benefits that are available to employees generally;

(4) Reimbursement for reasonable expenses incurred on behalf of themselves and their spouses in the performance of their duties as directors or supervisory audit committee members.

(C) The superintendent of financial institutions may, in accordance with Chapter 119. of the Revised Code, adopt any rule necessary for the implementation of this section.

Sec. 1733.24. (A) A credit union is authorized to receive funds for deposit in share accounts, share draft accounts, and share certificates from its members, from other credit unions, and from an officer, employee, or agent of the federal, state, or local governments, or political subdivisions of the state, in accordance with such terms, rates, and conditions as may be established by its board of directors, and for purposes of the agricultural linked deposit program created under sections 135.71 to 135.76 of the Revised Code and the business linked deposit program created under sections 135.77 to 135.774 of the Revised Code.

(B) The shares and share accounts of the credit union may be of one or more classes, as designated by the board of directors, subject to approval of the superintendent of credit unions based on rules that shall assure equitable distribution of dividends among classes, considering costs and advantages of each class to the members of the credit union, including without limitation special services rendered, length of ownership, minimum investment, conditions of repurchase, and other

appropriate standards or combinations thereof. In the event the articles of incorporation of the credit union indicate the authorized number of shares to be unlimited, the designation of classification of shares and share accounts of the credit union may be effected by the board of directors, subject to the approval of the superintendent, and does not require amendment of the articles of incorporation. All shares of the credit union shall have a par value per share as set by the board of directors. Redemptions and liquidating dividends shall be prorated to each member on the basis of the price paid the credit union for such share, irrespective of the class of such shares.

(C)(1) Each credit union shall have one class of shares designated as "membership share." The membership shares, or if a credit union has but one class of shares, then all of the shares of the credit union, shall have a par value as set by the board of directors.

(2) Two or more persons that are eligible for membership that have jointly subscribed for one or more shares under a joint account each may be admitted to membership.

(D) A credit union need not issue certificates for any or all of its classes of shares but irrespective of whether certificates are issued, a registry of shares must be kept, including all of the transactions of the credit union pertaining to such shares.

(E) A credit union is authorized to maintain share draft accounts in accordance with rules prescribed by the superintendent. The credit union may pay dividends on share draft accounts, may pay dividends at different rates on different types of share draft accounts, and may permit the owners of such share draft accounts to make withdrawals by negotiable or transferable instruments or other orders for the purpose of making transfers to third parties.

(F) Unless otherwise provided by written agreement of the parties, the rights, responsibilities, and liabilities attaching to a share draft withdrawn from, transferred to, or otherwise handled by a credit union are defined in and governed by Chapters 1303. and 1304. of the Revised Code, as if the credit union were a bank.

(G) Unless otherwise provided in the articles or regulations, a member may designate any person or persons to own or hold shares, or share accounts with the member in joint tenancy with right of survivorship and not as tenants in common.

(H) Shares or share accounts may be issued in the name of a custodian under the Ohio transfers to minors act, a member in trust for a beneficiary, a fiduciary or custodian in trust for a member beneficiary, or a fiduciary or custodian in trust upon the death of a member. Redemption of such shares or payment of such share accounts to a member, to the extent of the payment, discharges the liability of the credit union to the member and the beneficiary, and the credit union shall be under no obligation to see to the application of the payment. Unless prior to the death of a member, the member has notified the credit union in writing in a form approved by the credit union of a different beneficiary to receive the proceeds of such shares or share accounts, then the proceeds shall be paid to the beneficiary or to the beneficiary's parent or legal representative. Any payment made pursuant to written instructions of the member or pursuant to the provisions herein contained shall be a valid and sufficient release and discharge of the credit union in connection with any such share or share accounts.

(I)(1) Except as otherwise provided in the articles or regulations, and subject to the provisions thereof, a minor may purchase shares, share accounts, or other depository instruments, and except for qualification as a voting member, the credit union may deal with the minor with respect to

shares, share accounts, or other depository instruments owned by the minor as if the minor were a person of legal age.

