



Ohio Revised Code

Section 3921.102 Maintenance of solvency.

Effective: April 6, 2023

Legislation: House Bill 575 - 134th General Assembly

(A) In the event a domestic fraternal benefit society has an authorized control level RBC as defined in section 3903.81 of the Revised Code or fails to comply with section 3921.101 of the Revised Code, the society shall present to the superintendent of insurance a plan to protect the interests of the society members not later than forty-five days following such an event. The plan shall provide for the transfer of all members, certificates, and other assets and liabilities of the society to another fraternal benefit society or other insurer through merger, consolidation, assumption, or any other means. The plan shall designate a period of time in which the transfer must be completed. Any transfer is subject to approval by the superintendent.

(B)(1) Any transfer under division (A) of this section shall constitute a novation of the transferring society's certificates effective on the date of transfer. The society shall ensure that the transfer is concluded within the time period approved by the superintendent. A transfer under division (A) of this section shall be considered fully approved by the society upon a majority vote of the society's board of directors, notwithstanding section 3921.14 of the Revised Code or any other law or regulation that requires notice to or approval by the society's members or supreme governing body. The society shall make any necessary amendments to its laws to recognize this authority of the board not later than the next meeting of the society's supreme governing body. The transferring society shall provide notice to its members of the transfer by mail or in the society's official publication not later than thirty days after the transfer is approved by the superintendent.

(2) Notwithstanding any law or regulation to the contrary and any law of the society, the board of directors of a society may, with the approval of the superintendent, suspend or modify the qualifications for membership in the society as necessary to facilitate a transfer under division (A) of this section.

(3) Upon the effective date of a transfer to an organization that is not a fraternal benefit society and in consideration for the transfer, each member of the society is considered to agree that any terms of a certificate subjecting the certificate to the laws of the society or providing for the maintenance of



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the society's solvency, except to the extent of any outstanding lien not released by the terms of the transfer, are null and void. The assuming organization shall endorse the certificate accordingly.