



Ohio Revised Code

Section 3901.32 Insurance holding company system definitions.

Effective: June 21, 2018

Legislation: Senate Bill 169 - 132nd General Assembly

As used in sections 3901.32 to 3901.37 of the Revised Code:

(A) "Affiliate of" or "affiliated with" a specific person means a person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the person specified.

(B) "Control," including "controlling," "controlled by," and "under common control with," means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten per cent or more of the voting securities of any other person. This presumption may be rebutted by a showing made in the manner provided in division (J) of section 3901.33 of the Revised Code that control does not exist in fact. The superintendent of insurance may determine, after furnishing all persons in interest notice and opportunity to be heard and making specific findings of fact to support such determination, that control exists in fact, notwithstanding the absence of a presumption to that effect.

(C) "Enterprise risk" means any activity, circumstance, event, or series of events involving one or more affiliates of an insurer that, if not remedied promptly, is likely to have a materially adverse effect on the financial condition or liquidity of the insurer or its insurance holding company system as a whole. "Enterprise risk" includes anything that would cause the insurer's risk-based capital to fall into company action level as set forth in section 3903.83 of the Revised Code or would cause the insurer to be in a hazardous financial condition.

(D) "Group-wide supervisor" means the regulatory official who is authorized by the superintendent to conduct and coordinate group-wide supervision of an internationally active insurance group and



who is determined by the superintendent pursuant to division (A) of section 3901.352 of the Revised Code to have sufficient contacts with the internationally active insurance group.

(E) "Insurance holding company system" means two or more affiliated persons, one or more of which is an insurer.

(F) "Insurer" means any person engaged in the business of insurance, guaranty, or membership, an inter-insurance exchange, a mutual or fraternal benefit society, or a health insuring corporation. "Insurer" does not include any agency, authority, or instrumentality of the United States, its possessions and territories, the Commonwealth of Puerto Rico, the District of Columbia, or a state or political subdivision of a state.

(G) "Internationally active insurance group" means an insurance holding company system that includes an insurer registered under section 3901.33 of the Revised Code and that meets all of the following criteria:

(1) Insurers that are part of the insurance holding company system write premiums in at least three countries.

(2) The percentage of gross premiums written outside the United States by the insurance holding company system is at least ten per cent of the system's total gross written premiums.

(3) Based on a three-year rolling average, either the total assets of the insurance holding company system are at least fifty billion dollars, or the total gross written premiums of the insurance holding company system are at least ten billion dollars.

(H) "Person" means an individual, a corporation, a partnership, an association, a joint stock company, a trust, an unincorporated organization, any similar entity, or any combination of the foregoing acting in concert.

(I) "Subsidiary" of a specified person is an affiliate controlled by such person, directly or indirectly, through one or more intermediaries.



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(J) "Voting security" includes any security convertible into or evidencing a right to acquire a voting security.