

**As Reported by the Senate Financial Institutions Committee**

**131st General Assembly**

**Regular Session**

**2015-2016**

**Sub. H. B. No. 229**

**Representatives Hambley, Bishoff**

**Cosponsors: Representatives Terhar, Dovilla, Amstutz, Anielski, Baker, Buchy, Conditt, Grossman, Henne, Hill, Johnson, T., Koehler, Perales, Reineke, Rezabek, Rogers, Romanchuk, Schaffer, Sears, Thompson, Speaker Rosenberger**

**Senator Bacon**

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**A BILL**

To amend section 1111.01 and to enact sections 1  
1112.01, 1112.02, 1112.03, 1112.04, 1112.05, 2  
1112.06, 1112.07, 1112.08, 1112.09, 1112.10, 3  
1112.11, 1112.12, 1112.13, 1112.14, 1112.15, 4  
1112.16, 1112.17, 1112.18, 1112.19, 1112.20, 5  
1112.21, 1112.22, 1112.23, 1112.24, 1112.25, 6  
1112.26, 1112.27, 1112.28, and 1112.99 of the 7  
Revised Code to create the Ohio Family Trust 8  
Company Act. 9

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

**Section 1.** That section 1111.01 be amended and sections 10  
1112.01, 1112.02, 1112.03, 1112.04, 1112.05, 1112.06, 1112.07, 11  
1112.08, 1112.09, 1112.10, 1112.11, 1112.12, 1112.13, 1112.14, 12  
1112.15, 1112.16, 1112.17, 1112.18, 1112.19, 1112.20, 1112.21, 13  
1112.22, 1112.23, 1112.24, 1112.25, 1112.26, 1112.27, 1112.28, 14  
and 1112.99 of the Revised Code be enacted to read as follows: 15

**Sec. 1111.01.** As used in this chapter: 16

(A) "Charitable trust" means a charitable remainder annuity trust as defined in section 664(d) of the Internal Revenue Code, a charitable remainder unitrust as defined in section 664(d) of the Internal Revenue Code, a charitable lead or other split interest trust subject to the governing instrument requirements of section 508(e) of the Internal Revenue Code, a pooled income fund as defined in section 642(c) of the Internal Revenue Code, a trust that is a private foundation as defined in section 509 of the Internal Revenue Code, or a trust of which each beneficiary is a charity.

For purposes of this division and division (B) of this section, "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(B) "Charity" means a state university as defined in section 3345.011 of the Revised Code, a community college as defined in section 3354.01 of the Revised Code, a technical college as defined in section 3357.01 of the Revised Code, a state community college as defined in section 3358.01 of the Revised Code, a private college or university that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code, a trust or organization exempt from taxation under section 501(c)(3) or section 501(c)(13) of the Internal Revenue Code, or a corporation, trust, or organization described in section 170(c)(2) of the Internal Revenue Code. The term "charities" means more than one trust or organization that is a charity.

(C) "Collective investment fund" means a fund established by a trust company or an affiliate of a trust company for the collective investment of assets held in a fiduciary capacity, either alone or with one or more cofiduciaries, by the

establishing trust company and its affiliates. 47

(D) "Fiduciary investment company" means a corporation 48  
that is both of the following: 49

(1) An investment company; 50

(2) Incorporated, owned, and operated in accordance with 51  
rules adopted by the superintendent of financial institutions 52  
for the investment of funds held by trust companies in a 53  
fiduciary capacity and for true fiduciary purposes, either alone 54  
or with one or more cofiduciaries. 55

(E) "Home" has the same meaning as in section 3721.10 of 56  
the Revised Code. 57

(F) "Instrument" includes any will, declaration of trust, 58  
agreement of trust, agency, or custodianship, or court order 59  
creating a fiduciary relationship. 60

~~(F)~~ (G) "Residential facility" has the same meaning as in 61  
section 5123.19 of the Revised Code. 62

(H) "Investment company" means any investment company as 63  
defined in section 3 and registered under section 8 of the 64  
"Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C.A. 80a- 65  
3 and 80a-8. 66

~~(G)~~ (I) "Trust business" means accepting and executing 67  
trusts of property, serving as a trustee, executor, 68  
administrator, guardian, receiver, or conservator, and providing 69  
fiduciary services as a business. "Trust business" does not 70  
include any of the following: 71

(1) Any natural person acting as a trustee, executor, 72  
administrator, guardian, receiver, or conservator pursuant to 73  
appointment by a court of competent jurisdiction; 74

(2) Any natural person serving as a trustee who does not hold self out to the public as willing to act as a trustee for hire. For purposes of division ~~(G)~~ (I) of this section, the solicitation or advertisement of legal or accounting services by a person licensed in this state as an attorney or a person holding an Ohio permit to practice public accounting issued under division (A) of section 4701.10 of the Revised Code shall not be considered to be the act of holding self out to the public as willing to act as a trustee for hire.

(3) A charity, an officer or employee of a charity, or a person affiliated with a charity, serving as trustee of a charitable trust of which the charity, or another charity with a similar purpose, is a beneficiary;

(4) Any natural person, home, or residential facility serving as trustee or taking other actions relative to a qualified income trust described in section 1917(d)(4)(B) of the "Social Security Act," 42 U.S.C. 1396p(d)(4)(B), as amended;

(5) Other fiduciary activities the superintendent determines are not undertaken as a business.

**Sec. 1112.01.** As used in this chapter:

(A) "Affiliate" means any individual or entity controlling, controlled by, or under common control with a family trust company.

(B) "Business entity" means a partnership, corporation, limited liability company, or other entity.

(C) "Control" means the power to direct or cause the direction of the management and policies of a business entity, whether through ownership of voting securities, by contract, or otherwise.

