

**As Passed by the Senate**

**134th General Assembly**

**Regular Session**

**2021-2022**

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

**Senator Wilson**

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

---

**A BILL**

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

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

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

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

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

section 1306.01 of the Revised Code. 18

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

insured, or policyholder. 167

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) Consumer data protections and privacy; 419

(2) Consumer disclosure; 420

(3) Unfair discrimination; 421

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

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

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

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

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

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

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

(b) It relates to the insurance coverage. 454

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(M) (1) The ultimate controlling person of every insurer 865  
subject to registration and also scoped into the national 866  
association of insurance commissioners liquidity stress test 867  
framework shall file the results of a specific year's liquidity 868  
stress test. 869

(2) The filing shall be made to the lead state insurance 870  
commissioner of the insurance holding company system as 871  
determined by the procedures within the financial analysis 872  
handbook adopted by the national association of insurance 873  
commissioners. 874

(3) (a) The national association of insurance commissioners 875  
liquidity stress test framework includes scope criteria 876  
applicable to a specific data year. These scope criteria are 877  
reviewed at least annually by the financial stability task force 878  
or its successor. 879

(b) Any change to the national association of insurance 880  
commissioners liquidity stress test framework or to the data 881  
year for which the scope criteria are to be measured shall be 882  
effective on January 1 of the year following the calendar year 883  
when such changes are adopted. 884

(c) Insurers meeting at least one threshold of the scope 885  
criteria are considered scoped into the national association of 886  
insurance commissioners liquidity stress test framework for the 887

specified data year unless the lead state insurance commissioner, in consultation with the national association of insurance commissioners financial stability task force or its successor, determines the insurer should not be scoped into the framework for that data year. 888  
889  
890  
891  
892

(d) Insurers that do not trigger at least one threshold of the scope criteria are considered scoped out of the national association of insurance commissioners liquidity stress test framework for the specified data year, unless the lead state insurance commissioner, in consultation with the national association of insurance commissioners financial stability task force or its successor, determines the insurer should be scoped into the framework for that data year. 893  
894  
895  
896  
897  
898  
899  
900

(e) Regulators wish to avoid having insurers scoped in and out of the national association of insurance commissioners liquidity stress test framework on a frequent basis. The lead state insurance commissioner, in consultation with the financial stability task force or its successor, will assess this concern as part of the determination for an insurer. 901  
902  
903  
904  
905  
906

(f) The performance of, and filing of the results from, a specific year's liquidity stress test shall comply with the national association of insurance commissioners liquidity stress test framework's instructions and reporting templates for that year and any lead state insurance commissioner determinations, in conjunction with the financial stability task force or its successor, provided within the framework. 907  
908  
909  
910  
911  
912  
913

(N) The failure to file any registration statement or any amendment thereto or enterprise risk report required by this section within the time specified for the filing is a violation of this section. 914  
915  
916  
917

Sec. 3901.34. (A) Transactions within an insurance holding	918
company system to which an insurer subject to registration is a	919
party shall be subject to the following standards:	920
(1) The terms shall be fair and reasonable.	921
(2) Charges or fees for services performed shall be	922
reasonable.	923
(3) Expenses incurred and payment received shall be	924
allocated to the insurer in conformity with customary insurance	925
accounting practices that are consistently applied.	926
(4) The books, accounts, and records of each party shall	927
be so maintained as to clearly and accurately disclose the	928
precise nature and details of the transactions including such	929
accounting information as is necessary to support the	930
reasonableness of the charges or fees to the respective parties.	931
(5) The insurer's surplus as regards policyholders	932
following any dividends or distributions to shareholder	933
affiliates shall be reasonable in relation to the insurer's	934
outstanding liabilities and adequate to its financial needs.	935
(6) Agreements for cost-sharing services and management	936
services shall include such provisions as required by the	937
superintendent of insurance in rule or regulation;	938
<u>(7) If an insurer subject to sections 3901.32 to 3901.37</u>	939
<u>of the Revised Code is deemed by the superintendent to be in a</u>	940
<u>hazardous financial condition or a condition that would be</u>	941
<u>grounds for supervision, conservation, or a delinquency</u>	942
<u>proceeding, then the superintendent may require the insurer to</u>	943
<u>secure and maintain either a deposit, held by the</u>	944
<u>superintendent, or a bond, as determined by the insurer at the</u>	945
<u>insurer's discretion, for the protection of the insurer for the</u>	946

duration of the contract or agreement, or the existence of the 947  
condition for which the superintendent required the deposit or 948  
the bond. 949

(8) In determining whether a deposit or a bond is 950  
required, the superintendent may consider whether concerns exist 951  
with respect to the affiliated person's ability to fulfill the 952  
contract or agreement if the insurer were to be put into 953  
liquidation. Once the insurer is deemed to be in a hazardous 954  
financial condition or a condition that would be grounds for 955  
supervision, conservation or a delinquency proceeding, and a 956  
deposit or bond is necessary, the superintendent has discretion 957  
to determine the amount of the deposit or bond, not to exceed 958  
the value of the contract or agreement in any one year, and 959  
whether such deposit or bond shall be required for a single 960  
contract, multiple contracts, or a contract only with a specific 961  
person or persons; 962

(9) (a) All records and data of the insurer held by an 963  
affiliate are and remain the property of the insurer, are 964  
subject to control of the insurer, are identifiable, and are 965  
segregated or readily capable of segregation, at no additional 966  
cost to the insurer, from all other persons' records and data. 967  
This includes all records and data that are otherwise the 968  
property of the insurer, in whatever form maintained, including: 969

(i) Claims and claim files; 970

(ii) Policyholder lists; 971

(iii) Application files; 972

(iv) Litigation files; 973

(v) Premium records; 974

<u>(vi) Rate books;</u>	975
<u>(vii) Underwriting manuals;</u>	976
<u>(viii) Personnel records;</u>	977
<u>(ix) Financial records or similar records within the possession, custody, or control of the affiliate.</u>	978 979
<u>(b) At the request of the insurer, the affiliate shall provide that the receiver can:</u>	980 981
<u>(i) Obtain a complete set of all records of any type that pertain to the insurer's business;</u>	982 983
<u>(ii) Obtain access to the operating systems on which the data is maintained;</u>	984 985
<u>(iii) Obtain the software that runs those systems either through assumption of licensing agreements or otherwise;</u>	986 987
<u>(iv) Restrict the use of the data by the affiliate if it is not operating the insurer's business.</u>	988 989
<u>(c) The affiliate shall provide a waiver of any landlord lien or other encumbrance to give the insurer access to all records and data in the event of the affiliate's default under a lease or other agreement.</u>	990 991 992 993
<u>(10) Premiums or other funds belonging to the insurer that are collected by or held by an affiliate are the exclusive property of the insurer and are subject to the control of the insurer. Any right of offset in the event an insurer is placed into receivership is subject to Chapter 3903. of the Revised Code.</u>	994 995 996 997 998 999
(B) For the purposes of this section, in determining whether an insurer's surplus as regards policyholders is	1000 1001

reasonable in relation to the insurer's outstanding liabilities 1002  
and adequate to its financial needs, the following factors, 1003  
among others, may be considered: 1004

(1) The size of the insurer as measured by its assets, 1005  
capital, surplus, reserves, premium writings, insurance in 1006  
force, and other appropriate criteria; 1007

(2) The extent to which the insurer's business is 1008  
diversified among the several lines of insurance; 1009

(3) The number and size of risks insured in each line of 1010  
business; 1011

(4) The extent of the geographical dispersion of the 1012  
insurer's insured risks; 1013

(5) The nature and extent of the insurer's reinsurance 1014  
program; 1015

(6) The quality, diversification, and liquidity of the 1016  
insurer's investment portfolio; 1017

(7) The recent past and projected future trend in the size 1018  
of the insurer's surplus as regards policyholders; 1019

(8) The adequacy of the insurer's reserves; 1020

(9) The quality and liquidity of investments in 1021  
subsidiaries. The superintendent may discount any such 1022  
investment or treat any investment as a nonadmitted asset for 1023  
purposes of determining the adequacy of surplus as regards 1024  
policyholders whenever the investment so warrants. 1025

(10) The quality of the insurer's earnings and the extent 1026  
to which the reported earnings include extraordinary items; 1027

(11) The surplus as regards policyholders maintained by 1028

other comparable insurers in respect of the factors enumerated 1029  
in this division. 1030

(C) No insurer subject to registration under section 1031  
3901.33 of the Revised Code shall pay any extraordinary dividend 1032  
or make any other extraordinary distribution to its shareholders 1033  
and the declaration of any such dividend or distribution shall 1034  
be conditional and shall confer no rights upon shareholders 1035  
until thirty days after the superintendent has received notice 1036  
of the declaration thereof and has not within the thirty-day 1037  
period disapproved the dividend or distribution, or the 1038  
superintendent has approved the dividend or distribution within 1039  
the thirty-day period. 1040

Prior to paying any dividend or distribution, the insurer 1041  
shall notify the superintendent on a form provided by the 1042  
superintendent for informational purposes within five business 1043  
days following its declaration of any dividend or distribution 1044  
and at least ten calendar days prior to payment of such dividend 1045  
or distribution, such ten-calendar-day period to be measured 1046  
from the date of the superintendent's receipt of the notice. 1047

For the purposes of this section, an extraordinary 1048  
dividend or distribution includes any dividend or distribution 1049  
of cash or other property, whose fair market value, together 1050  
with that of other dividends or distributions made within the 1051  
preceding twelve months, exceeds the greater of ten per cent of 1052  
the insurer's surplus as regards policyholders as of the thirty- 1053  
first day of December next preceding, or the net income of the 1054  
insurer for the twelve-month period ending the thirty-first day 1055  
of December next preceding, but shall not include pro rata 1056  
distributions of any class of the insurer's own securities. 1057

Any dividend or distribution paid from other than earned 1058

surplus shall be considered an extraordinary dividend or 1059  
extraordinary distribution. For the purposes of this section, 1060  
"earned surplus" means an amount equal to an insurer's 1061  
unassigned funds as set forth in its most recent statutory 1062  
financial statement submitted to the superintendent, including 1063  
net unrealized capital gains and losses or revaluation of 1064  
assets. 1065

**Sec. 3901.341.** (A) No insurer subject to registration 1066  
under section 3901.33 of the Revised Code shall enter into any 1067  
of the following transactions with any person in its insurance 1068  
holding company system, including amendments or modifications of 1069  
affiliate agreements previously filed under this section that 1070  
are subject to the materiality standards contained in divisions 1071  
(A) (1) to (5) of this section, until thirty days after the 1072  
superintendent of insurance has received, for the 1073  
superintendent's review, written notice of the insurer's 1074  
intention to enter into the transaction and if, during that 1075  
period, the superintendent has not disapproved the proposed 1076  
transaction. The notice for amendments or modifications shall 1077  
include the reasons for the change and the financial impact on 1078  
the domestic insurer. Informal notice shall be reported to the 1079  
superintendent within thirty days after termination of a 1080  
previously filed agreement. These requirements shall apply to 1081  
all of the following transactions: 1082

