



## Ohio Administrative Code Rule 113-40-02 Requirements for a financial institution.

Effective: August 10, 2023

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All financial institutions (FIs) participating in OPCP shall:

- (A) Transmit the required files to OPCS every day the federal reserve is open for business.
- (B) Report any public unit (PU) negotiated collateral requirement at an account level.
- (C) Pledge sufficient collateral when uninsured public deposits are received.
  - (1) The treasurer of state will estimate the federal deposit insurance corporation insurance (FDIC) coverage amount, which may deviate from the actual FDIC limits.
  - (2) A FI must address collateral deficiencies in accordance with the operating policies.
- (D) Pledge eligible collateral to the treasurer of state with a qualified trustee to secure the FI's public deposits.
  - (1) The trustee shall identify and hold collateral pledged to the treasurer for the benefit of public units (PUs) with deposits in the respective FI.
  - (2) The trustee shall hold all collateral pledged to the treasurer in one or more identifiable pooled collateral accounts for each FI, as specified by the treasurer.
  - (3) A FI will pledge collateral to the treasurer with a trustee as required, and the trustee will inform the treasurer of all new pledges.
    - (a) The treasurer will not accept any statement, communication, or notice from a FI as evidence of pledged collateral.



(b) The treasurer will only update OPCS records on receipt of documentation submitted by the trustee.

(E) Monitor pledged collateral and submit a collateral release request to the treasurer in advance of the maturity date of the pledged collateral.

(F) Submit a collateral release request to the treasurer in order to have pledged collateral released by the trustee.

(1) A trustee will only release collateral on the instruction of the treasurer, and will not accept requests directly from a FI.

(2) Acceptance or denial of a release of collateral request will occur as determined by the treasurer.

(G) Not pledge, combine, cross-collateralize, or aggregate pledged collateral in one pool in OPCP for either another pool in OPCP or for the benefit of any other party.

(H) Be subject to ongoing monitoring for compliance of collateral sufficiency requirements and file submission requirements.

(1) If the treasurer determines a FI is not in compliance with the operating policies, collateral sufficiency requirements, or file submission requirements, then the treasurer may impose a cushion collateral requirement.

(2) Upon entrance into OPCS, the cushion collateral requirement will have a default value of zero.