(D) (1) With respect to a licensed family trust company or a family trust company applying for a license under this chapter, "designated relative" means the common ancestor of the family, whether living or deceased, who is designated in the application for a license. 104  
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(2) With respect to any other family trust company, "designated relative" means the common ancestor of the family, whether living or deceased, who is designated in a written document by the family trust company, which document is maintained with the permanent records of the family trust company. 109  
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(3) Once designated, a "designated relative" may not be changed. 115  
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(E) "Family affiliate" means a business entity controlled by family members or affiliates. 117  
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(F) (1) "Family client" means all of the following: 119

(a) Any family member; 120

(b) Any former family member; 121

(c) Any key employee; 122

(d) Any former key employee provided that, upon the end of the individual's employment by the family trust company, the individual does not receive investment advice from the family trust company, or invest additional assets with a family trust company-advised trust, foundation, or entity, other than with respect to assets advised directly or indirectly by the family trust company immediately prior to the end of the individual's employment. Nothing in division (F) (1) (d) of this section shall be considered to preclude a former key employee from being a 123  
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family client if the employee received investment advice from 132  
the family trust company with respect to additional investments 133  
that the individual was contractually obligated to make, and 134  
that relate to a family trust company-advised investment 135  
existing, prior to the end of the individual's employment by the 136  
family trust company. 137

(e) Any nonprofit organization, charitable foundation, 138  
charitable trust, including a charitable lead trust and 139  
charitable remainder trust whose only current beneficiaries are 140  
other family clients and charitable or nonprofit organizations, 141  
or other charitable organization, so long as all of the 142  
contributions to the organization, foundation, or trust came 143  
exclusively from one or more other family clients; 144

(f) Any estate of a family member, former family member, 145  
key employee, or former key employee; 146

(g) Any irrevocable trust in which one or more other 147  
family clients are the only current beneficiaries; 148

(h) Any irrevocable trust funded exclusively by one or 149  
more other family clients in which other family clients and 150  
nonprofit organizations, charitable foundations, charitable 151  
trusts, or other charitable organizations are the only current 152  
beneficiaries; 153

(i) Any revocable trust of which one or more other family 154  
clients are the sole grantors; 155

(j) Any trust to which both of the following conditions 156  
apply: 157

(i) Each trustee or other person authorized to make 158  
decisions with respect to the trust is a key employee. 159

(ii) Each settlor or other person who has contributed 160  
assets to the trust is a key employee or the key employee's 161  
current or former spouse or spousal equivalent who, at the time 162  
of the contribution, holds a joint, community property, or other 163  
similar shared ownership interest with the key employee. 164

(k) Any business entity wholly owned, either directly or 165  
indirectly, exclusively by and operated for the sole benefit of 166  
one or more other family clients. 167

(2) With respect to licensed family trust companies only, 168  
"family client" also means a family affiliate and any 169  
shareholder, partner, member, director, officer, or employee of 170  
a family affiliate who is an individual described in division 171  
(F) (1) of this section. 172

(G) (1) "Family member" means all of the following, 173  
provided that the designated relative is not more than ten 174  
generations removed from the youngest generation of family 175  
members: 176

(a) All lineal descendants, including adopted children, 177  
stepchildren, foster children, and individuals who were a minor 178  
when another family member became a legal guardian of the 179  
individual, of the designated relative; 180

(b) Such lineal descendants' spouses or spousal 181  
equivalents. 182

(2) With respect to licensed family trust companies only, 183  
"family member" also means all of the following: 184

(a) An ancestor or sibling of a spouse or spousal 185  
equivalent described in division (G) (1) of this section; 186

(b) Any individual who is a beneficiary of a will or trust 187

established by an individual described in division (G) (1) of 188  
this section, provided that, at any given time, the number of 189  
individuals qualifying as family members under division (G) (2) 190  
(b) of this section does not exceed twenty-five. 191

(H) "Family trust company" means a corporation or limited 192  
liability company organized under the laws of this state that 193  
meets all of the following requirements: 194

(1) It is organized to serve only family clients. 195

(2) It is wholly owned by family clients and is 196  
exclusively controlled, either directly or indirectly, by one or 197  
more family members or family entities. For purposes of division 198  
(H) (2) of this section, "family entity" means any of the trusts, 199  
estates, or other entities described in division (F) (1) (e), (f), 200  
(g), (h), (i), or (k) of this section, except for key employees 201  
and their trusts. 202

(3) It acts as a fiduciary. 203

(4) It does not transact trust business with, propose to 204  
act as a fiduciary for, or accept trust business from, a person 205  
that is not a family client. 206

(I) "Former family member" means a spouse, spousal 207  
equivalent, or stepchild who was a family member but is no 208  
longer a family member due to a divorce or other similar event. 209

(J) "Key employee" means all of the following: 210

(1) Any natural person who is an executive officer, 211  
director, trustee, or general partner of, or a person serving in 212  
a similar capacity to, the family trust company. For purposes of 213  
division (J) (1) of this section, "executive officer" means the 214  
president, any vice-president in charge of a principal business 215

unit, division, or function such as administration or finance, 216  
any other officer who performs a policymaking function, or any 217  
other person who performs a similar policymaking function. 218

(2) The spouse or spousal equivalent of a person described 219  
in division (J) (1) of this section, if the spouse or spousal 220  
equivalent holds a joint, community property, or other similar 221  
shared ownership interest with that person; 222

(3) Any employee of the family trust company, other than 223  
an employee performing solely clerical, secretarial, or 224  
administrative functions or duties, who participates in the 225  
investment activities of the family trust company, provided that 226  
the employee has been participating in those investment 227  
activities for or on behalf of the family trust company, or has 228  
been performing similar functions or duties for or on behalf of 229  
another business entity, for at least one year. 230

(K) "Licensed family trust company" means a family trust 231  
company licensed under this chapter. 232

(L) "Spousal equivalent" means a cohabitant occupying a 233  
relationship generally equivalent to that of a spouse. 234

(M) "Trust business" has the same meaning as in section 235  
1111.01 of the Revised Code. 236

**Sec. 1112.02.** Except as otherwise provided in this chapter 237  
or in any other provision of the Revised Code, a family trust 238  
company is subject to this chapter only to the extent that the 239  
family trust company transacts trust business in this state. 240

**Sec. 1112.03.** (A) (1) A family trust company may be, but is 241  
not required to be, licensed under this chapter. If a family 242  
trust company does not apply for a license under this chapter, 243  
it is not subject to supervision by the superintendent of 244

financial institutions, so long as the family trust company 245  
meets the criteria as set forth in this chapter for an 246  
unlicensed family trust company. It shall, however, before 247  
commencing operations as a family trust company and annually 248  
thereafter, submit to the superintendent an affidavit signed by 249  
a senior officer of the family trust company verifying that the 250  
family trust company meets all of the requirements set forth 251  
under this chapter to transact business as an unlicensed family 252  
trust company in this state. The superintendent may charge and 253  
collect a fee from the unlicensed family trust company when the 254  
unlicensed family trust company files the affidavit with the 255  
superintendent. 256

