



Ohio Revised Code

Section 3929.35 Determination of indebtedness charged for outstanding losses.

Effective: October 1, 1953

Legislation: House Bill 1 - 100th General Assembly

Each corporation of the type described in section 3929.33 of the Revised Code shall be charged with indebtedness for outstanding losses upon its policies determined as follows:

(A) For all suits being defended under policies written more than ten years prior to the date as of which the statement is made, except suits in which liability is not dependent upon negligence of the insured, one thousand dollars for each suit;

(B) For all suits being defended under policies written more than five years and less than ten years prior to the date as of which the statement is made, except suits in which liability is not dependent upon negligence of the insured, seven hundred fifty dollars for each suit;

(C) For all deaths for which the insured are liable without proof of negligence, covered by policies written more than five years prior to the date as of which the statement is made, the amount necessary to pay for such deaths;

(D) For all unpaid claims on account of nonfatal injuries for which the insured are liable without proof of negligence, under policies written more than five years prior to the date as of which the statement is made, the present value of the estimated future payments;

(E) For the policies written in the five years immediately preceding the date as of which the statement is made, an amount determined as follows:

(1) Multiply the earned premiums of each such five years as shown in division (A) of section 3929.33 of the Revised Code by the loss ratio ascertained as in division (F) of said section on all the policies written in the first five years of the ten-year period, using as the divisor the sum of the earned premiums shown in division (A) of said section for such first five years, and as the dividend the sum of the payments shown in division (B) of said section for such first five years plus the sum of the charges in divisions (C), (D), and (E) of said section for such first five years;



(2) The ratio to be used shall in no event be less than fifty per cent at and after December 31, 1911, nor less than fifty-one per cent at and after December 31, 1912, nor less than fifty-two per cent at and after December 31, 1913, nor less than fifty-three per cent at and after December 31, 1914, nor less than fifty-four per cent at and after December 31, 1915, nor less than fifty-five per cent at and after December 31, 1916;

(3) From the amount so ascertained in each of the last five years of said ten-year period, deduct all payments made under policies written in the corresponding year as shown in division (B) of said section;

(4) The remainder in the case of each year shall be deemed the indebtedness for that year;

(5) If the remainder in the case of any year of the first three years of the five years immediately preceding the date as of which the statement is made is less than the sum of the three following items for that year at that date, then the sum of said three following items shall be the indebtedness for that year:

(a) The number of suits, except suits in which liability is not dependent upon negligence of the insured, being defended under policies written in that year, and a charge of seven hundred fifty dollars for each suit;

(b) The amount necessary to pay for all deaths for which the insured are liable without proof of negligence, covered by policies written in that year;

(c) The present value of estimated unpaid claims on account of nonfatal injuries, for which the insured are liable without proof of negligence, covered by policies written in that year.