(2) If shares, share accounts, or other depository instruments are issued in the name of a minor, redemption of any part or all of the shares or withdrawal of funds by payment to the minor of the shares or funds and any declared dividends or interest releases the credit union from all obligation to the minor as to the shares reduced or funds withdrawn.

(J) The regulations may require advance written notice of a member's intention to withdraw the member's shares. Such advance notice shall not exceed sixty days.

(K) Notwithstanding any provision of law to the contrary, funds deposited in a share account, share certificate, or in any other manner pursuant to a program offered by a credit union to promote consumer savings do not constitute valuable consideration for purposes of a scheme of chance under Chapter 2915. of the Revised Code.

Sec. 1733.32. (A)(1) The superintendent of financial institutions shall see that the laws relating to credit unions are executed and enforced.

(2) The deputy superintendent for credit unions shall be the principal supervisor of credit unions. In that position, the deputy superintendent for credit unions shall, notwithstanding division (A)(3) of this section, be responsible for conducting examinations and preparing examination reports under that division. In addition, the deputy superintendent for credit unions shall, notwithstanding sections 1733.191, 1733.41, 1733.411, and 1733.412 of the Revised Code, have the authority to adopt rules in accordance with those sections, and, notwithstanding section 1733.05 of the Revised Code, shall have the authority to approve issues and matters pertaining to fields of membership. In performing or exercising any of the examination, rule-making, or other regulatory functions, powers, or duties vested by division (A)(2) of this section in the deputy superintendent for credit unions, the deputy superintendent for credit unions shall be subject to the control of the superintendent of financial institutions.

(3) The superintendent of financial institutions shall develop and implement a system for evaluating the safety and soundness of credit unions and for determining when examinations and supervisory actions are necessary. ~~Credit~~ Except as otherwise provided in section 1733.328 of the Revised Code, credit unions shall be subject to periodic examinations, as specified in rules adopted by the superintendent, and their books, records, and accounts shall be open to the inspection of the superintendent at all times. For the purpose of such examination or inspection, the superintendent may subpoena witnesses, administer oaths, receive testimony, and order the submission of documents.

(B) Every credit union shall prepare and submit, on forms provided by the superintendent, a financial report to the superintendent showing its assets and liabilities whenever requested to do so by the superintendent. Every financial report shall be verified by the oaths of the two principal officers in charge of the affairs of the credit union at the time of such verification and shall be submitted to the superintendent within thirty days after the superintendent requests the financial report.

(C) An annual financial report of the affairs and business of the credit union, showing its condition as of the thirty-first day of December unless otherwise authorized by the superintendent, shall be filed with the superintendent not later than the date authorized in the rules adopted by the

superintendent.

(D) If a financial report or an annual financial report is not filed with the superintendent in accordance with division (B) or (C) of this section, the superintendent may do both of the following:

(1) Assess a fine, determined by rule adopted by the superintendent, for each day the report is in arrears;

(2) If the superintendent gives written notice to the president of the credit union of the superintendent's intention to do so, issue an order revoking the credit union's articles of incorporation and appointing a liquidating agent to liquidate the credit union in accordance with section 1733.37 of the Revised Code.

(E)(1) Except as provided in division (E)(2) of this section, each credit union doing business in this state shall remit, semiannually and within fifteen days after billing, to the treasurer of state, a supervisory fee in an amount determined by the superintendent and confirmed by the credit union council. The supervisory fee described in division (E)(1) of this section shall be based on a percentage of the gross assets of the credit union as shown by its last annual financial report filed with the superintendent in accordance with division (C) of this section. The minimum supervisory fee shall be determined by the superintendent and confirmed by the credit union council.

(2) Each corporate credit union doing business in this state shall remit, semiannually and within fifteen days after billing, to the treasurer of state, a supervisory fee determined by rule adopted by the superintendent and confirmed by the credit union council. The aggregate annual amount of the fee shall not exceed the annual operating fee that the national credit union administration charges a federally chartered credit union pursuant to the "Federal Credit Union Act," 84 Stat. 994 (1970), 12 U.S.C.A. 1751.