(2) If the superintendent requires a fee under division 257  
(A)(1) of this section, the superintendent shall adopt rules in 258  
accordance with Chapter 119. of the Revised Code to establish 259  
the amount of the fee. 260

(B) Except as otherwise provided in this chapter, a family 261  
trust company licensed under this chapter is not subject to any 262  
other chapter of Title XI of the Revised Code. 263

**Sec. 1112.04.** (A) A family trust company may do any of the 264  
following for the benefit of family clients only: 265

(1) Act as a fiduciary, including as a personal 266  
representative, within and outside this state; 267

(2) Act within and outside this state as advisory agent, 268  
agent, assignee, assignee for the benefit of creditors, attorney 269  
in fact, authenticating agent, bailee, bond or indenture 270  
trustee, conservator, conversion agent, curator, custodian, 271  
escrow agent, exchange agent, fiscal or paying agent, financial 272  
adviser, investment adviser, investment manager, managing agent, 273

purchase agent, receiver, registrar, safekeeping agent, 274  
subscription agent, transfer agent except for public business 275  
entities, warrant agent, or in any similar capacity generally 276  
performed by corporate trustees and, in so acting, possess, 277  
purchase, sell, invest, reinvest, safe keep, or otherwise manage 278  
or administer the real or personal property of other persons; 279

(3) Exercise the powers of a corporation or limited 280  
liability company organized under the laws of this state and any 281  
incidental powers to enable it to fully exercise any power 282  
authorized under this chapter. 283

(B) A family trust company shall not do any of the 284  
following: 285

(1) Except as otherwise provided in division (A) (10) of 286  
section 1112.05 of the Revised Code, receive money or its 287  
equivalent from any individual or entity for deposit, make loans 288  
of any nature to any individual or entity, or otherwise conduct 289  
a general banking business; 290

(2) Engage in trust business with, or advertise its 291  
services to, the public; 292

(3) Use "trust" or any direct derivative of that word as 293  
any part of its name, unless it is a licensed family trust 294  
company. 295

**Sec. 1112.05.** (A) Notwithstanding any other provision of 296  
law to the contrary, while acting as the fiduciary of a trust, a 297  
family trust company may do all of the following: 298

(1) Invest in a security of an investment company or 299  
investment trust for which the family trust company or a family 300  
affiliate provides services in a capacity other than as a 301  
fiduciary; 302

- (2) Place a security transaction using a broker that is a family affiliate; 303  
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- (3) Invest in an investment contract that is purchased from an insurance company or carrier owned by or affiliated with the family trust company or a family affiliate; 305  
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- (4) Enter into an agreement with a beneficiary or grantor of a trust relative to the appointment or compensation of the fiduciary or a family affiliate; 308  
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- (5) Transact with another trust, estate, guardianship, or conservatorship for which the family trust company is a fiduciary or in which a beneficiary has an interest; 311  
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- (6) Make an equity investment in a nonpublicly traded entity that may or may not be marketable and that is owned or controlled, either directly or indirectly, by one or more beneficiaries, family members, or family affiliates; 314  
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- (7) Deposit trust money in a financial institution that is owned or operated by a family affiliate; 318  
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- (8) Delegate the authority to conduct any transaction or action under this section to an agent of the family trust company or a family affiliate; 320  
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- (9) Purchase, sell, hold, own, or invest in any security, bond, real or personal property, stock, or other asset of a family affiliate; 323  
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- (10) Loan money to or borrow money from a family member or the family member's legal representative, another trust managed by the family trust company, or a family affiliate; 326  
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- (11) Act as proxy in voting any shares of stock that are assets of the trust; 329  
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(12) Exercise any powers of control with respect to any 331  
interest in a business entity that is an asset of the trust, 332  
including, without limitation, the appointment of officers or 333  
directors who are family members; 334

(13) Receive reasonable compensation for its services. 335

(B) After full disclosure to the governing body of the 336  
family trust company is provided, nothing in this section 337  
prohibits a family trust company from entering into a 338  
transaction with or investing in any asset of any of the 339  
following: 340

(1) A trust, estate, guardianship, or conservatorship for 341  
which the family trust company is a fiduciary; 342

(2) A family affiliate; 343

(3) Any other business entity, agent, or person for which 344  
a conflict of interest may exist. 345

**Sec. 1112.06.** Each member of the governing board of a 346  
family trust company shall take and subscribe an oath that the 347  
member will administer the affairs of the family trust company 348  
diligently and honestly and that the member will not knowingly 349  
or willfully permit noncompliance with or violation of any of 350  
the laws relating to family trust companies. 351

**Sec. 1112.07.** (A) A family trust company wishing to be 352  
licensed under this chapter shall file an application with the 353  
superintendent of financial institutions. The application shall 354  
be in the form prescribed by the superintendent and shall be 355  
accompanied by a nonrefundable application fee of five thousand 356  
dollars. 357

(B) Within sixty days after a complete application for a 358

license is filed, the division of financial institutions shall 359  
investigate the relevant facts concerning the applicant. If the 360  
application involves investigation outside this state, the 361  
division may require the applicant to advance sufficient funds 362  
to pay any of the actual expenses of that investigation. 363

(C) In determining whether to approve or disapprove an 364  
application for a family trust company license, the 365  
superintendent shall consider all of the following: 366

(1) Whether the applicant is a corporation or limited 367  
liability company described in division (H) of section 1112.01 368  
of the Revised Code; 369

(2) Whether the applicant's articles of incorporation or 370  
articles of organization authorize the applicant to serve as a 371  
trustee; 372

(3) Whether the applicant satisfies the requirements of 373  
section 1112.13 of the Revised Code; 374

(4) Whether it is reasonable to believe the applicant will 375  
comply with applicable laws and observe sound fiduciary 376  
standards in conducting trust business in this state. 377

(D) If an application for a license does not contain all 378  
of the information required or is not accompanied by the 379  
required fee, and if that information or fee is not submitted to 380  
the superintendent within twelve months after the superintendent 381  
first requests the information or fee, or within such later 382  
period as determined by the superintendent, the superintendent 383  
shall consider the application withdrawn. If an application is 384  
considered withdrawn under this division or if an applicant 385  
otherwise withdraws its application, the superintendent shall 386  
not issue a license to the applicant unless the applicant 387

submits a new application and pays the required fee. 388

(E) When an applicant has satisfied all prior conditions 389  
imposed by the superintendent in approving the applicant's 390  
application for a family trust company license and has pledged 391  
securities as required by section 1112.12 of the Revised Code, 392  
the superintendent shall issue the applicant a trust company 393  
license. A license issued pursuant to this section shall remain 394  
in force and effect until surrendered by the licensee pursuant 395  
to section 1112.17 of the Revised Code or suspended or revoked 396  
by the superintendent pursuant to section 1112.24 or 1112.25 of 397  
the Revised Code. 398