(1) Any sale, purchase, exchange of assets, loan, 1083  
extension of credit, guarantee, or investment, if the 1084  
transaction equals or exceeds, with respect to insurers other 1085  
than life insurers, the lesser of three per cent of the 1086  
insurer's admitted assets as of the thirty-first day of December 1087  
next preceding or twenty-five per cent of the insurer's surplus 1088  
as regards policyholders as of the thirty-first day of December 1089

next preceding or, with respect to life insurers, three per cent 1090  
of the insurer's admitted assets as of the thirty-first day of 1091  
December next preceding; 1092

(2) Any loan or extension of credit to any person that is 1093  
not an affiliate of the insurer, if both of the following apply: 1094

(a) The loan or extension of credit equals or exceeds, 1095  
with respect to insurers other than life insurers, the lesser of 1096  
three per cent of the insurer's admitted assets as of the 1097  
thirty-first day of December next preceding or twenty-five per 1098  
cent of the insurer's surplus as regards policyholders as of the 1099  
thirty-first day of December next preceding or, with respect to 1100  
life insurers, three per cent of the insurer's admitted assets 1101  
as of the thirty-first day of December next preceding. 1102

(b) The insurer makes the loan or extends the credit with 1103  
an agreement or understanding that the proceeds of the 1104  
transaction, in whole or in substantial part, are to be used to 1105  
make loans or extend credit to, to purchase assets of, or to 1106  
make investments in, any affiliate of the insurer. 1107

(3) Reinsurance agreements or modifications including all 1108  
of the following: 1109

(a) All new reinsurance pooling agreements; 1110

(b) All reinsurance pooling agreements in which a domestic 1111  
company is newly added; 1112

(c) Agreements in which the reinsurance premium or the 1113  
change in the insurer's liabilities, or the projected 1114  
reinsurance premium or a change in the insurer's liabilities in 1115  
any of the next three years, equals or exceeds five per cent of 1116  
the insurer's surplus as regards policyholders as of the thirty- 1117  
first day of December next preceding. 1118

Division (A) (3) of this section also applies to 1119  
reinsurance agreements that may require as consideration the 1120  
transfer of assets from an insurer to a nonaffiliate, if the 1121  
insurer and nonaffiliate have an agreement or understanding that 1122  
any portion of the assets will be transferred to one or more 1123  
affiliates of the insurer. 1124

(4) All management agreements, service contracts, tax 1125  
allocations agreements, and cost-sharing arrangements; 1126

(5) Any other material transaction that the 1127  
superintendent, pursuant to rules adopted in accordance with 1128  
Chapter 119. of the Revised Code, determines may render the 1129  
insurer's surplus as regards policyholders unreasonable in 1130  
relation to the insurer's outstanding liabilities and inadequate 1131  
to its financial needs. 1132

(B) In reviewing transactions under division (A) of this 1133  
section, the superintendent shall consider whether the terms of 1134  
the transaction are fair and reasonable and whether the 1135  
transaction may adversely affect the interests of policyholders. 1136

(C) Any transaction or agreement described in division (A) 1137  
of this section that is not disapproved by the superintendent in 1138  
accordance with that division is effective as of the effective 1139  
date set forth in the notice required under this section. 1140

(D) The superintendent, pursuant to rules adopted in 1141  
accordance with Chapter 119. of the Revised Code, may designate 1142  
certain types of transactions that need not be submitted for 1143  
review under division (A) of this section, if those transactions 1144  
would not have a significant impact on the financial condition 1145  
of an insurer. 1146

(E) A domestic insurer shall not enter into any 1147

transaction described in division (A) of this section with 1148  
members of its insurance holding company system if the 1149  
transaction is part of a plan or series of similar transactions 1150  
and if the purpose of entering into the separate transactions is 1151  
to avoid the review required under division (A) of this section 1152  
that would otherwise occur. If the superintendent determines 1153  
that the insurer, within a twelve-month period, entered into 1154  
those separate transactions for that purpose, the superintendent 1155  
may take any action authorized by section 3901.37 of the Revised 1156  
Code. 1157

(F) A domestic insurer shall give written notice to the 1158  
superintendent, within thirty days after making an investment, 1159  
if the investment is made in a corporation and the total 1160  
investment in the corporation by the insurance holding company 1161  
system exceeds ten per cent of the voting securities of the 1162  
corporation. 1163

(G) Any affiliate that is party to an agreement or 1164  
contract with a domestic insurer that is subject to division (A) 1165  
(4) of this section shall be subject to the jurisdiction of any 1166  
supervision, seizure, conservatorship, or receivership 1167  
proceedings against the insurer and to the authority of any 1168  
supervisor, conservator, rehabilitator, or liquidator for the 1169  
insurer appointed pursuant to Chapter 3903. of the Revised Code 1170  
for the purpose of interpreting, enforcing, and overseeing the 1171  
affiliate's obligations under the agreement or contract to 1172  
perform services for the insurer that: 1173

(1) Are an integral part of the insurer's operations, 1174  
including management, administrative, accounting, data 1175  
processing, marketing, underwriting, claims handling, 1176  
investment, or any other similar functions; 1177

(2) Are essential to the insurer's ability to fulfill its obligations under insurance policies. 1178  
1179

(H) Nothing in division (A) of this section shall be 1180  
construed to authorize or permit any transaction that would 1181  
otherwise be contrary to law. 1182

**Sec. 3901.36.** (A) (1) Documents, materials, or other 1183  
information in the possession or control of the department of 1184  
insurance that are obtained by or disclosed to the 1185  
superintendent of insurance or any other person in the course of 1186  
an examination or investigation made pursuant to section 3901.35 1187  
of the Revised Code and all information reported pursuant to 1188  
section 3901.33 of the Revised Code are recognized by this state 1189  
as being proprietary and to contain trade secrets and shall be 1190  
given confidential and privileged treatment and shall not be 1191  
subject to section 149.43 of the Revised Code, subpoena, or 1192  
discovery, and shall not be admissible in evidence in any 1193  
private civil action. The superintendent shall not make the 1194  
documents, materials, or other information public unless one of 1195  
the following applies: 1196

~~(1)~~ (a) The superintendent uses the documents, materials, 1197  
or other information in furtherance of any regulatory or legal 1198  
action brought as a part of the superintendent's official 1199  
duties. 1200

~~(2)~~ (b) The superintendent has obtained the prior written 1201  
consent of the insurer pertaining to the disclosure of the 1202  
documents, materials, or other information of the insurer. 1203

~~(3)~~ (c) The superintendent, after giving the insurer and 1204  
those affiliates that are the subject of the documents, 1205  
materials, or other information notice and an opportunity to be 1206

heard in accordance with Chapter 119. of the Revised Code, 1207  
determines that the interests of policyholders, shareholders, or 1208  
the public will be served by the disclosure, in which case the 1209  
superintendent may make disclosures as the superintendent 1210  
considers appropriate. 1211

(2) For purposes of the information reported and provided 1212  
to the superintendent of insurance pursuant to the group capital 1213  
calculation requirements prescribed in division (L) of section 1214  
3901.33 of the Revised Code, the superintendent shall maintain 1215  
the confidentiality of the group capital calculation and group 1216  
capital ratio produced within the calculation and any group 1217  
capital information received from an insurance holding company 1218  
supervised by the United States federal reserve board or any 1219  
United States group-wide supervisor. 1220

(3) For purposes of the information reported and provided 1221  
to the superintendent of insurance pursuant to the liquidity 1222  
stress test requirements prescribed in division (M) of section 1223  
3901.33 of the Revised Code, the superintendent shall maintain 1224  
the confidentiality of the liquidity stress test results and 1225  
supporting disclosures and any liquidity stress test information 1226  
received from an insurance holding company supervised by the 1227  
United States federal reserve board and non-United States group- 1228  
wide supervisors. 1229

(B) Neither the superintendent nor any person who receives 1230  
documents, materials, or other information while acting under 1231  
the authority of the superintendent or with whom such documents, 1232  
materials, or other information are shared pursuant to this 1233  
section shall be permitted or required to testify in any private 1234  
civil action concerning any confidential documents, materials, 1235  
or information subject to division (A) of this section. 1236

(C) In order to assist in the performance of the 1237  
superintendent's duties under this section, the superintendent 1238  
may do either of the following: 1239

(1) Share documents, materials, or other information, 1240  
including the confidential and privileged documents, materials, 1241  
or other information subject to division (A) of this section, 1242  
including proprietary and trade secret documents and materials, 1243  
with other local, state, federal, and international regulatory 1244  
and law enforcement agencies, with the national association of 1245  
insurance commissioners ~~and its affiliates and subsidiaries,~~ 1246  
with third-party consultants designated by the superintendent, 1247  
and with members of any supervisory college described in section 1248  
3901.351 of the Revised Code, provided that the recipient agrees 1249  
to maintain the confidential or privileged status of the 1250  
confidential or privileged documents, materials, or other 1251  
information and has verified in writing the legal authority to 1252  
do so. The superintendent may share confidential and privileged 1253  
documents, materials, or other information reported pursuant to 1254  
section 3901.33 of the Revised Code only with superintendents of 1255  
states having statutes or regulations substantially similar to 1256  
division (A) of this section and who have agreed in writing not 1257  
to disclose such information. 1258

(2) Receive documents, materials, or information, 1259  
including otherwise confidential and privileged documents, 1260  
materials, or information, including proprietary and trade- 1261  
secret information, from the national association of insurance 1262  
commissioners and its affiliates and subsidiaries and from 1263  
regulatory and law enforcement officials of other foreign or 1264  
domestic jurisdictions. The superintendent shall maintain as 1265  
confidential or privileged any such document, material, or 1266  
information received with notice or the understanding that it is 1267

confidential or privileged under the laws of the jurisdiction 1268  
that is the source of the document, material, or information. 1269

(D) The superintendent shall enter into written agreements 1270  
with the national association of insurance commissioners, and 1271  
any third-party consultant designated by the superintendent, 1272  
governing sharing and use of information provided pursuant to 1273  
sections 3901.32 to 3901.37 of the Revised Code consistent with 1274  
division (C) of this section. The written agreements shall do 1275  
all of the following: 1276

(1) Specify procedures and protocols regarding the 1277  
confidentiality and security of information shared with the 1278  
national association of insurance commissioners ~~and its~~ 1279  
~~affiliates and subsidiaries~~ or a third-party consultant 1280  
designated by the superintendent pursuant to sections 3901.32 to 1281  
3901.37 of the Revised Code, including procedures and protocols 1282  
for sharing by the national association of insurance 1283  
commissioners with other state, federal, or international 1284  
regulators~~r~~. The agreement shall provide that the recipient 1285  
agrees in writing to maintain the confidentiality and privileged 1286  
status of the documents, materials, or other information and has 1287  
verified in writing the legal authority to maintain such 1288  
confidentiality. 1289

