



Ohio Revised Code Section 3906.06 Investment policy.

Effective: September 4, 2014

Legislation: Senate Bill 140 - 130th General Assembly

In acquiring, investing, exchanging, holding, selling, and managing investments under this chapter, an insurer shall establish and follow a written investment policy that shall be reviewed and approved by the insurer's board of directors on at least an annual basis. The content and format of an insurer's investment policy are at the insurer's discretion, but shall include written guidelines appropriate to the insurer's business with regard to all of the following:

- (A) The general investment policy of the insurer, containing policies, procedures, and controls covering all aspects of the investing function;
- (B) Quantified goals and objectives regarding the composition of classes of investments, including maximum internal limits;
- (C) Periodic evaluations of the investment portfolio as to its risk and reward characteristics;
- (D) Professional standards for the individuals making day-to-day investment decisions to assure that investments are managed in an ethical, prudent, and capable manner;
- (E) The types of investments that are allowed and that are prohibited, based on their risk and reward characteristics and the insurer's level of experience with the investments;
- (F) The relationship of classes of investments to the insurer's insurance products and liabilities;
- (G) The manner in which the insurer intends to implement section 3906.05 of the Revised Code;
- (H) The level of risk, based on quantitative measures, appropriate for the insurer given the level of capitalization and expertise available to the insurer.



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