**Sec. 1112.08.** (A) Upon the conclusion of the investigation 399  
required under section 1112.07 of the Revised Code, the 400  
superintendent of financial institutions shall issue a license 401  
to the applicant if the superintendent finds that all of the 402  
following conditions are met: 403

(1) The applicant is organized as a corporation or limited 404  
liability company under the laws of this state. 405

(2) The articles of incorporation or articles of 406  
organization of the applicant contain both of the following: 407

(a) A name for the family trust company that includes 408  
"family trust company" or "FTC" and that distinguishes it from 409  
any trust company licensed under Chapter 1111. of the Revised 410  
Code or any other family trust company licensed under this 411  
chapter; 412

(b) The purpose for which it is formed, including a 413  
statement that its services will be provided only to family 414  
clients of a designated relative. 415

(3) The individuals who will serve as directors or 416

officers of the corporation, or the managers or family members 417  
acting in a managerial capacity for the limited liability 418  
company, as applicable: 419

(a) Have a reputation for honesty, trustworthiness, and 420  
integrity and display competence to transact the business of a 421  
licensed family trust company; 422

(b) Have not been convicted of, or pleaded guilty or nolo 423  
contendere to, a felony or any crime involving fraud, 424  
misrepresentation, or moral turpitude; 425

(c) Have not made a false statement of material fact on the 426  
application; 427

(d) Have not had a license issued under Chapter 1111. of 428  
the Revised Code or under this chapter suspended or revoked 429  
within the ten years immediately preceding the date of the 430  
application; 431

(e) Have not had a trust company license issued in any 432  
other state or any foreign country suspended or revoked within 433  
the ten years immediately preceding the date of the application; 434

(f) Have not failed to comply with any of the provisions of 435  
this chapter or any rule adopted thereunder that, in the 436  
judgment of the superintendent, would render the person unfit 437  
for the proposed position. 438

(4) The qualifications of the directors and the president, 439  
vice-presidents, and treasurer of the corporation, or the 440  
managers and family members acting in a managerial capacity for 441  
the limited liability company, as applicable, are consistent 442  
with their responsibilities and duties. 443

(5) The initial stockholders' equity meets the minimum 444

requirement set forth in division (E) (2) of section 1112.14 of 445  
the Revised Code. 446

(B) If the superintendent does not find that all of the 447  
conditions set forth in division (A) of this section have been 448  
met, the superintendent shall enter an order denying the 449  
application and notify the applicant of the denial and the 450  
applicant's reasonable opportunity to be heard in accordance 451  
with Chapter 119. of the Revised Code, excepting any such 452  
related hearings shall not be open to the public. The notice 453  
shall be in writing, either served personally or sent by 454  
certified mail. 455

**Sec. 1112.09.** A family trust company's license to engage 456  
in trust business in this state is not transferable or 457  
assignable. 458

**Sec. 1112.10.** Not more than one place of business shall be 459  
maintained under the same license issued under this chapter, but 460  
the superintendent of financial institutions may issue 461  
additional licenses to the same licensee. For every additional 462  
place of business in this state, the licensee shall submit an 463  
application in the form prescribed by the superintendent and pay 464  
a one-time nonrefundable fee of five hundred dollars. For every 465  
additional place of business outside of this state, the licensee 466  
shall give written notice thereof to the superintendent. 467

**Sec. 1112.11.** The existence of any licensed family trust 468  
company shall date from the filing of its articles of 469  
incorporation or articles of organization, from which time it 470  
shall have and may exercise the incidental powers conferred by 471  
law upon corporations or limited liability companies, as 472  
applicable. However, until it has obtained a license issued 473  
under this chapter, a family trust company shall not transact 474

any business as a licensed family trust company, other than the 475  
election of officers, the taking and approving of their official 476  
bonds, the receipts of payment upon stock subscriptions, and 477  
other business incidental to its organization. 478

**Sec. 1112.12.** (A) Prior to transacting any business as a 479  
licensed family trust company, a family trust company shall 480  
pledge to the treasurer of state interest-bearing securities 481  
authorized in division (B) of this section, having a par value, 482  
not including unaccrued interest, of one hundred thousand 483  
dollars, and approved by the superintendent of financial 484  
institutions. The family trust company may pledge the securities 485  
either by delivery to the treasurer of state or by placing the 486  
securities with a qualified trustee for safekeeping to the 487  
account of the treasurer of state. 488

(B) Securities pledged by a family trust company to 489  
satisfy the requirements of division (A) of this section shall 490  
be one or more of the following, provided that the bonds or 491  
other obligations are rated at the time of purchase in the three 492  
highest classifications established by at least one nationally 493  
recognized standard rating service and purchased through a 494  
registered securities broker or dealer: 495

(1) Bonds, notes, or other obligations of or guaranteed by 496  
the United States or for which the full faith and credit of the 497  
United States is pledged for the payment of principal and 498  
interest; 499

(2) Bonds, notes, debentures, or other obligations or 500  
securities issued by any agency or instrumentality of the United 501  
States. 502

(C) The treasurer of state shall accept delivery of 503

securities pursuant to this section when accompanied by the 504  
superintendent's approval of the securities or the written 505  
receipt of a qualified trustee describing the securities and 506  
showing the superintendent's approval of the securities, and 507  
shall issue a written acknowledgment of the delivery of the 508  
securities or the qualified trustee's receipt and the 509  
superintendent's approval to the family trust company. 510

(D) The superintendent shall approve securities to be 511  
pledged by a family trust company pursuant to this section if 512  
the securities are all of the following: 513

(1) Interest-bearing and of the value required by division 514  
(A) of this section; 515

(2) Of one or more of the kinds authorized by division (B) 516  
of this section and not a derivative of or merely an interest in 517  
any of those securities; 518

