



Ohio Revised Code

Section 3906.11 Minimum asset requirement.

Effective: September 4, 2014

Legislation: Senate Bill 140 - 130th General Assembly

(A) An insurer investing under this chapter shall maintain assets in an amount equivalent to the sum of its liabilities and its minimum financial security benchmark at all times.

(B) Assets invested under this chapter may be counted toward satisfaction of the minimum asset requirement only so far as they are invested in compliance with this chapter and any applicable rules adopted, or orders issued, by the superintendent pursuant to this chapter.

(C) The amount of admitted assets used to calculate the minimum asset requirement shall be reduced by the amount of the liability recorded on an insurer's statutory balance sheet for all of the following:

(1) The return of acceptable collateral received in a reverse repurchase transaction or a securities lending transaction;

(2) Cash received in a dollar roll transaction;

(3) Other amounts reported as borrowed money.

(D) Assets other than invested assets may be counted toward satisfaction of the minimum asset requirement at admitted annual financial statement value. However, loans to officers or directors or their immediate families shall not be counted toward the satisfaction of the minimum asset requirement.

(E) An investment held as an admitted asset by an insurer on the effective date of this section that qualified under the applicable insurance investment law of this state shall remain qualified as an admitted asset under this chapter.

(F) Notwithstanding any provision of this chapter to the contrary, an asset acquired in the bona fide



enforcement of creditors' rights or in bona fide workouts or settlements of disputed claims may be counted toward the minimum asset requirement for five years if the asset is real property and three years if the asset is not real property.

(G) The superintendent may determine an insurer to be financially hazardous under section 3903.09 of the Revised Code if either of the following apply:

(1) The insurer does not own the amount of assets needed to meet its minimum asset requirement.

(2) The insurer is unable to apply the amount of assets needed to meet its minimum asset requirement toward compliance with this chapter.