(2) Specify that ownership of information shared with the 1290  
national association of insurance commissioners and ~~its~~ 1291  
~~affiliates and subsidiaries~~ or a third-party consultant pursuant 1292  
to sections 3901.32 to 3901.37 of the Revised Code remains with 1293  
the superintendent and the national association of insurance 1294  
commissioners' or a third-party consultant's, as designated by 1295  
the superintendent, use of the information is subject to the 1296  
direction of the superintendent; 1297

(3)(a) Prohibit the national association of insurance commissioners or third-party consultant designated by the superintendent from storing the information shared pursuant to this section in a permanent database after the underlying analysis is completed; 1298  
1299  
1300  
1301  
1302

(b) Division (D)(3)(a) of this section does not apply to documents, material, or information reported pursuant to the liquidity stress test requirements prescribed in division (M) of section 3901.33 of the Revised Code. 1303  
1304  
1305  
1306

(4) Require prompt notice to be given to an insurer whose confidential information is in the possession of the national association of insurance commissioners ~~or its affiliates or subsidiaries and~~ or a third-party consultant designated by the superintendent pursuant to this section is subject to a request or subpoena to the national association of insurance commissioners or a third-party consultant designated by the superintendent for disclosure or production; 1307  
1308  
1309  
1310  
1311  
1312  
1313  
1314

~~(4)-(5)~~ Require the national association of insurance commissioners and its affiliates and subsidiaries or a third-party consultant designated by the superintendent to consent to intervention by an insurer in any judicial or administrative action in which the national association of insurance commissioners and its affiliates and subsidiaries or a third-party consultant designated by the superintendent may be required to disclose confidential information about the insurer shared with the national association of insurance commissioners and its affiliates and subsidiaries or a third-party consultant pursuant to sections 3901.32 to 3901.37 of the Revised Code; 1315  
1316  
1317  
1318  
1319  
1320  
1321  
1322  
1323  
1324  
1325

(6) For documents, material, or information reporting pursuant to the liquidity stress test requirements prescribed in 1326  
1327

division (M) of section 3901.33 of the Revised Code, in the case 1328  
of an agreement involving a third-party consultant, provide for 1329  
notification of the identity of the consultant to the applicable 1330  
insurers. 1331

(E) The sharing of information by the superintendent 1332  
pursuant to sections 3901.32 to 3901.37 of the Revised Code 1333  
shall not constitute a delegation of regulatory or rule-making 1334  
authority. The superintendent is solely responsible for the 1335  
administration, execution, and enforcement of the provisions of 1336  
sections 3901.32 to 3901.37 of the Revised Code. 1337

(F) No waiver of any applicable privilege or claim of 1338  
confidentiality in the documents, materials, or other 1339  
information described in this section shall occur as a result of 1340  
sharing or receiving documents and information as authorized in 1341  
division (C) of this section. 1342

(G) Documents, materials, or other information in the 1343  
possession or control of the national association of insurance 1344  
commissioners or a third-party consultant designated by the 1345  
superintendent pursuant to this section shall be given 1346  
confidential and privileged treatment and shall not be subject 1347  
to section 149.43 of the Revised Code, subpoena, or discovery, 1348  
and shall not be admissible in evidence in any private civil 1349  
action. 1350

(H) The group capital calculation and resulting group 1351  
capital ratio required under division (L) of section 3901.33 of 1352  
the Revised Code and the liquidity stress test along with its 1353  
results and supporting disclosures required under division (M) 1354  
of section 3901.33 of the Revised Code are regulatory tools for 1355  
assessing group risks and capital adequacy and group liquidity 1356  
risks, respectively, and are not intended as a means to rank 1357

insurers or insurance holding company systems generally. 1358

Therefore, except as otherwise may be required under the 1359  
provisions of sections 3901.31 to 3901.37 of the Revised Code, 1360  
the making, publishing, disseminating, circulating, or placing 1361  
before the public, or causing directly or indirectly to be made, 1362  
published, disseminated, circulated, or placed before the public 1363  
in a newspaper, magazine or other publication, or in the form of 1364  
a notice, circular, pamphlet, letter, or poster, or over any 1365  
radio or television station or any electronic means of 1366  
communication available to the public, or in any other way as an 1367  
advertisement, announcement, or statement containing a 1368  
representation or statement with regard to the group capital 1369  
calculation, group capital ratio, the liquidity stress test 1370  
results, or supporting disclosures for the liquidity stress test 1371  
of any insurer or any insurer group, or of any component derived 1372  
in the calculation by any insurer, broker, or other person 1373  
engaged in any manner in the insurance business would be 1374  
misleading and is therefore prohibited; provided, however, that 1375  
if any materially false statement with respect to the group 1376  
capital calculation, resulting group capital ratio, an 1377  
inappropriate comparison of any amount to an insurer's or 1378  
insurance group's group capital calculation or resulting group 1379  
capital ratio, liquidity stress test result, supporting 1380  
disclosures for the liquidity stress test, or an inappropriate 1381  
comparison of any amount to an insurer's or insurance group's 1382  
liquidity stress test result or supporting disclosures is 1383  
published in any written publication and the insurer is able to 1384  
demonstrate to the superintendent with substantial proof the 1385  
falsity of such statement or the inappropriateness, as the case 1386  
may be, then the insurer may publish announcements in a written 1387  
publication if the sole purpose of the announcement is to rebut 1388

the materially false statement. 1389

**Sec. 3905.051.** (A) As used in this section: 1390

(1) (a) "Applicant" means a natural person applying for 1391  
either of the following: 1392

~~(a)~~ (i) A resident license as an insurance agent or surety 1393  
bail bond agent; 1394

~~(b)~~ (ii) An additional line of authority under an existing 1395  
resident insurance agent license if a criminal records check has 1396  
not been obtained within the last twelve months for insurance 1397  
license purposes. 1398

(b) "Applicant" includes a natural person who is the 1399  
president, secretary, treasurer, or other officer or person who 1400  
directs or controls the insurance operations of a limited lines 1401  
travel agent that is a business entity, as described in section 1402  
3905.066 of the Revised Code. 1403

(2) "Fingerprint" means an impression of the lines on the 1404  
finger taken for the purpose of identification. The impression 1405  
may be electronic or converted to an electronic format. 1406

(B) Each applicant shall consent to a criminal record 1407  
check in accordance with this section and shall submit a full 1408  
set of fingerprints to the superintendent of insurance for that 1409  
purpose. 1410

(C) The superintendent of insurance shall request the 1411  
superintendent of the bureau of criminal identification and 1412  
investigation to conduct a criminal records check based on the 1413  
applicant's fingerprints. The superintendent of insurance shall 1414  
request that criminal record information from the federal bureau 1415  
of investigation be obtained as part of the criminal records 1416

check. 1417

(D) The superintendent of insurance may contract for the 1418  
collection and transmission of fingerprints authorized under 1419  
this section. The superintendent may order the fee for 1420  
collecting and transmitting fingerprints to be payable directly 1421  
to the contractor by the applicant. The superintendent may agree 1422  
to a reasonable fingerprinting fee to be charged by the 1423  
contractor. Any fee required under this section shall be paid by 1424  
the applicant. 1425

(E) The superintendent may receive criminal record 1426  
information directly in lieu of the bureau of criminal 1427  
identification and investigation that submitted the fingerprints 1428  
to the federal bureau of investigation. 1429

(F) The superintendent shall treat and maintain an 1430  
applicant's fingerprints and any criminal record information 1431  
obtained under this section as confidential and shall apply 1432  
security measures consistent with the criminal justice 1433  
information services division of the federal bureau of 1434  
investigation standards for the electronic storage of 1435  
fingerprints and necessary identifying information and limit the 1436  
use of records solely to the purposes authorized by this 1437  
section. The fingerprints and any criminal record information 1438  
are not subject to subpoena other than one issued pursuant to a 1439  
criminal investigation, are confidential by law and privileged, 1440  
are not subject to discovery, and are not admissible in any 1441  
private civil action. 1442

(G) This section does not apply to an agent applying for 1443  
renewal of an existing resident or nonresident license in this 1444  
state. 1445

**Sec. 3905.06.** (A) (1) The superintendent of insurance shall 1446  
issue a resident insurance agent license to an individual 1447  
applicant whose home state is Ohio upon submission of a 1448  
completed application and payment of any applicable fee required 1449  
under this chapter, if the superintendent finds all of the 1450  
following: 1451

(a) The applicant is at least eighteen years of age. 1452

(b) The applicant has not committed any act that is a 1453  
ground for the denial, suspension, or revocation of a license 1454  
under section 3905.14 of the Revised Code. 1455

(c) If required under section 3905.04 of the Revised Code, 1456  
the applicant has completed a program of insurance education for 1457  
each line of authority for which the applicant has applied. 1458

(d) If required under section 3905.04 of the Revised Code, 1459  
the applicant has passed an examination for each line of 1460  
authority for which the applicant has applied. 1461

(e) Any applicant applying for variable life-variable 1462  
annuity line of authority is registered with the financial 1463  
industry regulatory authority (FINRA) as a registered 1464  
representative after having passed at least one of the following 1465  
examinations administered by the FINRA: the series 6 1466  
examination, the series 7 examination, the series 63 1467  
examination, the series 66 examination, or any other FINRA 1468  
examination approved by the superintendent. 1469

(f) If required under section 3905.051 of the Revised 1470  
Code, the applicant has consented to a criminal records check 1471  
and the results of the applicant's criminal records check are 1472  
determined to be satisfactory by the superintendent in 1473  
accordance with section 9.79 of the Revised Code. 1474

(g) The applicant is a United States citizen or has provided proof of having legal authorization to work in the United States. 1475  
1476  
1477

(h) The applicant is honest and trustworthy and is otherwise suitable to be licensed. 1478  
1479

(2) The superintendent shall issue a resident insurance agent license to a business entity applicant upon submission of a completed application and payment of any applicable fees required under this chapter if the superintendent finds all of the following: 1480  
1481  
1482  
1483  
1484

(a) Except as provided under division (C) (2) of section 3905.062 or division (C) (2) of section 3905.063 of the Revised Code, the applicant either is domiciled in Ohio or maintains its principal place of business in Ohio. 1485  
1486  
1487  
1488

(b) The applicant has designated a licensed insurance agent who will be responsible for the applicant's compliance with the insurance laws of this state. 1489  
1490  
1491

(c) The applicant has not committed any act that is a ground for the denial, suspension, or revocation of a license under section 3905.14 of the Revised Code. 1492  
1493  
1494