(3) Not in default. 519

(E) The treasurer of state shall, with the approval of the 520  
superintendent, permit a family trust company to pledge 521  
securities in substitution for securities pledged pursuant to 522  
this section and the withdrawal of the securities substituted 523  
for so long as the securities remaining pledged satisfy the 524  
requirements of division (A) of this section. The treasurer of 525  
state shall permit a family trust company to collect interest 526  
paid on securities pledged pursuant to this section so long as 527  
the family trust company is solvent. The treasurer of state 528  
shall, with the approval of the superintendent, permit a 529  
licensed family trust company to withdraw securities pledged 530  
pursuant to this section when the family trust company has 531  
discontinued its business as a licensed family trust company in 532

this state. 533

(F) For purposes of this section, a qualified trustee is a 534  
federal reserve bank, a federal home loan bank, a trust company 535  
as defined in section 1101.01 of the Revised Code, or a bank or 536  
savings association that has pledged securities pursuant to 537  
section 1111.04 of the Revised Code, is authorized to accept and 538  
execute trusts, and is doing business under authority granted by 539  
the comptroller of the currency. 540

(G) The superintendent, with the approval of the treasurer 541  
of state, shall prescribe the form of all receipts and 542  
acknowledgments provided for by this section, and upon request 543  
shall furnish a copy of each form, with the superintendent's 544  
certification attached, to each qualified trustee eligible to 545  
hold securities for safekeeping under this section. 546

**Sec. 1112.13.** (A) Each licensed family trust company shall 547  
obtain and maintain all of the following: 548

(1) Fidelity bonds in such amounts as it considers 549  
advisable, but not less than an aggregate amount of one million 550  
dollars, on any active officer, manager, family member acting in 551  
a managerial capacity, or employee, whether or not such persons 552  
receive a salary or other compensation from the family trust 553  
company, to indemnify it against loss because of any dishonest, 554  
fraudulent, or criminal act or omission by any of the persons 555  
bonded, acting alone or in combination with any other person. 556  
The bonds may be in any form and may be paid for by the family 557  
trust company. 558

(2) Directors and officers liability insurance coverage in 559  
the amount of at least one million dollars. 560

(B) A licensed family trust company may also procure 561

property and casualty insurance of a nature and with such 562  
coverage amounts as it considers advisable. 563

Sec. 1112.14. Each licensed family trust company shall do 564  
all of the following: 565

(A) Maintain office space in this state for the 566  
transaction of trust business and for the storage of, and access 567  
to, family trust company records; 568

(B) Hold in this state at least two governing board 569  
meetings per year at which a quorum of the board members are 570  
physically present; 571

(C) Employ, engage, or contract with at least one 572  
individual, on a part-time basis, to provide services in this 573  
state for the family trust company; 574

(D) Perform at least three of the following trust 575  
administration activities wholly or partly in this state for the 576  
accounts under the management, administration, or custody of the 577  
family trust company: 578

(1) Annual account reviews; 579

(2) Annual investment reviews; 580

(3) Trust accountings; 581

(4) Account correspondence; 582

(5) Completion of trust account tax returns; 583

(6) Distribution of account statements. 584

(E) Maintain all of the following: 585

(1) A minimum of three directors or managers, at least one 586  
of whom is a resident of this state; 587

(2) A minimum stockholders' equity of an amount determined 588  
by the division of financial institutions, which amount shall be 589  
at least two hundred thousand dollars but not more than five 590  
hundred thousand dollars. The equity may be comprised of cash, 591  
securities, including stock of a nonpublicly traded business 592  
entity, or other reasonably liquid assets exclusive of all 593  
organization expenses. 594

(3) All applicable state and local business licenses and 595  
permits; 596

(4) A bank account with a state chartered or national bank 597  
having a principal or branch office in this state. 598

**Sec. 1112.15.** The governing board of a licensed family 599  
trust company shall hold at least one regular meeting during 600  
each calendar quarter. At each of the quarterly meetings, the 601  
board, or an auditor selected by the board, shall thoroughly 602  
review the books, records, funds, and securities held by the 603  
family trust company. If the board selects an auditor, the 604  
auditor's findings shall be reported directly to the board. In 605  
lieu of the quarterly examinations, the board may accept an 606  
annual audit conducted by a certified public accountant or an 607  
independent auditor selected by the board. 608

**Sec. 1112.16.** Except as otherwise provided in section 609  
1112.04 of the Revised Code, a licensed family trust company has 610  
all the rights, privileges, and exemptions from licensing and 611  
regulation requirements that are granted by any law of this 612  
state to trust companies licensed under Chapter 1111. of the 613  
Revised Code, including, without limitation, the requirements 614  
for registration, licensing, and supervision set forth in 615  
Chapter 1707. of the Revised Code. A family trust company 616  
established under Chapter 1112. of the Revised Code is not 617

subject to taxation under Chapter 5726. of the Revised Code. 618

Sec. 1112.17. (A) A family trust company licensed under 619  
this chapter may cease doing trust business and voluntarily 620  
surrender its license to engage in trust business in this state, 621  
and as a consequence be relieved of the necessity to comply with 622  
the requirements of this chapter, only with the consent of the 623  
superintendent of financial institutions. 624

(B) A licensed family trust company proposing to cease 625  
doing trust business in this state shall submit both of the 626  
following to the superintendent: 627

(1) A certified copy of the resolution of the licensed 628  
family trust company's board of directors reflecting the board's 629  
decision that the trust company should cease doing trust 630  
business in this state and adopting a plan for winding up its 631  
trust business in this state; 632

(2) The licensed family trust company's plan for winding 633  
up its trust business in this state. 634

(C) The superintendent may approve or deny the licensed 635  
family trust company's plan for winding up its trust business in 636  
this state based on the superintendent's evaluation of whether 637  
the plan provides adequate protection for those persons and 638  
interests that the trust company serves as a fiduciary. The 639  
superintendent's approval may be subject to any condition the 640  
superintendent determines appropriate under the circumstances. 641

(D) During the implementation of a licensed family trust 642  
company's plan for winding up its trust business in this state, 643  
the superintendent shall retain the authority to supervise the 644  
trust company and may conduct any examination relating to either 645  
the trust company or the plan the superintendent considers 646

necessary or appropriate. 647

(E) If the superintendent has reason to conclude that the 648  
licensed family trust company is not safely or expeditiously 649  
implementing the approved plan for winding up the licensed 650  
family trust company's trust business in this state, the 651  
superintendent may do either of the following: 652

