



Ohio Revised Code

Section 169.07 Holder of unclaimed funds held harmless.

Effective: October 3, 2023

Legislation: House Bill 33

(A) Upon the payment of unclaimed funds to the director of commerce under section 169.05 of the Revised Code in good faith and in compliance with this chapter, the holder will be relieved of further responsibility for the safe-keeping thereof and will be held harmless by the state from any and all liabilities for any claim arising out of the transfer of such funds to the state, to the extent of the value of the unclaimed funds paid, as of the time of the payment.

(B) If legal proceedings are instituted against a holder which has paid unclaimed funds to the director or entered into an agreement as provided in section 169.05 of the Revised Code in respect to such funds, such holder shall notify the director in writing of the pendency of such proceedings not later than fourteen days after the date process is served on the holder. Failure by a holder to give such notice absolves the state from any liability the state may otherwise have with regard to the unclaimed funds, beyond the value of the unclaimed funds paid by the holder to the director.

(C)(1) Upon receiving notice of a legal proceeding, in accordance with division (B) of this section, the director may take such action as the director considers necessary or expedient to protect the interests of the state. If the director elects to intervene and assume the defense of such proceedings and judgment is entered against such holder, the director shall, upon proof of satisfaction of such judgment, forthwith reimburse such organization for the amount of the judgment or enter into an agreement modified to reflect the satisfaction of such judgment, if the holder retained such funds, and shall reimburse such holder for any legal fees, costs and other expenses incurred in such proceedings in the manner provided for the payment of claims under divisions (D) and (E) of section 169.08 of the Revised Code.

(2) If the director elects not to intervene and assume the defense of such proceedings, and judgment is entered against such holder for any amount paid to the director pursuant to this chapter, the director shall, upon proof of satisfaction of such judgment, forthwith reimburse such organization for the amount so paid or enter into an agreement modified to reflect the satisfaction of such judgment, if the holder retained such funds, to the extent of the value of the unclaimed funds paid by the holder



to the director.

(D) No person has a claim against the state, a holder of unclaimed funds, or a transfer agent, registrar, or other person acting for, or on behalf of, a holder for any change in the market value of unclaimed funds occurring after payment by the holder to the director of commerce, or after sale of the unclaimed funds by the director.

(E) The director of commerce is not required to hold harmless, or to intervene and assume the defense of, a holder of unclaimed funds that does not act in good faith, or that does not act in compliance with this chapter and the rules adopted in accordance with this chapter, when reporting unclaimed funds. This section does not insure or indemnify a holder of unclaimed funds against the holder's own acts or omissions, negligence, bad faith, or breach of any duties owed to the owner of the unclaimed funds or the director of commerce.