(d) Any applicant applying for a portable electronics insurance license line of authority satisfies the requirements of division (C) (1) of section 3905.062 of the Revised Code or any applicant applying for a self-service storage insurance license line of authority satisfies the requirements of division (C) (1) of section 3905.063 of the Revised Code. 1495  
1496  
1497  
1498  
1499  
1500

(e) The applicant has submitted any other documents requested by the superintendent. 1501  
1502

(B) An insurance agent license issued pursuant to division 1503  
(A) of this section shall state the licensee's name, the license 1504  
number, the date of issuance, the date the license expires, the 1505  
line or lines of authority for which the licensee is qualified, 1506  
and any other information the superintendent deems necessary. 1507

A licensee may be qualified for any of the following lines 1508  
of authority: 1509

(1) Life, which is insurance coverage on human lives, 1510  
including benefits of endowment and annuities, and may include 1511  
benefits in the event of death or dismemberment by accident and 1512  
benefits for disability income; 1513

(2) Accident and health, which is insurance coverage for 1514  
sickness, bodily injury, or accidental death, and may include 1515  
benefits for disability income; 1516

(3) Property, which is insurance coverage for the direct 1517  
or consequential loss or damage to property of any kind; 1518

(4) Casualty, which is insurance coverage against legal 1519  
liability, including coverage for death, injury, or disability 1520  
or damage to real or personal property; 1521

(5) Personal lines, which is property and casualty 1522  
insurance coverage sold to individuals and families for 1523  
noncommercial purposes; 1524

(6) Variable life and variable annuity products, which is 1525  
insurance coverage provided under variable life insurance 1526  
contracts and variable annuities; 1527

(7) Credit, which is limited line credit insurance; 1528

(8) Title, which is insurance coverage against loss or 1529  
damage suffered by reason of liens against, encumbrances upon, 1530

defects in, or the unmarketability of, real property;	1531
(9) Surety bail bond, which is the authority set forth in sections 3905.83 to 3905.95 of the Revised Code;	1532 1533
(10) Portable electronics insurance, which is a limited line described in section 3905.062 of the Revised Code;	1534 1535
(11) Self-service storage insurance, which is a limited line described in section 3905.063 of the Revised Code;	1536 1537
(12) Travel insurance, which is a limited line described in <del>section</del> <u>sections 3905.064 to 3905.0611</u> of the Revised Code;	1538 1539
(13) Any other line of authority designated by the superintendent.	1540 1541
(C) (1) An individual seeking to renew a resident insurance agent license shall apply biennially for a renewal of the license on or before the last day of the licensee's birth month. A business entity seeking to renew a resident insurance agent license shall apply biennially for a renewal of the license on or before the date determined by the superintendent. The superintendent shall send a renewal notice to all licensees at least one month prior to the renewal date.	1542 1543 1544 1545 1546 1547 1548 1549
Applications shall be submitted to the superintendent on forms prescribed by the superintendent. Each application shall be accompanied by a biennial renewal fee. The superintendent also may require an applicant to submit any document reasonably necessary to verify the information contained in the renewal application.	1550 1551 1552 1553 1554 1555
(2) To be eligible for renewal, an individual applicant shall complete the continuing education requirements pursuant to section 3905.481 of the Revised Code prior to the renewal date.	1556 1557 1558

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

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

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

(F) A license that is suspended for nonrenewal that is not reinstated pursuant to division (E) of this section automatically is canceled unless the superintendent is investigating any allegations of wrongdoing by the agent or has

initiated proceedings under Chapter 119. of the Revised Code. In 1589  
that case, the license automatically is canceled after the 1590  
completion of the investigation or proceedings unless the 1591  
superintendent revokes the license. 1592

(G) An individual licensed as a resident insurance agent 1593  
who is unable to comply with the license renewal procedures 1594  
established under this section and who is unable to engage in 1595  
the business of insurance due to military service, a long-term 1596  
medical disability, or some other extenuating circumstance may 1597  
request an extension of the renewal date of the individual's 1598  
license. To be eligible for such an extension, the individual 1599  
shall submit a written request with supporting documentation to 1600  
the superintendent. At the superintendent's discretion, the 1601  
superintendent may not consider a written request made after the 1602  
renewal date of the license. 1603

**Sec. 3905.064.** ~~(A) As used in this section~~ sections 1604  
3905.064 to 3905.0611 of the Revised Code: 1605

(A) "Aggregator site" means a web site that provides 1606  
access to information regarding insurance products from more 1607  
than one insurer, including product and insurer information, for 1608  
use in comparison shopping. 1609

(B) "Blanket travel insurance" means a policy of travel 1610  
insurance issued to any eligible group providing coverage for 1611  
specific classes of persons defined in the policy with coverage 1612  
provided to all members of the eligible group without a separate 1613  
charge to individual members of the eligible group. 1614

(C) "Cancellation fee waiver" means a contractual 1615  
agreement between a supplier of travel services and its customer 1616  
to waive some or all of the nonrefundable cancellation fee 1617

provisions of the supplier's underlying travel contract, with or 1618  
without regard to the reason for the cancellation or form of 1619  
reimbursement. 1620

(D) "Eligible group" means, solely for the purposes of 1621  
travel insurance, two or more persons who are engaged in a 1622  
common enterprise, or have an economic, educational, or social 1623  
affinity or relationship. "Eligible group" includes any of the 1624  
following: 1625

(1) Any entity engaged in the business of providing travel 1626  
or travel services, including all of the following: 1627

(a) Tour operators; 1628

(b) Lodging providers; 1629

(c) Vacation property owners; 1630

(d) Hotels and resorts; 1631

(e) Travel clubs; 1632

(f) Travel agencies; 1633

(g) Property managers; 1634

(h) Cultural exchange programs; 1635

(i) Common carriers or the operator, owner, or lessor of a 1636  
means of transportation of passengers, including airlines, 1637  
cruise lines, railroads, steamship companies, and public bus 1638  
carriers that, with regard to any particular travel or type of 1639  
travel or travelers, subjects all members or customers of the 1640  
group to a common exposure to risk attendant to such travel; 1641

(2) Any college, school, or other institution of learning, 1642  
obtaining travel insurance covering students, teachers, 1643  
employees, or volunteers; 1644

(3) Any employer obtaining travel insurance coverage for any group of employees, volunteers, contractors, board of directors, dependents, or guests; 1645  
1646  
1647

(4) Any sports team, camp, or sponsor thereof, obtaining travel insurance coverage for participants, members, campers, employees, officials, supervisors, or volunteers; 1648  
1649  
1650

(5) Any religious, charitable, recreational, educational, or civic organization, or branch thereof, obtaining travel insurance coverage for any group of members, participants, or volunteers; 1651  
1652  
1653  
1654

(6) Any financial institution or financial institution vendor, or parent holding company, trustee, or agent of, or designated by, one or more financial institutions or financial institution vendors, including account holders, credit card holders, debtors, guarantors, or purchasers; 1655  
1656  
1657  
1658  
1659

(7) Any incorporated or unincorporated association, including labor unions, that have a common interest, constitution, and bylaws, and that are organized and maintained in good faith for purposes other than obtaining insurance for members or participants of such association covering its members; 1660  
1661  
1662  
1663  
1664  
1665

(8) Any trust or the trustees of a fund established, created, or maintained for the benefit of and covering obtaining travel insurance coverage for members, employees, or customers of one or more associations meeting the requirements of division (D)(7) of this section, subject to the superintendent's permitting the use of a trust and the state's premium tax provisions in section 3905.068 of the Revised Code; 1666  
1667  
1668  
1669  
1670  
1671  
1672

(9) Any entertainment production company obtaining travel 1673

insurance coverage for any group of participants, volunteers, 1674  
audience members, contestants, or workers; 1675

(10) Any volunteer fire department, ambulance, rescue, 1676  
police, or court, or any first aid, civil defense, or other such 1677  
volunteer group; 1678

(11) Preschools, day-care institutions for children or 1679  
adults, and senior citizen clubs; 1680

(12) Any automobile or truck rental or leasing company 1681  
obtaining travel insurance coverage for a group of individuals 1682  
who may become renters, lessees, or passengers, defined by their 1683  
travel status, on the rented or leased vehicles; 1684

(13) Any other group whose members the superintendent has 1685  
determined are engaged in a common enterprise, or that have an 1686  
economic, educational, or social affinity or relationship, if 1687  
the superintendent also determines that issuance of the travel 1688  
insurance policy would not be contrary to the public interest. 1689

(E) "Fulfillment materials" means documentation sent to 1690  
the purchaser of a travel protection plan confirming the 1691  
purchase and providing the travel protection plan's coverage and 1692  
assistance details. 1693

(F) "Group travel insurance" means travel insurance issued 1694  
to any eligible group. 1695

~~(1)~~ (G) "Limited lines travel insurance agent" means an 1696  
individual or business entity licensed to sell, solicit, or 1697  
negotiate travel insurance under ~~this section~~ section 3905.065 of 1698  
the Revised Code. "Limited lines travel insurance agent" 1699  
includes a licensed insurance agent and a travel administrator. 1700

~~(2)~~ (H) "Offer and sell" means providing general 1701

information, including a description of the coverage and price, 1702  
as well as processing the application and collecting premiums. 1703

(I) "Primary certificate holder" means an individual 1704  
person who elects and purchases travel insurance under a group 1705  
policy. 1706

(J) "Primary policyholder" means an individual person who 1707  
elects and purchases individual travel insurance. 1708

(K) "Travel administrator" means a person who directly or 1709  
indirectly underwrites, collects charges, collateral, or 1710  
premiums from, or adjusts or settles claims on residents of this 1711  
state, in connection with travel insurance. The following 1712  
persons shall not be considered a travel administrator if they 1713  
engage in no other activities that would cause them to be 1714  
considered a travel administrator: 1715

(1) A person working for a travel administrator to the 1716  
extent that the person's activities are subject to the 1717  
supervision and control of the travel administrator; 1718

(2) An insurance agent selling insurance or engaged in 1719  
administrative and claims-related activities within the scope of 1720  
the agent's license; 1721

(3) A travel retailer offering and selling travel 1722  
insurance and registered under the license of a limited-lines 1723  
travel insurance agent in accordance with sections 3905.065 and 1724  
3905.066 of the Revised Code; 1725

(4) An individual adjusting or settling claims in the 1726  
normal course of that individual's practice or employment as an 1727  
attorney at law and who does not collect charges or premiums in 1728  
connection with insurance coverage; 1729

(5) A business entity affiliated with a licensed insurer 1730  
while that insurer is acting as a travel administrator for the 1731  
direct and assumed insurance business of a separate affiliated 1732  
insurer. 1733

(L) "Travel assistance services" means noninsurance 1734  
services for which the consumer is not indemnified based on a 1735  
fortuitous event, and where providing the service does not 1736  
result in transfer or shifting of risk that would constitute the 1737  
business of insurance. "Travel assistance services" include all 1738  
of the following: 1739