(1) Begin revocation proceedings under section 1112.24 of 653  
the Revised Code; 654

(2) Take possession of the trust company's trust business 655  
in this state in the same manner, with the same effect, and 656  
subject to the same rights accorded to the trust company under 657  
section 1112.26 of the Revised Code. 658

(F) The superintendent shall cancel the family trust 659  
company's license to do trust business in this state if the 660  
superintendent has approved the licensed family trust company's 661  
plan for winding up its trust business in this state and, when 662  
applicable, the licensed family trust company has met all of the 663  
following conditions: 664

(1) The licensed family trust company has completed its 665  
plan for winding up its trust business in this state consistent 666  
with any conditions imposed by the superintendent in approving 667  
the plan. 668

(2) The licensed family trust company has been relieved in 669  
accordance with the law of all duties as trustee, executor, 670  
administrator, registrar of stocks and bonds, or any other 671  
fiduciary under court, private, or other appointment the trust 672  
company had accepted. 673

(3) The licensed family trust company has, in accordance 674  
with the law, wound up its trust business in each of the other 675

jurisdictions in which the family trust company solicited 676  
appointment or served as a fiduciary or engaged in trust 677  
business. 678

(G) Upon the superintendent's canceling the licensed 679  
family trust company's license to do trust business in this 680  
state, the company shall no longer, without obtaining a license 681  
from the superintendent, engage in trust business in this state. 682

**Sec. 1112.18.** (A) A family trust company shall keep 683  
separate and complete records for each fiduciary account or 684  
relationship, including a record of any securities constituting 685  
assets of each particular estate, trust, or account. 686

(B) A family trust company may place securities it holds 687  
in any fiduciary capacity with a qualified custodian of 688  
securities. A qualified custodian of securities that has custody 689  
of securities held by a family trust company in a fiduciary 690  
capacity may place those securities with another qualified 691  
custodian of securities. 692

(C) A family trust company may register and hold 693  
securities it holds in any fiduciary capacity in its own name, 694  
in the name of a nominee, or, if appropriate to the securities, 695  
in bearer form. A custodian of securities that has custody of 696  
securities held by a family trust company in a fiduciary 697  
capacity may hold or place those securities in the name of the 698  
family trust company, the custodian's own name, the name of 699  
either of their nominees, or, if appropriate to the securities, 700  
in bearer form. 701

(D) A family trust company, and a custodian of securities 702  
that has custody of securities held by a family trust company in 703  
any fiduciary capacity, may hold securities it holds in any 704

fiduciary capacity, including those held in bearer form, in 705  
bulk, whether or not the securities are certificated, without 706  
certification of ownership attached to the securities. 707

(E) (1) A family trust company that serves as a cofiduciary 708  
may, with the consent of the other cofiduciaries, do any of the 709  
following: 710

(a) Place securities it holds in any fiduciary capacity 711  
with a custodian of securities, as provided in division (B) of 712  
this section; 713

(b) Register and hold securities it holds in any fiduciary 714  
capacity in its own name, in the name of a nominee, or in bearer 715  
form, as provided in division (C) of this section; 716

(c) Hold securities it holds in any fiduciary capacity in 717  
bulk, as provided in division (D) of this section. 718

(2) Any person that serves as a cofiduciary with a family 719  
trust company for any property in this state consisting of 720  
securities may consent to the family trust company taking any of 721  
the actions authorized by division (E) (1) of this section. 722

**Sec. 1112.19.** (A) A family trust company may, for any 723  
business purpose, retain a document, paper, or other instrument. 724  
A family trust company may record by use of a process to record, 725  
copy, photograph, or store a representation of the original 726  
document, paper, or other instrument or record if all of the 727  
following apply: 728

(1) The process correctly and accurately copies or 729  
reproduces, or provides a means for correctly and accurately 730  
copying or reproducing, the original document, paper, or other 731  
instrument or record with regard to both its substance and 732  
appearance, except the copy or reproduction need not reflect the 733

original paper or other medium, size, or color, unless the 734  
medium, size, or color is necessary to establish the 735  
authenticity of the original. 736

(2) The process does not permit the recording, copy, 737  
photographic image, or stored representation of the original 738  
document, paper, or other instrument or record to be altered or 739  
manipulated. 740

(3) Any medium the process uses to record, copy, 741  
photograph, or store a representation of the original document, 742  
paper, or other instrument or record is a durable medium for 743  
retaining and reproducing records. 744

(B) The superintendent of financial institutions shall 745  
identify and publish a list of processes that satisfy the 746  
conditions of division (A) of this section. 747

(C) Each family trust company that uses a process 748  
authorized by this section to preserve any of its records shall 749  
also provide for safekeeping and for examining, viewing, or 750  
projecting the records preserved, and for producing 751  
reproductions of the original records. 752

**Sec. 1112.20.** (A) Any licensed family trust company is 753  
subject to all powers of, and remedies and sanctions available 754  
to, the superintendent of financial institutions and the 755  
division of financial institutions under Chapters 1101. to 1127. 756  
of the Revised Code, in addition to the specific powers, 757  
remedies, and sanctions provided for in this chapter. 758

(B) (1) With regard to a licensed family trust company, 759  
"regulated person," as used in division (B) of this section, 760  
means a director, officer, employee, or controlling shareholder 761  
of or agent for the licensed family trust company or a person 762

who participates in the management of the licensed family trust 763  
company, whether or not the person is assigned to an office of 764  
the licensed family trust company in this state or specifically 765  
to the licensed trust company's trust business in this state. 766

(2) An order to cease and desist issued under section 767  
1121.32 of the Revised Code, a removal or prohibition order 768  
issued under section 1121.33 of the Revised Code, or a 769  
suspension order issued under section 1121.34 of the Revised 770  
Code, which order is issued against a regulated person who is a 771  
regulated person because of the person's relationship with a 772  
licensed family trust company doing trust business in this 773  
state, does not affect the relationship between the regulated 774  
person and the licensed family trust company except as it 775  
relates to the conduct of the licensed family trust company's 776  
trust business in this state. 777

Sec. 1112.21. Each family trust company licensed under 778  
this chapter shall file with the superintendent of financial 779  
institutions any report the superintendent may require, in the 780  
form and manner and containing the information prescribed by the 781  
superintendent. 782

