



Ohio Revised Code

Section 1115.07 Report of outstanding credit.

Effective: January 1, 2018

Legislation: House Bill 49 - 132nd General Assembly

(A) As used in this section:

(1) "Credit outstanding" means any loan, extension of credit, issuance of a guarantee, acceptance, or letter of credit, including an endorsement or standby letter of credit, or other transaction that extends financing to a person or group of persons.

(2) "Financial institution" means a state bank, national bank, savings bank, savings association, or a bank doing business under authority granted by the bank regulatory authority of another state of the United States or another country.

(3) "Group of persons" includes any number of persons the financial institution reasonably believes are either of the following:

(a) Persons who are acting together, in concert, or with one another to acquire or control shares of the same stock state bank, including an acquisition of shares of the same stock state bank at approximately the same time under substantially the same terms.

(b) Persons who have made, or have proposed to make, a joint filing under section 13 of Title I of the "Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C.A. 78m, as amended, regarding ownership of the shares of the same stock state bank.

(B)(1) Except as provided in division (D) of this section, any financial institution or any affiliate of a financial institution that has credit outstanding to any person or group of persons that is secured, directly or indirectly, by shares of a stock state bank shall file a consolidated report with the superintendent of financial institutions if the credits outstanding are, in the aggregate, secured, directly or indirectly, by twenty-five per cent or more of the outstanding shares of any class of the same stock state bank.



(2) For purposes of division (B)(1) of this section, any shares of the stock state bank held by the financial institution or any of its affiliates as principal shall be included in the calculation of the number of shares in which the financial institution or its affiliates has a security interest.

(C) The report required under division (B)(1) of this section shall be a consolidated report on behalf of the financial institution and all its affiliates, and shall be filed in writing within thirty days after the date on which the financial institution or any of its affiliates first believes the security for any outstanding credit consists of twenty-five per cent or more of the outstanding shares of any class of a stock state bank.

The report shall indicate the number and percentage of shares securing each credit outstanding, the identity of the borrower, and the number of shares held as principal by the financial institution or any of its affiliates. It also shall contain all of the information required in a notice under section 1115.06 of the Revised Code, and any other relevant information the superintendent may require by rule or by specific request in connection with a particular report.

(D) A financial institution and its affiliates shall not be required to report a transaction under this section if either of the following applies:

(1) The person or group of persons to whom the credit is outstanding has disclosed to the superintendent the amount borrowed from the financial institution or its affiliate and the security interest of the financial institution or its affiliate in connection with a notice given under section 1115.06 of the Revised Code or with any other application filed with the superintendent, such as an application for an interim bank charter.

(2) The transaction involves either of the following:

(a) A person or group of persons that has been the owner of record of the shares for at least one year;

(b) Shares issued by a newly chartered stock state bank before the bank's opening.