(3) The superintendent annually shall present to the credit union council for confirmation the supervisory fees to be billed credit unions and corporate credit unions pursuant to division (E) of this section.

(4) If any supervisory fee is not remitted in accordance with division (E)(1) or (2) of this section, the superintendent may assess a fine, determined by rule adopted by the superintendent, for each day that each fee is in arrears.

(5)(a) Subject to division (E)(5)(b) of this section, the total amount of each semiannual billing to all credit unions and corporate credit unions combined shall equal one-half of the appropriation made by the main operating appropriation act, including any modifications made by the controlling board, to the division of financial institutions for the regulation of credit unions for the fiscal year in which the billings occur, except that the superintendent, in determining the supervisory fees, may take into consideration any funds lapsed from the appropriation made in the previous fiscal year.

(b) If during the period between the credit union council's confirmation of supervisory fees and when supervisory fees described in this section are collected, the credit union council determines additional money is required to adequately fund the operations of the division of financial institutions for that fiscal year, the credit union council may, by the affirmative vote of five of its members, increase the supervisory fees billed. The superintendent promptly shall notify each credit union and corporate credit union of the increased supervisory fees, and each credit union or corporate credit union shall pay the increased supervisory fees billed by the superintendent.

(6) The fees or fines collected pursuant to this section shall be credited to the credit unions fund created in section 1733.321 of the Revised Code.

(F) A report of such examination shall be forwarded to the president of each credit union after the completion of the examination. The report may contain comments relative to the management of the affairs of the credit union and also as to the general condition of its assets. Within thirty days of the receipt of the report, a meeting of the directors shall be called to consider matters contained in the report, and the president shall notify the superintendent of any action taken at the meeting.

(G)(1) The superintendent shall furnish reports of examinations or other appropriate information to any organization referred to in section 1733.041 of the Revised Code when requested by the organization and authorized by the credit union. The superintendent may charge a fee for such reports and other information as may be established by rules adopted by the superintendent.

(2) A report of examination furnished pursuant to division (G)(1) of this section is the property of the division of credit unions and may be used by the examined credit union only in the conduct of its business. Under no circumstances may the credit union, its current or former directors, officers, employees, agents, shareholders, participants in the conduct of its affairs, or their agents disclose or make public, in any manner, a report of examination or its contents.

(H) Except as provided in this division, information obtained by the superintendent of financial institutions and the superintendent's employees as a result of or arising out of the examination or independent audit of a credit union, from required reports, or because of their official position, shall be confidential. Such information may be disclosed only in connection with criminal proceedings or, subject to section 1733.327 of the Revised Code, when it is necessary for the superintendent to take official action pursuant to Chapter 1733. of the Revised Code and the rules adopted thereunder regarding the affairs of the credit union examined. Such information may also be introduced into evidence or disclosed when and in the manner authorized in section 1181.25 of the Revised Code. This division does not prevent the superintendent from properly exchanging information relating to an examined credit union pursuant to division (F) or (G) of this section, with officials of properly authorized state or federal financial institution regulatory authorities, with any insurer recognized under section 1733.041, or with any surety recognized under section 1733.23 of the Revised Code. This division also does not prevent the superintendent from disclosing information contained in the financial reports or annual financial reports described in division (B) or (C) of this section to recognized credit union trade associations, to share guarantee insurance organizations, to federal or state agencies, or to the general public. Financial reports and annual financial reports described in divisions (B) and (C) of this section, call reports, or financial statements required to be filed with the division of financial institutions are public records for purposes of section 149.43 of the Revised Code. Information relating to the examination or independent audit of a credit union, other than information that is permitted to be disclosed by this section or is a public record, is not a public record for purposes of section 149.43 of the Revised Code.

Sec. 1733.328. (A) Notwithstanding section 1733.32 of the Revised Code, and subject to division (B) of this section, the superintendent of financial institutions shall not conduct an examination of a credit union more frequently than once every twenty-four-month cycle, if the credit union meets both of the following conditions:

(1) It has assets of ten billion dollars or less.