Sec. 1112.22. (A) Not later than eighteen months after a 783  
licensed family trust company receives its initial license under 784  
this chapter, and as often thereafter as the superintendent of 785  
financial institutions considers necessary, but at least once 786  
each thirty-six-month cycle, the superintendent, or any deputy 787  
or examiner appointed by the superintendent for that purpose, 788  
shall thoroughly examine the records and affairs of the licensed 789  
family trust company. For purposes of the examination, the 790  
superintendent may require the attendance of, and examine under 791  
oath, any governing board member, officer, manager, employee, or 792

agent of a licensed family trust company. A licensed family 793  
trust company shall produce and make available all records or 794  
other documents requested by the superintendent, in either 795  
electronic or paper form, whether the examination is conducted 796  
at the office of the family trust company or wholly or partially 797  
off-site. 798

(B) The findings of any examination conducted under this 799  
section shall be recorded in a written examination report that 800  
contains a full, true, and careful statement of the condition of 801  
the licensed family trust company. The superintendent shall 802  
provide a copy of the written examination report to the 803  
governing board of the licensed family trust company. 804

(C) A licensed family trust company being examined shall 805  
pay the expense of any examination conducted under this section, 806  
including salaries, travel expenses, supplies, and equipment. 807

**Sec. 1112.23.** (A) Except as provided in division (D) of 808  
this section, the superintendent of financial institutions, the 809  
superintendent's agents, and employees shall keep privileged and 810  
confidential all of the following information: 811

(1) Application information and other information obtained 812  
from a family trust company, including the names and addresses 813  
of the directors and officers, the names and addresses of the 814  
stockholders, family members, or other owners, capital 815  
contributions, and business affiliations; 816

(2) Information required to be reported to, or filed with, 817  
the superintendent of financial institutions under this chapter, 818  
including the affidavit described in division (A)(1) of section 819  
1112.03 of the Revised Code; 820

(3) Information leading to, arising from, or obtained in 821

the course of an examination or investigation conducted under 822  
the authority of this chapter; 823

(4) Information relating to a family trust company that 824  
qualifies as nonpublic personal information under 15 U.S.C. 6809 825  
and the regulations adopted thereunder; 826

(5) Information or agreements relating to any merger, 827  
consolidation, or transfer; 828

(6) Any other private information relating to a family 829  
trust company. 830

(B) Any person who receives privileged and confidential 831  
information as described in division (A) of this section is 832  
subject to the requirements of this section. No person, knowing 833  
the information is privileged and confidential, shall purposely 834  
divulge the information in any manner. 835

(C) Neither the superintendent, nor any agent or employee 836  
of the superintendent, shall purposely make, or cause to be 837  
made, any false statements or reports regarding the affairs or 838  
condition of a family trust company. 839

(D) The information described in division (A) of this 840  
section shall remain confidential and not discoverable from any 841  
source, and shall not be introduced into evidence, except in the 842  
following circumstances: 843

(1) When it is necessary for the superintendent to take 844  
official action regarding the affairs of a family trust company; 845

(2) To assist another state or a federal agency 846  
investigating activities regulated under this chapter; 847

(3) When obtained by a law enforcement officer pursuant to 848  
a subpoena, court order, search warrant, or other lawful means. 849

(E) The discovery of information pursuant to division (D) of this section shall be limited to information that directly relates to the family trust company that is the subject of the enforcement action or litigation. 850  
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**Sec. 1112.24.** (A) The superintendent of financial institutions may revoke a license issued under this chapter if, after notice and an opportunity for hearing in accordance with Chapter 119. of the Revised Code (which hearing shall not be open to the public), the superintendent finds either of the following: 854  
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(1) An officer or director of, or any manager or family member acting in a managerial capacity for, the licensed family trust company has failed to comply with any provision of this chapter. 860  
861  
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(2) The licensed family trust company, or any person authorized to act on its behalf, refuses to allow the superintendent or any deputy or examiner appointed by the superintendent to inspect all books, records, papers, and effects related to the family trust company's business. 864  
865  
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867  
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(B) In addition to any other remedy provided under this chapter, the superintendent may impose a fine of not more than ten thousand dollars upon either of the following: 869  
870  
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(1) A person who fails to comply with any provision of this chapter or any rule adopted thereunder; 872  
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(2) A family trust company that is not licensed under this chapter that operates in any manner that is authorized only for licensed family trust companies. 874  
875  
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**Sec. 1112.25.** (A) The superintendent of financial institutions may revoke a trust company's license to do trust 877  
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business in this state, if the superintendent determines, after 879  
notice in accordance with section 1121.37 of the Revised Code 880  
and opportunity for hearing in accordance with section 1121.38 881  
of the Revised Code, that any of the following factors is true: 882

(1) The existence of the family trust company, or its 883  
authority to transact business, has been terminated or suspended 884  
under the laws of the state or country in which the trust 885  
company is incorporated. 886

(2) The family trust company's authority to transact trust 887  
business has been terminated or suspended under the laws of the 888  
state or country in which the trust company is incorporated, or 889  
its license to engage in trust business has been terminated or 890  
suspended under the laws of any other jurisdiction in which the 891  
family trust company had been licensed to engage in trust 892  
business. 893

(3) A receiver, liquidator, or conservator has been 894  
appointed for the family trust company under the laws of the 895  
state or country in which the family trust company is 896  
incorporated or for its business in any other jurisdiction in 897  
which the family trust company transacts business. 898

(4) The family trust company is violating or has violated, 899  
or the superintendent has reasonable cause to believe the family 900  
trust company is about to violate, any of the following: 901

(a) A law or rule; 902

(b) A condition imposed by the superintendent in writing 903  
in connection with approving an application or notice or 904  
granting any other request of the family trust company; 905

(c) A written agreement the family trust company entered 906  
into with the superintendent; 907

