



Ohio Revised Code Section 3921.32 Liquidation.

Effective: April 6, 2023

Legislation: House Bill 575 - 134th General Assembly

(A) Liquidation proceedings for a domestic fraternal benefit society shall be conducted consistent with the purposes of section 3903.02 of the Revised Code in a manner designed to conserve assets, limit liquidation expenses, and avoid any assessment of shares of a deficiency.

(B)(1) The liquidator shall attempt to transfer policies or certificates of the liquidating fraternal benefit society by way of assignment, assumption, or other means to another fraternal benefit society, whether domestic or foreign, or, if no fraternal benefit society will accept such a transfer, to another insurer. No fraternal benefit society shall be obligated to accept a transfer from a liquidating society.

(2) Upon the effective date of a transfer to an insurer that is not a fraternal benefit society and in consideration for the transfer, each member of the society and owner of a policy or certificate shall be deemed to agree to both of the following:

(a) That any terms of an insurance policy or certificate providing for the maintenance of the society's solvency or subjecting the policy or certificate to the bylaws of the society are null and void;

(b) Such other changes determined by the liquidator to be necessary to effectuate the transfer.

The assuming insurer shall endorse the policy or certificate accordingly.

(3) Any transfer shall constitute a novation of the liquidating fraternal benefit society's certificates effective upon the date of transfer.
