



Ohio Revised Code Section 1119.23 Liquidation.

Effective: January 1, 2018

Legislation: House Bill 49 - 132nd General Assembly

(A) If the superintendent of financial institutions determines, in accordance with division (A) of section 1119.22 of the Revised Code, any of the conditions set forth in that division exists, the superintendent, in addition to having the authority to revoke the foreign bank's license to operate a representative office, agency, or branch in accordance with section 1119.22 of the Revised Code, also may take possession of the foreign bank's business and property in this state and appoint a receiver for the liquidation of the foreign bank's business and property in this state.

(B) The superintendent's taking possession of and appointing a receiver for a foreign bank's business and property in this state pursuant to division (A) of this section, and the liquidation of the foreign bank's business and property in this state, shall, except as provided in divisions (B)(1) and (2) of this section, be conducted in accordance with the procedures and is subject to the rights, powers, duties, requirements, and limitations provided in Chapter 1125. of the Revised Code for taking possession of the business and property and liquidation of a state bank.

(1) After payment of the expenses of the liquidation and claims against the foreign bank arising from its doing business in this state in accordance with section 1125.24 of the Revised Code, any remaining funds from the liquidation of the foreign bank's business and property in this state shall be distributed in the following manner:

(a) If the foreign bank's business and property is being liquidated in another state of the United States, the receiver shall distribute any remaining funds from the liquidation of the foreign bank's business and property in this state to the receiver in the other state for the payment of expenses of liquidation and claims against the foreign bank's business and property in the other state.

(b) If the foreign bank's business and property is being liquidated in more than one other state of the United States, the receiver shall equitably distribute any remaining funds from the liquidation of the foreign bank's business and property in this state among the receivers in the other states for the payment of the expenses of liquidation and claims against the foreign bank's business and property in



the other states.

(c) If there is no liquidation of the business and property of the foreign bank occurring in any other state of the United States, the receiver shall pay any remaining funds from the liquidation of the business and property of the foreign bank in this state to the domiciliary receiver of the foreign bank or, if there is no domiciliary receiver, to the foreign bank.

(2)(a) When the receiver has completed the liquidation of the foreign bank's business and property in this state, the receiver shall, with notice to the superintendent, file a petition with the court for an order declaring that the foreign bank's business in this state is properly wound up in the manner provided in section 1125.29 of the Revised Code. Upon the filing of a petition as provided in this division, the court shall proceed as provided in section 1125.29 of the Revised Code.

(b) An order issued by the court pursuant to a petition filed in accordance with division (B)(2)(a) of this section shall do all things required by section 1125.29 of the Revised Code, but shall only declare that the foreign bank's business in this state has been properly wound up and shall not declare that the foreign bank is dissolved. The court may make whatever additional orders and grant whatever additional relief the court determines proper upon the evidence submitted.

(c) Once the court issues the order declaring that the foreign bank's business in this state is properly wound up, the foreign bank shall cease doing business in this state except for any further winding up.

(d) Once the court issues the order declaring the foreign bank's business in this state is properly wound up, the receiver shall promptly file a copy of the order, certified by the clerk of the court, with both the secretary of state and the superintendent.