(1) Security advisories; 1740

(2) Destination information; 1741

(3) Vaccination and immunization information services; 1742

(4) Travel reservation services; 1743

(5) Entertainment; 1744

(6) Activity and event planning; 1745

(7) Translation assistance; 1746

(8) Emergency messaging; 1747

(9) International legal and medical referrals; 1748

(10) Medical case monitoring; 1749

(11) Coordination of transportation arrangements; 1750

(12) Emergency cash transfer assistance; 1751

(13) Medical prescription replacement assistance; 1752

(14) Passport and travel document replacement assistance; 1753

(15) Lost luggage assistance; 1754

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

<u>(d) Cancellation fee waivers.</u>	1781
<del>(3)</del> <u>(N) "Travel insurer" means an insurer, as defined in section 3901.32 of the Revised Code, that provides travel insurance.</u>	1782 1783 1784
<u>(O) "Travel protection plan" means a plan that provides one or more of the following: travel insurance, travel assistance services, and cancellation fee waivers.</u>	1785 1786 1787
<u>(P) "Travel retailer" means a business entity that makes, arranges, or offers travel services, and that may offer or sell travel insurance as a service to its customers on behalf of, and under the direction of, a limited lines travel insurance agent in conjunction with the making, arranging, or offering of travel services.</u>	1788 1789 1790 1791 1792 1793
<del>(B) No person shall offer or sell travel insurance except as provided in this section.</del>	1794 1795
<del>(C) Notwithstanding any other provision of law, the superintendent of insurance may issue to an individual or business entity a limited lines travel insurance agent license that authorizes the holder of the license to sell, solicit, or negotiate travel insurance through a licensed insurer if both of the following requirements are met:</del>	1796 1797 1798 1799 1800 1801
<del>(1) The individual or business entity has submitted an application to the superintendent for the license on a form and in a manner prescribed by the superintendent.</del>	1802 1803 1804
<del>(2) The individual or business entity has paid all fees applicable under this chapter.</del>	1805 1806
<del>(D) (1) At the time the superintendent of insurance issues a license under this section, the limited lines travel insurance</del>	1807 1808

~~agent shall establish and maintain on a form prescribed by the~~ 1809  
~~superintendent a register of each travel retailer that offers or~~ 1810  
~~sells travel insurance on the agent's behalf.~~ 1811

~~(2) The limited lines travel insurance agent shall submit~~ 1812  
~~the register to the department of insurance upon reasonable~~ 1813  
~~request, and shall certify that the registered travel retailer~~ 1814  
~~complies with 18 U.S.C. 1033.~~ 1815

~~(E) Notwithstanding any other provision of law, a travel~~ 1816  
~~retailer may offer and sell travel insurance under a limited~~ 1817  
~~lines travel insurance agent that is a business entity if all of~~ 1818  
~~the following conditions are met:~~ 1819

~~(1) The limited lines travel insurance agent or travel~~ 1820  
~~retailer provides all of the following information to purchasers~~ 1821  
~~of travel insurance at the time of sale or in the fulfillment~~ 1822  
~~materials provided to purchasers:~~ 1823

~~(a) A description of the material terms or the actual~~ 1824  
~~terms of the insurance coverage;~~ 1825

~~(b) A description of the process for filing a claim;~~ 1826

~~(c) A description of the review or cancellation process~~ 1827  
~~for the travel insurance policy;~~ 1828

~~(d) The identity and contact information of the insurer~~ 1829  
~~and limited lines travel insurance agent.~~ 1830

~~(2) (a) The limited lines travel insurance agent designates~~ 1831  
~~one of the agent's employees as the responsible insurance agent~~ 1832  
~~who is responsible for the limited lines travel insurance~~ 1833  
~~agent's compliance with the travel insurance laws and rules of~~ 1834  
~~this state. The designated responsible insurance agent must be a~~ 1835  
~~licensed insurance agent qualified in any of the following lines~~ 1836

~~of authority in accordance with section 3905.06 of the Revised- 1837~~  
~~Code. 1838~~

~~(i) Travel; 1839~~

~~(ii) Property; 1840~~

~~(iii) Personal. 1841~~

~~(b) The responsible insurance agent shall comply with the 1842~~  
~~fingerprinting requirements of section 3905.051 of the Revised- 1843~~  
~~Code or the applicable fingerprinting requirements of the home- 1844~~  
~~state of the limited lines travel insurance agent. 1845~~

~~(3) The limited lines travel insurance agent business- 1846~~  
~~entity and the responsible insurance agent are responsible for- 1847~~  
~~the acts of the travel retailer and use reasonable means to- 1848~~  
~~ensure compliance with this section by the travel retailer. 1849~~

~~(4) (a) (i) The limited lines travel insurance agent- 1850~~  
~~requires each employee and authorized representative of the 1851~~  
~~travel retailer, whose duties include offering or selling travel- 1852~~  
~~insurance, to receive a program of instruction or training. 1853~~

~~(ii) The training material shall, at minimum, contain- 1854~~  
~~instructions on the types of insurance offered, ethical sales- 1855~~  
~~practices, and required disclosures to prospective customers.- 1856~~

~~(b) The superintendent may review all training programs or- 1857~~  
~~materials at the superintendent's discretion. 1858~~

~~(5) The travel retailer offers or sells the travel- 1859~~  
~~insurance only in conjunction with the making, arranging, or- 1860~~  
~~offering of travel services. 1861~~

~~(F) A limited lines travel insurance agent, as well as any- 1862~~  
~~travel retailer and the retailer's employees that are registered- 1863~~

~~under division (D) of this section, are exempt from any~~ 1864  
~~examination and education requirements as set forth in section~~ 1865  
~~3905.04 of the Revised Code for purposes of this section only.~~ 1866

~~(G)(1) Any travel retailer offering or selling travel~~ 1867  
~~insurance shall make available to prospective purchasers~~ 1868  
~~brochures or other written materials that contain all of the~~ 1869  
~~following:~~ 1870

~~(a) The identity and contact information of the insurer~~ 1871  
~~and the limited lines travel insurance agent;~~ 1872

~~(b) An explanation that the purchase of travel insurance~~ 1873  
~~is not required in order to purchase any other product or~~ 1874  
~~service from the travel retailer;~~ 1875

~~(c) An explanation that an unlicensed travel retailer is~~ 1876  
~~permitted to provide general information about the insurance~~ 1877  
~~offered by the travel retailer, including a description of the~~ 1878  
~~coverage and price, but is not qualified or authorized to answer~~ 1879  
~~technical questions about the terms and conditions of the~~ 1880  
~~insurance offered by the travel retailer or to evaluate the~~ 1881  
~~adequacy of the customer's existing insurance coverage.~~ 1882

~~(2) A travel retailer's employee or authorized~~ 1883  
~~representative who is not licensed as an insurance agent shall~~ 1884  
~~not do any of the following:~~ 1885

~~(a) Evaluate or interpret the technical terms, benefits,~~ 1886  
~~and conditions of the offered travel insurance coverage;~~ 1887

~~(b) Evaluate or provide advice concerning a prospective~~ 1888  
~~purchaser's existing insurance coverage;~~ 1889

~~(c) Hold itself out as a licensed insurer, licensed agent,~~ 1890  
~~or insurance expert;~~ 1891

~~(d) Offer or sell travel insurance, unless the travel insurance is offered or sold in conjunction with and incidental to the sale of travel services.~~ 1892  
1893  
1894

~~(3) Notwithstanding any other provision of law, a travel retailer whose insurance-related activities, and those of its employees and authorized representatives, are limited to offering or selling travel insurance on behalf of and under the direction of a limited lines travel insurance agent that meets the requirements of this section, is authorized to offer and sell insurance and receive related compensation for these services, if the travel retailer is registered by the limited lines travel insurance agent as described in division (D) of this section. Any compensation paid to a travel retailer's employee or authorized representative for the services described in this section shall be incidental to the employee's or authorized representative's overall compensation and not based primarily on the number of customers who purchase travel insurance coverage.~~ 1895  
1896  
1897  
1898  
1899  
1900  
1901  
1902  
1903  
1904  
1905  
1906  
1907  
1908  
1909

~~(a) Nothing in this section shall be construed to prohibit payment of compensation to a travel retailer or its employees or authorized representatives for activities under the limited lines travel insurance agent's license that are incidental to the overall compensation of the travel retailer or the employees or authorized representatives of the facility.~~ 1910  
1911  
1912  
1913  
1914  
1915

~~(b) All costs paid or charged to a consumer for the purchase of travel insurance or related services shall be separately itemized on the customer's bill.~~ 1916  
1917  
1918

~~(H) Travel insurance may be provided under individual or group insurance.~~ 1919  
1920

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

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

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

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

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

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

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

behalf. 1950

(2) (a) The register shall include the name, address, and 1951  
contact information of the travel retailer and an officer or 1952  
person who directs or controls the travel retailer's operations, 1953  
and the travel retailer's federal tax identification number. 1954

(b) The limited lines travel insurance agent shall update 1955  
the register as needed to maintain its accuracy. 1956

(3) (a) The limited lines travel insurance agent shall 1957  
submit the register to the department of insurance upon 1958  
reasonable request and shall certify that the registered travel 1959  
retailer complies with 18 U.S.C. 1033. 1960

(b) The superintendent may apply the grounds for license 1961  
suspension, license revocation, and the imposition of penalties 1962  
that are found in section 3905.14 of the Revised Code and that 1963  
are applicable to resident insurance agents, to limited lines 1964  
travel insurance agents and travel retailers. 1965

(D) A limited lines travel insurance agent, as well as any 1966  
travel retailer and the retailer's employees that are registered 1967  
under division (C) of this section, are exempt from any 1968  
examination and education requirements as set forth in section 1969  
3905.04 of the Revised Code for purposes of sections 3905.064 to 1970  
3905.0611 of the Revised Code only. 1971

(E) Travel insurance may be provided under an individual, 1972  
group, or blanket insurance policy. 1973

(F) A person authorized to offer a travel protection plan 1974  
under sections 3905.064 to 3905.0611 of the Revised Code may 1975  
offer a travel protection plan for one price for the combined 1976  
features that the travel protection plan offers in this state if 1977  
all of the following are met: 1978