<u>(d) A cease and desist order issued by the superintendent</u>	908
<u>under section 1121.32 of the Revised Code.</u>	909
<u>(5) The family trust company is engaging or has engaged,</u>	910
<u>or the superintendent has reasonable cause to believe the family</u>	911
<u>trust company is about to engage, in any unsafe or unsound</u>	912
<u>practice.</u>	913
<u>(6) The family trust company has ceased to pay its debts</u>	914
<u>in the ordinary course of business, is incapable of paying its</u>	915
<u>debts as they mature, has liabilities in excess of its assets,</u>	916
<u>or is subject to or has applied for an adjudication in</u>	917
<u>bankruptcy, reorganization, or other relief under any</u>	918
<u>bankruptcy, reorganization, insolvency, or moratorium law.</u>	919
<u>(7) The family trust company has ceased or failed to</u>	920
<u>conduct trust business in this state.</u>	921
<u>(8) The family trust company has failed to pay any fees,</u>	922
<u>charges, forfeitures, or penalties assessed under Chapters 1101.</u>	923
<u>to 1127. of the Revised Code.</u>	924
<u>(B) (1) If the superintendent has reasonable cause to</u>	925
<u>believe any of the factors in division (A) of this section is</u>	926
<u>true, and the superintendent determines it is necessary to</u>	927
<u>protect the persons and interests in this state that the family</u>	928
<u>trust company serves as a fiduciary or the property in this</u>	929
<u>state that the trust company holds title to or an interest in a</u>	930
<u>fiduciary, the superintendent may immediately suspend the family</u>	931
<u>trust company's license to do trust business in this state.</u>	932
<u>(2) Within ten days after the order suspending a family</u>	933
<u>trust company's license to do trust business in this state is</u>	934
<u>served upon it, the family trust company may apply to the court</u>	935
<u>of common pleas of any county in this state in which the family</u>	936

trust company is doing business, or the court of common pleas of 937  
Franklin county, for an injunction setting aside, limiting, or 938  
suspending enforcement of the suspension order pending an 939  
opportunity for hearing on whether the family trust company's 940  
license to do trust business in this state should be revoked, 941  
and the court has jurisdiction to issue the injunction. 942

**Sec. 1112.26.** (A) If the superintendent of financial 943  
institutions revokes a family trust company's license to do 944  
trust business in this state pursuant to division (A) of section 945  
1111.32 of the Revised Code, the superintendent may take 946  
possession of the family trust company's trust business in this 947  
state and may appoint a receiver for the liquidation of the 948  
trust business in this state. If the family trust company has 949  
its principal place of business in this state, the 950  
superintendent may take possession of, and appoint a receiver 951  
for the liquidation of, its entire trust business wherever it is 952  
conducted. 953

(B) The superintendent's taking possession of, and 954  
appointing a receiver for the liquidation of, a family trust 955  
company's trust business in this state under division (A) of 956  
this section and the liquidation of the family trust company's 957  
trust business in this state shall be conducted in accordance 958  
with the procedures and subject to the rights, powers, duties, 959  
requirements, and limitations provided in Chapter 1125. of the 960  
Revised Code for taking possession of the business and property 961  
and liquidation of a bank, except for the following: 962

(1) After payment of the expenses of the liquidation and 963  
claims against the family trust company arising from its doing 964  
trust business in this state in accordance with divisions (A) 965  
and (B) of section 1125.25 of the Revised Code, the receiver 966

shall distribute any remaining funds from the liquidation of the 967  
trust company's trust business in this state to the receiver for 968  
liquidation of the family trust company's trust business in 969  
another state of the United States or for conducting a 970  
liquidation of all or part of the family trust company's trust 971  
business under laws of the United States, or equitably among the 972  
receivers if the trust company's trust business is being 973  
liquidated under the laws of more than one other state or the 974  
United States, for payment of the expenses of liquidation and 975  
claims against the family trust company's trust business. If 976  
there is no liquidation of the family trust company's trust 977  
business under way in any other state or under laws of the 978  
United States, the receiver shall, after satisfying the 979  
requirements of divisions (A) and (B) of section 1125.25 of the 980  
Revised Code, pay any remaining funds from the liquidation of 981  
the family trust company's trust business in this state to the 982  
family trust company. 983

(2) When the receiver has completed the liquidation of the 984  
family trust company's trust business in this state, the 985  
receiver shall, with notice to the superintendent, petition the 986  
court for an order declaring the family trust company's trust 987  
business in this state is properly wound up in the manner 988  
provided in section 1125.30 of the Revised Code. Upon the filing 989  
of the petition, the court shall proceed as provided in section 990  
1125.30 of the Revised Code. 991

An order issued by the court pursuant to a petition filed 992  
under division (B) (2) of this section shall comply with section 993  
1125.30 of the Revised Code. However, the order shall only 994  
declare the family trust company's trust business in this state 995  
has been properly wound up and shall not declare the family 996  
trust company is dissolved. The court may make whatever 997

additional orders and grant whatever additional relief the court 998  
determines is proper upon the evidence submitted. 999

Once the order is issued declaring the family trust 1000  
company's trust business in this state is properly wound up, 1001  
both of the following shall occur: 1002

(a) The family trust company shall, except for any further 1003  
winding up, cease engaging in trust business in this state and, 1004  
if the family trust company has its principal place of business 1005  
in this state, cease engaging in trust business in any 1006  
jurisdiction. 1007

(b) The receiver shall promptly file, with both the 1008  
secretary of state and the superintendent, a copy of the order, 1009  
certified by the clerk of the court. 1010

(C) If the family trust company is a bank doing business 1011  
under authority granted by the superintendent, all of the 1012  
following apply: 1013

(1) If the family trust company is being liquidated under 1014  
Chapter 1125. of the Revised Code, the trust company's trust 1015  
business shall also be liquidated even if there would not be 1016  
independent grounds for liquidation of the trust business under 1017  
this section. 1018

(2) If the family trust company's trust business is being 1019  
liquidated under this section and the trust company as a whole 1020  
is being liquidated under Chapter 1125. of the Revised Code, the 1021  
liquidations shall be merged. 1022

(3) If the family trust company is not authorized to 1023  
engage in any business other than trust business, its 1024  
liquidation shall be of the company as a whole, conducted under 1025  
Chapter 1125. of the Revised Code, and completed by the 1026

<u>dissolution of the trust company.</u>	1027
<u>Sec. 1112.27. The superintendent of financial institutions</u>	1028
<u>shall not have an ownership interest in a licensed family trust</u>	1029
<u>company.</u>	1030
<u>Sec. 1112.28. The superintendent of financial institutions</u>	1031
<u>may, in accordance with Chapter 119. of the Revised Code, adopt</u>	1032
<u>any rule necessary to carry out the purposes of this chapter.</u>	1033
<u>Sec. 1112.99. Whoever violates division (B) of section</u>	1034
<u>1112.23 of the Revised Code is guilty of a felony of the fourth</u>	1035
<u>degree.</u>	1036
<b>Section 2.</b> That existing section 1111.01 of the Revised	1037
Code is hereby repealed.	1038