



Ohio Revised Code

Section 1315.06 Minimum amount of permissible investments.

Effective: April 6, 2007

Legislation: House Bill 454 - 126th General Assembly

(A)(1)(a) Subject to division (A)(2) of this section, each licensee shall maintain permissible investments described in division (B) of this section having an aggregate market value of not less than the aggregate amount of all of the licensee's outstandings received from persons in the United States, directly and through authorized delegates, to the extent reported to the licensee.

(b) For purposes of division (A)(1)(a) of this section, a licensee's permissible investments, even if commingled with other assets of the licensee, and a licensee's other assets to the extent necessary to equal the licensee's outstandings, are, by operation of law, impressed with a trust and held for the benefit of persons the money of which the licensee holds for transmission, and these permissible investments are not available to satisfy any other of the licensee's creditors.

(2) The superintendent of financial institutions may waive the requirement described in division (A)(1)(a) of this section if the volume of a licensee's outstandings does not exceed the licensee's security device provided pursuant to section 1315.07 of the Revised Code.

(B) All of the following are permissible investments by a licensee:

(1) Cash;

(2) Certificates of deposit or other debt obligations of a depository institution, either domestic or foreign;

(3) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances, that are eligible for purchase by member banks of the federal reserve system;

(4) Any investment bearing a rating of one of the three highest grades as defined by a nationally recognized organization that rates securities;



(5) Investment securities that are obligations of the United States or its agencies or instrumentalities; obligations that are guaranteed fully as to principal and interest by the United States; or any obligations of any state, municipality, or political subdivision of a state;

(6) Shares in a money market mutual fund; interest-bearing bills, notes, bonds, debentures, or preferred stock traded on any national securities exchange or on a national over-the-counter market; or mutual funds primarily composed of such securities or a fund composed of one or more permissible investments described in division (B) of this section;

(7) Any demand borrowing agreement or agreements made to a corporation or a subsidiary of a corporation the capital stock of which is listed on a national exchange, provided that the total borrowing agreements with any one borrower do not exceed ten per cent of the licensee's outstandings;

(8) To the extent permitted by the superintendent, receivables that are due to a licensee from its authorized delegates and are not past due or doubtful of collection;

(9) Any other investments approved by the superintendent.

(C) No licensee shall fail to comply with this section.