<u>(1) At or prior to the time of purchase, the travel</u>	1979
<u>protection plan does both of the following:</u>	1980
<u>(a) Clearly discloses to the consumer that it includes</u>	1981
<u>travel insurance, travel assistance services, and cancellation</u>	1982
<u>fee waivers, as applicable;</u>	1983
<u>(b) Provides information and an opportunity for the</u>	1984
<u>consumer to obtain additional information regarding the features</u>	1985
<u>and pricing of each of the combined features.</u>	1986
<u>(2) The fulfillment materials provided to the consumer</u>	1987
<u>include all of the following, as applicable:</u>	1988
<u>(a) A description and delineation of the travel insurance,</u>	1989
<u>travel assistance services, and cancellation fee waivers in the</u>	1990
<u>travel protection plan;</u>	1991
<u>(b) The travel insurance disclosures;</u>	1992
<u>(c) The contact information for persons providing travel</u>	1993
<u>assistance services and cancellation fee waivers, as applicable.</u>	1994
<u>(G) In the event of a conflict between sections 3905.064</u>	1995
<u>to 3905.0611 of the Revised Code and any other provision of</u>	1996
<u>Title XXXIX of the Revised Code regarding the sale and marketing</u>	1997
<u>of travel insurance and travel protection plans, the provisions</u>	1998
<u>of sections 3905.064 to 3905.0611 of the Revised Code control.</u>	1999
<u>(H) (1) All documents provided to consumers prior to the</u>	2000
<u>purchase of travel insurance, including sales materials,</u>	2001
<u>advertising materials, and marketing materials, shall be</u>	2002
<u>consistent with the travel insurance policy itself, including</u>	2003
<u>forms, endorsements, policies, rate filings, and certificates of</u>	2004
<u>insurance.</u>	2005
<u>(2) For travel insurance policies or certificates that</u>	2006

contain pre-existing condition exclusions, information and an 2007  
opportunity to learn more about the pre-existing condition 2008  
exclusions shall be provided any time prior to the time of 2009  
purchase and in the coverage's fulfillment materials. 2010

(3) The fulfillment materials and the information 2011  
described in division (A) (1) of section 3905.066 of the Revised 2012  
Code shall be provided to a policyholder or certificate holder 2013  
as soon as practicable after the purchase of a travel protection 2014  
plan. 2015

(4) The travel insurer shall disclose in the policy 2016  
documentation and fulfillment materials whether the travel 2017  
insurance is primary or secondary to other applicable coverage. 2018

(I) (1) Unless the insured has either started a covered 2019  
trip or filed a claim under the travel insurance coverage, a 2020  
policyholder or certificate holder may cancel a travel insurance 2021  
policy or certificate for a full refund of the travel protection 2022  
plan price in accordance with the following: 2023

(a) If the travel protection plan's fulfillment materials 2024  
are delivered by postal mail, the policyholder or certificate 2025  
holder may cancel within fifteen days following the date of 2026  
delivery. 2027

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

(2) For the purposes of this division, "delivery" includes 2032  
handing fulfillment materials to the policyholder or certificate 2033  
holder or sending fulfillment materials by postal mail or 2034  
electronic means to the policyholder or certificate holder. 2035

(J) No person offering, selling, or negotiating travel insurance or travel protection plans on an individual or group basis may do so by using a negative option or opt out when the consumer purchases a trip. As used in this division, "using a negative option or opt out" includes requiring a consumer to take an affirmative action to deselect coverage, such as unchecking a box on an electronic form. 2036  
2037  
2038  
2039  
2040  
2041  
2042

(K) A license issued under this section shall be renewed on a biennial basis as set forth in sections 3905.06 and 3905.07 of the Revised Code. 2043  
2044  
2045

**Sec. 3905.066.** (A) Notwithstanding any other provision of law, a travel retailer may offer and sell travel insurance under a limited lines travel insurance agent that is a business entity if all of the following conditions are met: 2046  
2047  
2048  
2049

(1) The limited lines travel insurance agent or travel retailer provides all of the following information to purchasers of travel insurance at the time of sale or in the fulfillment materials provided to purchasers: 2050  
2051  
2052  
2053

(a) A description of the material terms or the actual terms of the insurance coverage; 2054  
2055

(b) A description of the process for filing a claim; 2056

(c) A description of the review or cancellation process for the travel insurance policy; 2057  
2058

(d) The identity and contact information of the insurer and limited lines travel insurance agent. 2059  
2060

(2) (a) The limited lines travel insurance agent designates one of the agent's employees, who is a licensed individual agent, as the responsible insurance agent who is responsible for 2061  
2062  
2063

the limited lines travel insurance agent's compliance with the 2064  
travel insurance laws and rules of this state applicable to the 2065  
limited lines travel insurance agent and its registrants. The 2066  
designated responsible insurance agent must be a licensed 2067  
insurance agent qualified in any of the following lines of 2068  
authority in accordance with section 3905.06 of the Revised 2069  
Code: 2070

(i) Travel; 2071

(ii) Property; 2072

(iii) Personal. 2073

(b) The responsible insurance agent, president, secretary, 2074  
treasurer, and any other officer or person who directs or 2075  
controls the limited lines travel insurance agent's insurance 2076  
operations shall comply with the fingerprinting requirements of 2077  
section 3905.051 of the Revised Code or the applicable 2078  
fingerprinting requirements of the home state of the limited 2079  
lines travel insurance agent. 2080

(3) The limited lines travel insurance agent business 2081  
entity and the responsible insurance agent are responsible for 2082  
the acts of the travel retailer and use reasonable means to 2083  
ensure compliance with sections 3905.064 to 3905.0611 of the 2084  
Revised Code by the travel retailer. 2085

(4) (a) The limited lines travel insurance agent requires 2086  
each employee and authorized representative of the travel 2087  
retailer, whose duties include offering or selling travel 2088  
insurance, to receive a program of instruction or training that 2089  
is subject, at the discretion of the superintendent, to review 2090  
and approval. 2091

(b) The training material shall, at minimum, contain 2092

instructions on the types of insurance offered, ethical sales 2093  
practices, and required disclosures to prospective customers. 2094

(B)(1) Any travel retailer offering or selling travel 2095  
insurance shall make available to prospective purchasers 2096  
brochures or other written materials that have been approved by 2097  
the travel insurer. Such materials shall contain all of the 2098  
following: 2099

(a) The identity and contact information of the insurer 2100  
and the limited lines travel insurance agent; 2101

(b) An explanation that the purchase of travel insurance 2102  
is not required in order to purchase any other product or 2103  
service from the travel retailer; 2104

(c) An explanation that an unlicensed travel retailer is 2105  
permitted to provide general information about the insurance 2106  
offered by the travel retailer, including a description of the 2107  
coverage and price, but is not qualified or authorized to answer 2108  
technical questions about the terms and conditions of the 2109  
insurance offered by the travel retailer or to evaluate the 2110  
adequacy of the customer's existing insurance coverage. 2111

(2) A travel retailer's employee or authorized 2112  
representative who is not licensed as an insurance agent shall 2113  
not do any of the following: 2114

(a) Evaluate or interpret the technical terms, benefits, 2115  
and conditions of the offered travel insurance coverage; 2116

(b) Evaluate or provide advice concerning a prospective 2117  
purchaser's existing insurance coverage; 2118

(c) Hold itself out as a licensed insurer, licensed agent, 2119  
or insurance expert. 2120

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

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

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

(B) Any limited lines travel insurance agent, or any travel retailer offering or selling travel insurance under a limited lines travel insurance agent, that fails to comply with the provisions of sections 3905.064 to 3905.0611 of the Revised Code is deemed to have engaged in an unfair and deceptive act or

practice in the business of insurance as defined in section 2151  
3901.21 of the Revised Code and is subject to section 3905.14 of 2152  
the Revised Code. 2153

(C) Both of the following shall be considered an unfair 2154  
and deceptive act or practice in the business of insurance, as 2155  
defined in section 3901.21 of the Revised Code, and are subject 2156  
to, in addition to the penalties prescribed in section 3901.22 2157  
of the Revised Code, disciplinary action under section 3905.14 2158  
of the Revised Code: 2159

(1) Offering or selling a travel insurance policy that 2160  
could never result in payment of any claims; 2161

(2) Marketing blanket travel insurance coverage as free. 2162

(D) Marketing travel insurance directly to a consumer 2163  
through a travel insurer's web site or by others through an 2164  
aggregator site is not an unfair and deceptive act or practice 2165  
or other violation of law if both of the following conditions 2166  
are met: 2167

(1) An accurate summary or short description of coverage 2168  
is provided on the web site; 2169

(2) The consumer has access to the full provisions of the 2170  
policy through electronic means. 2171

(E) Where a consumer's destination jurisdiction requires 2172  
insurance coverage, it is not an unfair and deceptive act or 2173  
practice in the business of insurance to require a consumer to 2174  
choose between the following options as a condition of 2175  
purchasing a trip or travel package: 2176

(1) Purchasing the coverage required by the destination 2177  
jurisdiction through the travel retailer or limited lines travel 2178

<u>insurance agent supplying the trip or travel package;</u>	2179
<u>(2) Agreeing to obtain and provide proof of coverage that</u>	2180
<u>meets the destination jurisdiction's requirements prior to</u>	2181
<u>departure.</u>	2182
<u>Sec. 3905.068. (A) A travel insurer shall pay premium tax,</u>	2183
<u>as provided in Chapters 5725. and 5729. of the Revised Code, on</u>	2184
<u>travel insurance premiums paid by any of the following:</u>	2185
<u>(1) An individual primary policyholder who is a resident</u>	2186
<u>of this state;</u>	2187
<u>(2) A primary certificate holder who is a resident of this</u>	2188
<u>state who elects coverage under a group travel insurance policy;</u>	2189
<u>(3) (a) A blanket travel insurance policyholder, when the</u>	2190
<u>policy covers eligible blanket group members, that is a resident</u>	2191
<u>of, or has its principal place of business in, this state,</u>	2192
<u>including when the policy covers an affiliate or subsidiary,</u>	2193
<u>regardless of the location of the affiliate or subsidiary.</u>	2194
<u>(b) Such payments shall be subject to any apportionment</u>	2195
<u>rules that apply to the insurer across multiple taxing</u>	2196
<u>jurisdictions or that permit the insurer to allocate premium on</u>	2197
<u>an apportioned basis in a reasonable and equitable manner in</u>	2198
<u>those jurisdictions.</u>	2199
<u>(B) A travel insurer shall:</u>	2200
<u>(1) Document the state of residence or principal place of</u>	2201
<u>business of the policyholder or certificate holder, as necessary</u>	2202
<u>to comply with division (A)(1) of this section;</u>	2203
<u>(2) Report as a premium only the amount allocable to</u>	2204
<u>travel insurance and not any amounts received for travel</u>	2205
<u>assistance services or cancellation fee waivers.</u>	2206