(2) Under the uniform financial institutions rating system, it maintains a composite rating of one.

(B) The superintendent may conduct more frequent examinations if either of the following applies:

(1) The superintendent has reasonable cause to believe that there is a risk of harm to the credit union and the examination of the credit union is necessary to fully determine the risk to the credit union or to determine how best to address the risk.

(2) The superintendent participates with financial institution regulatory authorities of other states or the United States in a joint, concurrent, or coordinated examination.

(C) A credit union's composite rating used for purposes of division (A)(2) of this section is not a public record under section 149.43 of the Revised Code.

Sec. 1733.329. (A) There is hereby created in the division of financial institutions the credit union council, which shall consist of seven members. The deputy superintendent for credit unions shall be a member of the council and its chairperson. The governor, with the advice and consent of the senate, shall appoint the remaining six members.

(B)(1) At least five of the six members appointed to the council shall have had credit union experience.

(2) At least four of the six members appointed to the council shall be, at the time of appointment, individuals currently engaged in the exercise of duties, responsibilities, rights, and powers of a director or chief executive officer of a state-chartered credit union having its principal office in this state and doing business in this state pursuant to this chapter under the authority of the superintendent of financial institutions.

(3) At least one of the six members appointed to the council shall be a director or chief executive officer of a state-chartered, federally insured credit union.

(4) At least one of the six members appointed to the council shall be a director or chief executive officer of a state-chartered, privately insured credit union.

(5) At least one of the six members appointed to the council shall be a director or chief executive officer of a state-chartered credit union with ~~thirty-five~~ one hundred million dollars or less in assets.

~~(6) At least one of the six members appointed to the council shall be a director or chief executive officer of a state-chartered credit union with more than fifty million dollars in assets.~~

(C)(1) Initial appointments to the council shall be made within sixty days after ~~the effective date of this section~~ September 22, 2000. Of the initial appointments, two shall expire one year after ~~the effective date of this section~~ September 22, 2000, two shall expire two years after ~~the effective date of this section~~ September 22, 2000, and two shall expire three years after ~~the effective date of this section~~ September 22, 2000. Thereafter, terms of office shall be for three years.

(2) Each member shall hold office from the date of appointment until the end of the term for which the member was appointed. In the case of a vacancy in the office of any member, the governor shall appoint a successor, who shall hold office for the remainder of the term for which the successor's predecessor was appointed. Any member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office, or until sixty days has elapsed, whichever occurs first.

(3) If during a member's term on the council, the member ceases to be a director or chief executive officer of a credit union as described in divisions (B)(2) to ~~(6)-(5)~~ of this section for a period exceeding ninety days, the member shall be ineligible to continue to serve as a member of the council, and the member's position on the council shall be considered vacant.

(D) No person appointed as a member of the credit union council may serve more than two consecutive full terms. However, a member may serve two consecutive full terms following the remainder of a term for which the member was appointed to fill a vacancy or following any term for which the member was appointed prior to ~~the effective date of this section~~ September 22, 2000.

(E)(1) The council shall hold regular meetings at the time and place it fixes, but at least once every six months, and shall meet at any time on call of the deputy superintendent to conduct its business and to decide by vote of the members the location of future meetings. Each member shall be provided with written notice of the time and location of each council meeting at least two days prior to the scheduled date of the meeting, unless the council by resolution provides for a shorter time. Four of the members of the council constitute a quorum to transact and vote on all business coming before the council.

(2) The council, by a majority vote of those present at a meeting at which there is a quorum, may adopt and amend bylaws and rules the council considers necessary and proper. The council shall select one of its members as secretary, who shall keep a record of all its proceedings.

(3) No member shall participate in a proceeding before the council involving any credit union of which the member is or was at any time in the preceding twelve months a member of the board of directors, an officer, an employee, or a shareholder. A member may refrain from participating in the proceedings of the council for any other cause the member considers sufficient.

