



## Ohio Revised Code

### Section 1121.12 Examining person who, directly or indirectly, controls bank.

Effective: January 1, 1997

Legislation: House Bill 670 - 121st General Assembly

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An examination of the records and affairs of a bank under section 1121.10 of the Revised Code may include the examination of a controlling shareholder of the bank that is a bank holding company registered with the federal reserve, but only to the extent explicitly permitted under this section. To examine the records and affairs of a controlling shareholder that is a bank holding company registered with the federal reserve, the superintendent of financial institutions may do one of the following:

- (A) Rely on an examination of the bank holding company conducted by a financial institution regulatory authority of another state, the United States, or another country, as provided in division (A)(3) of section 1121.11 of the Revised Code;
  
- (B) Participate with the financial institution regulatory authorities of other states, the United States, and other countries in a joint or coordinated examination of the bank holding company, provided that both of the following apply:
  - (1) The examination of the bank holding company is validly authorized by and conducted pursuant to the laws of this state and such other state, the United States, or other country.
  - (2) Participation of the examiners of the division of financial institutions will increase the efficiency in regulating financial institutions, and not increase the cost of examination to the bank holding company.
  
- (C) Examine the bank holding company pursuant to an agreement with financial institution regulatory authorities of other states, the United States, or other countries, provided that both of the following apply:
  - (1) The examination of the bank holding company is validly authorized by and conducted pursuant to the laws of this state and such other state, the United States, or other country.



(2) The other financial institution regulatory authority agrees to rely on the superintendent's examination in lieu of conducting its own examination.

(D) Examine the bank holding company if both of the following apply:

(1) The superintendent has reasonable cause to believe that there is a significant risk of imminent material harm to the bank and the examination of the bank holding company is necessary to fully determine the risk to the bank, or to determine how best to address the risk to the bank.

(2) Either of the following occurs:

(a) The superintendent, in writing, requests the federal reserve to examine the bank holding company, and within fifteen days the federal reserve does not commence an examination of the bank holding company and notifies the superintendent that the federal reserve does not object to the examination.

(b) The banking commission concurs with the superintendent's determination of both of the following:

(i) There is reasonable cause to believe that there is a significant risk of imminent material harm to the bank.

(ii) The examination of the bank holding company is necessary to fully determine the risk to the bank, or to determine how best to address the risk to the bank.

For purposes of this section, a bank holding company includes not only the bank holding company, but also includes any nonbank affiliates of the bank holding company that are subject to examination by the federal reserve.