<u>(C) Neither of the following are insurance:</u>	2207
<u>(1) A cancellation fee waiver;</u>	2208
<u>(2) Travel assistance services.</u>	2209
<u>(D) Surplus lines brokers selling travel insurance shall</u>	2210
<u>pay taxes on premiums related to travel insurance in accordance</u>	2211
<u>with sections 3905.30 to 3905.38 of the Revised Code and not in</u>	2212
<u>accordance with the requirements of this section.</u>	2213
<u>(E) With regard to an automobile or truck rental or</u>	2214
<u>leasing company obtaining travel insurance coverage for a group</u>	2215
<u>of individuals who may become renters, lessees, or passengers,</u>	2216
<u>defined by their travel status on the rented or leased vehicles,</u>	2217
<u>the common carrier, operator, owner, or lessor of a means of</u>	2218
<u>transportation, or the automobile or truck rental or leasing</u>	2219
<u>company, is the policyholder under a policy to which sections</u>	2220
<u>3905.064 to 3905.0611 of the Revised Code apply.</u>	2221
<b><u>Sec. 3905.069.</u></b> (A) <u>Notwithstanding any other provisions of</u>	2222
<u>Title XXXIX of the Revised Code, no person shall act or</u>	2223
<u>represent the person's self as a travel administrator for travel</u>	2224
<u>insurance in this state unless that person holds one of the</u>	2225
<u>following licenses in good standing in this state:</u>	2226
<u>(1) Property and casualty license;</u>	2227
<u>(2) Managing general agent license;</u>	2228
<u>(3) Third-party administrator license.</u>	2229
<u>(B)(1) A travel insurer is responsible for the acts of a</u>	2230
<u>travel administrator administering travel insurance underwritten</u>	2231
<u>by the travel insurer and is responsible for ensuring that the</u>	2232
<u>travel administrator maintains all books and records relevant to</u>	2233
<u>the travel insurer.</u>	2234

(2) The travel administrator shall make such books and 2235  
records available to the superintendent of insurance upon 2236  
request. 2237

**Sec. 3905.0610.** (A) (1) Except as provided in division (A) 2238  
(2) of this section, travel insurance shall be classified and 2239  
filed, for purposes of rates and forms, under an inland marine 2240  
line of insurance. 2241

(2) Travel insurance that provides coverage for sickness, 2242  
accident, disability, or death occurring during travel, either 2243  
exclusively or in conjunction with related coverages of 2244  
emergency evacuation or repatriation of remains, or incidental 2245  
limited property and casualty benefits such as baggage or trip 2246  
cancellation, may be filed under either an accident and health 2247  
line of insurance or an inland marine line of insurance. 2248

(B) Eligibility and underwriting standards for travel 2249  
insurance may be developed and provided based on travel 2250  
protection plans designed for individual or identified marketing 2251  
or distribution channels, provided those standards also meet the 2252  
state's underwriting standards for inland marine. 2253

**Sec. 3905.0611.** The superintendent may adopt rules as 2254  
needed to implement sections 3905.064 to 3905.0611 of the 2255  
Revised Code. 2256

**Sec. 3915.073.** (A) This section shall be known as the 2257  
standard nonforfeiture law for individual deferred annuities. 2258

(B) This section does not apply to any reinsurance, group 2259  
annuity purchased under a retirement plan or plan of deferred 2260  
compensation established or maintained by an employer, including 2261  
a partnership or sole proprietorship, or by an employee 2262  
organization, or by both, other than a plan providing individual 2263

retirement accounts or individual retirement annuities under 2264  
section 408 of the Internal Revenue Code of 1954, 26 U.S.C.A. 2265  
408, as amended, premium deposit fund, variable annuity, 2266  
investment annuity, immediate annuity, any deferred annuity 2267  
contract after annuity payments have commenced, or reversionary 2268  
annuity, nor to any contract which is delivered outside this 2269  
state through an agent or other representative of the company 2270  
issuing the contract. 2271

(C) No contract of annuity, except as stated in division 2272  
(B) of this section, shall be delivered or issued for delivery 2273  
in this state unless the contract contains in substance the 2274  
following provisions, or corresponding provisions that in the 2275  
opinion of the superintendent of insurance are at least as 2276  
favorable to the contract owners, relative to the cessation of 2277  
payment of consideration under the contract: 2278

(1) That upon cessation of payment of considerations under 2279  
a contract, or upon the written request of the contract owner, 2280  
the company shall grant a paid-up annuity benefit on a plan 2281  
stipulated in the contract of such value as is specified in 2282  
divisions (E), (F), (G), (H), and (J) of this section; 2283

(2) If a contract provides for a lump sum settlement at 2284  
maturity, or at any other time, that upon surrender of the 2285  
contract at or prior to the commencement of any annuity 2286  
payments, the company shall pay in lieu of any paid-up annuity 2287  
benefit a cash surrender benefit of such amount as is specified 2288  
in divisions (E), (F), (H), and (J) of this section. The company 2289  
may reserve the right to defer the payment of such cash 2290  
surrender benefit for a period not to exceed six months after 2291  
demand therefor with surrender of the contract. The deferral is 2292  
contingent upon the company's conveyance of a written request 2293

for the deferral to the superintendent and the company's receipt 2294  
of written approval from the superintendent for the deferral. 2295  
The request shall address the necessity and equitability to all 2296  
contract owners of the deferral. 2297

(3) A statement of the mortality table, if any, and 2298  
interest rates used in calculating any minimum paid-up annuity, 2299  
cash surrender, or death benefits that are guaranteed under the 2300  
contract, together with sufficient information to determine the 2301  
amounts of such benefits; 2302

(4) A statement that any paid-up annuity, cash surrender, 2303  
or death benefits that may be available under the contract are 2304  
not less than the minimum benefits required by any statute of 2305  
the state in which the contract is delivered and an explanation 2306  
of the manner in which such benefits are altered by the 2307  
existence of any additional amounts credited by the company to 2308  
the contract, any indebtedness to the company on the contract, 2309  
or any prior withdrawals from or partial surrenders of the 2310  
contract. 2311

Notwithstanding the requirements of this section, any 2312  
deferred annuity contract may provide that if no considerations 2313  
have been received under a contract for a period of two full 2314  
years and the portion of the paid-up annuity benefit at maturity 2315  
on the plan stipulated in the contract arising from 2316  
considerations paid prior to such period would be less than 2317  
twenty dollars monthly, the company may at its option terminate 2318  
such contract by payment in cash of the then present value of 2319  
such portion of the paid-up annuity benefit, calculated on the 2320  
basis of the mortality table, if any, and interest rate 2321  
specified in the contract for determining the paid-up annuity 2322  
benefit, and by such payment shall be relieved of any further 2323

obligation under such contract. 2324

(D) The minimum values as specified in divisions (E), (F), 2325  
(G), (H), and (J) of this section of any paid-up annuity, cash 2326  
surrender, or death benefits available under an annuity contract 2327  
shall be based upon minimum nonforfeiture amounts as defined in 2328  
this division. 2329

(1) (a) The minimum nonforfeiture amount at any time at or 2330  
prior to the commencement of any annuity payments shall be equal 2331  
to an accumulation up to such time at rates of interest 2332  
determined in accordance with division (D) (2) of this section of 2333  
the net considerations, determined in accordance with division 2334  
(D) (1) (b) of this section, paid prior to such time, decreased by 2335  
the sum of: 2336

(i) Any prior withdrawals from or partial surrenders of 2337  
the contract, accumulated at rates of interest determined in 2338  
accordance with division (D) (2) of this section; 2339

(ii) An annual contract charge of fifty dollars, 2340  
accumulated at rates of interest determined in accordance with 2341  
division (D) (2) of this section; 2342

(iii) Any premium tax paid by the company for the 2343  
contract, accumulated at rates of interest determined in 2344  
accordance with division (D) (2) of this section; 2345

(iv) The amount of any indebtedness to the company on the 2346  
contract, including interest due and accrued. 2347

(b) The net considerations for a given contract year used 2348  
to define the minimum nonforfeiture amount shall be an amount 2349  
equal to eighty-seven and one-half per cent of the gross 2350  
considerations credited to the contract during that contract 2351  
year. 2352

(2) (a) The interest rate used in determining minimum 2353  
nonforfeiture amounts under divisions (D) (1) to (4) of this 2354  
section shall be an annual rate of interest determined as the 2355  
lesser of three per cent per annum or the following, which shall 2356  
be specified in the contract if the interest rate will be reset: 2357

(i) The five-year constant maturity treasury rate reported 2358  
by the federal reserve as of a date or an average over a period, 2359  
rounded to the nearest one-twentieth of one per cent, specified 2360  
in the contract, no longer than fifteen months prior to the 2361  
contract issue date or the redetermination date specified in 2362  
division (D) (2) (b) of this section; 2363

(ii) Reduced by one hundred twenty-five basis points; 2364

(iii) Where the resulting interest rate shall not be less 2365  
than fifteen hundredths of one per cent. 2366

(b) The interest rate determined under division (D) (2) (a) 2367  
of this section shall apply for an initial period and may be 2368  
redetermined for additional periods. The redetermination date, 2369  
basis and period, if any, shall be stated in the contract. The 2370  
basis is the date or average over a specified period that 2371  
produces the value of the five-year constant maturity treasury 2372  
rate to be used at each redetermination date. 2373

(3) During the period or term that a contract provides 2374  
substantive participation in an equity-indexed benefit, the 2375  
contract may provide for an increase in the reduction described 2376  
in division (D) (2) (a) (ii) of this section by a maximum of one 2377  
hundred basis points to reflect the value of the equity-indexed 2378  
benefit. The present value at the contract issue date, and at 2379  
each redetermination date thereafter, of the additional 2380  
reduction shall not exceed the market value of the benefit. The 2381

superintendent may require a demonstration that the present 2382  
value of the additional reduction does not exceed the market 2383  
value of the benefit. If the demonstration is not acceptable to 2384  
the superintendent, the superintendent may disallow or limit the 2385  
additional reduction. 2386

(4) The superintendent may adopt rules to implement 2387  
division (D)(3) of this section and to provide for further 2388  
adjustments to the calculation of minimum nonforfeiture amounts 2389  
for contracts that provide substantive participation in an 2390  
equity-indexed benefit and for other contracts for which the 2391  
superintendent determines adjustments are justified. 2392

(E) Any paid-up annuity benefit available under a contract 2393  
shall be such that its present value on the date annuity 2394  
payments are to commence is at least equal to the minimum 2395  
nonforfeiture amount on that date. Such present value shall be 2396  
computed using the mortality table, if any, and the interest 2397  
rate specified in the contract for determining the minimum paid- 2398  
up annuity benefits guaranteed in the contract. 2399

(F) For contracts which provide cash surrender benefits, 2400  
such cash surrender benefits available prior to maturity shall 2401  
not be less than the present value as of the date of surrender 2402  
of that portion of the maturity value of the paid-up annuity 2403  
benefit that would be provided under the contract at maturity 2404  
arising from considerations paid prior to the time of cash 2405  
surrender reduced by the amount appropriate to reflect any prior 2406  
withdrawals from or partial surrenders of the contract, such 2407  
present value being calculated on the basis of an interest rate 2408  
not more than one per cent higher than the interest rate 2409  
specified in the contract for accumulating the net 2410  
considerations to determine such maturity value, decreased by 2411

the amount of any indebtedness to the company on the contract, 2412  
including interest due and accrued, and increased by any 2413  
existing additional amounts credited by the company to the 2414  
contract. In no event shall any cash surrender benefit be less 2415  
than the minimum nonforfeiture amount at that time. The death 2416  
benefit under such contracts shall be at least equal to the cash 2417  
surrender benefit. 2418