(F) The members of the council shall receive no salary, but their expenses incurred in performance of their duties shall be paid from funds appropriated for that purpose.

(G) The governor may remove any of the six members appointed to the council whenever in the governor's judgment the public interest requires removal. Upon removing a member of the council, the governor shall file with the superintendent of financial institutions a statement of the cause for the removal.

Sec. 1733.39. No credit union which is not organized under sections 1733.01 to 1733.45 of the Revised Code, or the "Federal Credit Union Act," 84 Stat. 994 (1970), 12 U.S.C. 1751, as amended, shall transact any business in this state until:

(A) It submits to the superintendent of credit unions an application for qualification in such form as shall be prescribed by the superintendent. Such application shall be accompanied by a copy of the articles of such credit union duly certified by, and under the seal of, the secretary of state, or other proper official, of the state under the laws of which the credit union was incorporated, which, when approved by the superintendent, shall be transmitted to the secretary of state for filing.

(B) It furnishes to the superintendent a copy of its rules duly certified by its president and secretary;

(C) It ~~files with the superintendent a duly authorized and properly executed document appointing the superintendent as its agent for service of process in this state;~~

~~(D) It~~ submits to the superintendent a filing fee of fifty dollars payable to the treasurer of state, which shall be credited to the division of credit unions fund; provided, that in no event shall the

fees paid for qualification in this state by any credit union domiciled in another state be less than the fees required to be paid by a credit union domiciled in this state for qualification in the state of domicile of such other credit union;

~~(E)~~ (D) Obtains a license to transact business as a foreign credit union from the superintendent.

Sec. 1733.441. (A) Absent the express written permission of the credit union, no person shall use the name of a credit union in an advertisement, solicitation, promotional, or other material in a way that may mislead another person, or cause another person to be misled, into believing that the person issuing the advertisement, solicitation, promotional, or other material is associated or affiliated with the credit union.

(B)(1) Whoever violates division (A) of this section shall be subject to a civil penalty of up to ten thousand dollars for each day the violation is committed, repeated, or continued.

(2) A credit union injured by a violation of division (A) of this section may bring an action in law or equity for recovery of damages, a temporary restraining order, an injunction, or any other available remedy.

Sec. 1733.53. (A) As used in this section, "bona fide error" means an unintentional clerical, calculation, computer malfunction or programming, or printing error.

(B) A credit union or regulated individual shall not be held civilly liable in any action brought under this chapter or Chapter 1309., 1317., or 1345. of the Revised Code, and shall not be subject to any sanction by the superintendent of financial institutions, if all of the following conditions are met:

(1) The credit union or individual shows by a preponderance of evidence that the compliance failure was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(2) Within sixty days after discovering the error, and prior to the initiation of any action by the superintendent or the receipt of written notice of the error from the member, the credit union or individual notifies the superintendent and the member of the error and the manner in which the credit union or individual intends to make full restitution to the member.

(3) The credit union or individual promptly makes reasonable restitution to the member.

(C) If, in the event of a compliance failure, the credit union or regulated individual does not meet the conditions set forth in division (B) of this section, a member injured by the error has a cause of action to recover damages. Such an action may not, however, be maintained as a class action.

SECTION 2. That existing sections 1101.05, 1109.20, 1121.10, 1125.23, 1181.08, 1322.01, 1322.07, 1322.09, 1322.12, 1322.34, 1322.40, 1322.50, 1733.01, 1733.04, 1733.041, 1733.05, 1733.13, 1733.14, 1733.16, 1733.19, 1733.22, 1733.24, 1733.32, 1733.329, and 1733.39 and section 1733.26 of the Revised Code are hereby repealed.

SECTION 3. Sections 1321.51 to 1321.60 of the Revised Code, as amended or enacted by Sub. H.B. 199 of the 132nd General Assembly, shall be known as the "General Loan Law."

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20__

Approved _____, 20__

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ____ day of _____, A. D. 20 ____.

Secretary of State.

File No. _____ Effective Date _____