(G) For contracts that do not provide cash surrender 2419  
benefits, the present value of any paid-up annuity benefit 2420  
available as a nonforfeiture option at any time prior to 2421  
maturity shall not be less than the present value of that 2422  
portion of the maturity value of the paid-up annuity benefit 2423  
provided under the contract arising from considerations paid 2424  
prior to the time the contract is surrendered in exchange for, 2425  
or changed to, a deferred paid-up annuity, such present value 2426  
being calculated for the period prior to the maturity date on 2427  
the basis of the interest rate specified in the contract for 2428  
accumulating the net considerations to determine such maturity 2429  
value, and increased by any existing additional amounts credited 2430  
by the company to the contract. For contracts that do not 2431  
provide any death benefits prior to the commencement of any 2432  
annuity payments, such present values shall be calculated on the 2433  
basis of such interest rate and the mortality table specified in 2434  
the contract for determining the maturity value of the paid-up 2435  
annuity benefit. However, in no event shall the present value of 2436  
a paid-up annuity benefit be less than the minimum nonforfeiture 2437  
amount at that time. 2438

(H) For the purpose of determining the benefits calculated 2439  
under divisions (F) and (G) of this section, in the case of 2440  
annuity contracts under which an election may be made to have 2441  
annuity payments commence at optional maturity dates, the 2442

maturity date shall be deemed to be the latest date for which 2443  
election shall be permitted by the contract, but shall not be 2444  
deemed to be later than the anniversary of the contract next 2445  
following the annuitant's seventieth birthday or the tenth 2446  
anniversary of the contract, whichever is later. 2447

(I) Any contract that does not provide cash surrender 2448  
benefits or does not provide death benefits at least equal to 2449  
the minimum nonforfeiture amount prior to the commencement of 2450  
any annuity payments shall include a statement in a prominent 2451  
place in the contract that such benefits are not provided. 2452

(J) Any paid-up annuity, cash surrender, or death benefits 2453  
available at any time, other than on the contract anniversary 2454  
under any contract with fixed scheduled considerations, shall be 2455  
calculated with allowance for the lapse of time and the payment 2456  
of any scheduled considerations beyond the beginning of the 2457  
contract year in which cessation of payment of considerations 2458  
under the contract occurs. 2459

(K) For any contract that provides, within the same 2460  
contract by rider or supplemental contract provision, both 2461  
annuity benefits and life insurance benefits that are in excess 2462  
of the greater of cash surrender benefits or a return of the 2463  
gross considerations with interest, the minimum nonforfeiture 2464  
benefit shall be equal to the sum of the minimum nonforfeiture 2465  
benefits for the annuity portion and the minimum nonforfeiture 2466  
benefits, if any, for the life insurance portion computed as if 2467  
each portion were a separate contract. Notwithstanding the 2468  
provisions of divisions (E), (F), (G), (H), and (J) of this 2469  
section, additional benefits payable: 2470

(1) In the event of total and permanent disability; 2471

(2) As reversionary annuity or deferred reversionary annuity benefits; or	2472 2473
(3) As other policy benefits additional to life insurance, endowment and annuity benefits, and considerations for all such additional benefits shall be disregarded in ascertaining the minimum nonforfeiture amounts, paid-up annuity, cash surrender, and death benefits that may be required by this section.	2474 2475 2476 2477 2478
The inclusion of such additional benefits shall not be required in any paid-up benefits, unless such additional benefits separately would require minimum nonforfeiture amounts, paid-up annuity, cash surrender, and death benefits.	2479 2480 2481 2482
(L) The superintendent may adopt rules in accordance with Chapter 119. of the Revised Code to implement this section.	2483 2484
<b>Sec. 3953.01.</b> As used in this chapter:	2485
(A) "Title insurance" means insuring, guaranteeing, or indemnifying owners of real property or others interested in real property against loss or damage suffered by reason of liens or encumbrances upon, defect in, or the unmarketability of the title to the real property, guaranteeing, warranting, or otherwise insuring by a title insurance company the correctness of searches relating to the title to real property, or doing any business in substance equivalent to any of the foregoing.	2486 2487 2488 2489 2490 2491 2492 2493
(B) "The business of title insurance" means the following:	2494
(1) The making as insurer, guarantor, or surety, or proposing to make as insurer, guarantor, or surety, any contract or policy of title insurance;	2495 2496 2497
(2) The transacting, or proposing to transact, any phase of title insurance, including solicitation, negotiation	2498 2499

preliminary to execution, execution of a contract of title 2500  
insurance, insuring, and transacting matters subsequent to the 2501  
execution of the contract and arising out of it, including 2502  
reinsurance; 2503

(3) The doing or proposing to do any business in substance 2504  
equivalent to any of the foregoing. 2505

(C) "Title insurance company" means any of the following: 2506

(1) Any domestic title guaranty company and domestic title 2507  
guarantee and trust company to the extent that they are engaged 2508  
in the business of title insurance; 2509

(2) Any domestic company organized under this chapter for 2510  
the purpose of insuring titles to real property; 2511

(3) Any title insurance company organized under the laws 2512  
of another state or foreign government; 2513

(4) Any domestic or foreign company that has the powers 2514  
and is authorized to insure titles to real estate within this 2515  
state on December 12, 1967, and that meets the requirements of 2516  
this chapter. 2517

(D) "Applicants for insurance" includes all those, whether 2518  
or not a prospective insured, who from time to time apply to a 2519  
title insurance company or to its agent for title insurance and 2520  
who at the time of that application are not agents for a title 2521  
insurance company. 2522

(E) "Risk premium" for title insurance means that portion 2523  
of the fee charged by a title insurance company, agent of a 2524  
title insurance company, or approved attorney of a title 2525  
insurance company to an insured or an applicant for insurance 2526  
for the assumption by the title insurance company of the risk 2527

created by the issuance of the title insurance policy. 2528

(F) "Fee" for title insurance means the risk premium, 2529  
abstracting or searching charge, examination charge, and every 2530  
other charge, exclusive of settlement, closing, or escrow 2531  
charges, whether denominated premium or otherwise, made by a 2532  
title insurance company, agent of a title insurance company, or 2533  
an approved attorney of a title insurance company to an insured 2534  
or an applicant for insurance for any policy or contract for the 2535  
issuance of title insurance. "Fee" does not include any charges 2536  
paid to and retained by an attorney at law or abstractor acting 2537  
as an independent contractor whether or not the attorney or 2538  
abstractor is acting as an agent of a title insurance company or 2539  
an approved attorney and does not include any charges made for 2540  
special services not constituting title insurance, even though 2541  
performed in connection with a title insurance policy or 2542  
contract. 2543

(G) "Approved attorney" means an attorney at law who is 2544  
not an employee of a title insurance company or a title 2545  
insurance agent and upon whose examination of title and report 2546  
on the examination a title insurance company may issue a policy 2547  
of title insurance. 2548

(H) "Title insurance agent" means a person, partnership, 2549  
or corporation authorized in writing by a title insurance 2550  
company to solicit insurance and collect premiums and to issue 2551  
or countersign policies on its behalf. "Title insurance agent" 2552  
does not include officers and salaried employees of any title 2553  
insurance company authorized to do a title insurance business 2554  
within this state. 2555

(I) "Single insurance risk" means the insured amount of 2556  
any policy or contract of title insurance issued by a title 2557

insurance company. 2558

(J) "Foreign title insurance company" means a title 2559  
insurance company organized under the laws of any state or 2560  
territory of the United States or the District of Columbia. 2561

(K) "Alien title insurance company" means a title 2562  
insurance company that is incorporated or organized under the 2563  
laws of any foreign nation or any province or territory of a 2564  
foreign nation and that is not a foreign title insurance 2565  
company. 2566

(L) "Non-directed escrow funds" means any funds delivered 2567  
to a title insurance agent or title insurance company with 2568  
instructions to hold or disburse the funds pursuant to a 2569  
transaction in which a title insurance policy will be issued, 2570  
but without written instructions to either deposit the funds in 2571  
an account for the benefit of a specific person or to pay the 2572  
interest earned on the funds to a specific person. 2573

(M) "Business day" means any day, other than a Saturday or 2574  
Sunday, or a legal holiday, on which a bank, savings and loan 2575  
association, credit union, or savings bank is open to the public 2576  
for carrying on substantially all of its functions. 2577

(N) "Housing accommodations" and "restrictive covenant" 2578  
have the same meanings as in section 4112.01 of the ~~revised code~~ 2579  
Revised Code. 2580

(O) "Joint venture" means an arrangement undertaken 2581  
jointly by two or more parties in regard to ownership of a 2582  
business entity title insurance agent. 2583

**Sec. 3953.331.** (A) For a title insurance ~~company~~ agency 2584  
that is a joint venture, the annual review required under 2585  
section 3953.33 of the Revised Code shall ~~assess whether or not~~ 2586

demonstrate that all members of the joint venture received 2587  
revenue during the year in question from the title ~~company~~ 2588  
agency commensurate to their ownership interest in the title 2589  
~~company~~agency. The superintendent of insurance shall promulgate 2590  
rules under Chapter 119. of the Revised Code setting forth the 2591  
standards of the review required under this section and the form 2592  
in which this information is to be provided. 2593

(B) Title insurance ~~companies~~agencies that are joint 2594  
ventures shall maintain sufficient records of their affairs, 2595  
including their escrow operations, escrow trust accounts, and 2596  
operating accounts so that the superintendent may adequately 2597  
ensure that the title insurance ~~company~~agency that is a joint 2598  
venture and all members of the joint venture are in compliance 2599  
with the requirements of this section. Records kept pursuant to 2600  
this section shall be kept for a period of not less than ten 2601  
years following the transactions to which the records relate. 2602  
The superintendent may prescribe the specific records and 2603  
documents to be kept. 2604

**Sec. 3953.36.** For a title ~~company~~agency that is a joint 2605  
venture that is set to dissolve or terminate on a specified 2606  
date, all members of that joint venture shall be allowed or 2607  
invited to join any successor joint ventures formed upon 2608  
dissolution or termination of the original joint venture, and 2609  
the percentage of ownership in any successor joint venture shall 2610  
not be based on the percentage of title insurance business 2611  
referred to the original joint venture. 2612

**Section 2.** That existing sections 3901.21, 3901.32, 2613  
3901.33, 3901.34, 3901.341, 3901.36, 3905.051, 3905.06, 2614  
3905.064, 3915.073, 3953.01, 3953.331, and 3953.36 of the 2615  
Revised Code are hereby repealed. 2616

<b>Section 3.</b> The amendments to section 3905.064 and the	2617
enactment of sections 3905.065 to 3905.0611 of the Revised Code	2618
take effect ninety days after the effective date of this	2619
section.	2620