



Ohio Revised Code

Section 3901.69 Insurer to report material transactions.

Effective: March 3, 1996

Legislation: House Bill 374 - 121st General Assembly

(A) Each insurer domiciled in this state shall file a report with the superintendent of insurance disclosing material acquisitions and material dispositions of assets, and material nonrenewals, cancellations, or revisions of ceded reinsurance agreements, unless such transactions previously have been reported to the superintendent for review, approval, or information purposes, pursuant to another provision of Title XXXIX of the Revised Code. The report shall be in the form prescribed by the superintendent by rule. One complete copy of the report, including any exhibits and attachments, shall be filed with the superintendent within fifteen days after the end of the calendar month in which any of the transactions occurs.

(B) Each report of a material acquisition or disposition of assets shall include the following information:

- (1) The date of the transaction;
- (2) The manner of acquisition or disposition;
- (3) A description of the assets involved;
- (4) The nature and amount of the consideration given or received;
- (5) The purpose of, or reason for, the transaction;
- (6) The manner by which the amount of consideration was determined;
- (7) The gain or loss recognized or realized as a result of the transaction;
- (8) The names of the person or persons from whom the assets were acquired or to whom they were disposed.



(C) Each insurer shall report material acquisitions and material dispositions on a nonconsolidated basis, unless the insurer is part of a consolidated group of insurers that utilizes a pooling arrangement or a one hundred per cent reinsurance agreement that affects the solvency and integrity of the insurer's reserves and the insurer has ceded substantially all of its direct and assumed business to the pool. The insurer is deemed to have ceded substantially all of its direct and assumed business to the pool if both of the following apply:

- (1) The insurer has less than one million dollars total direct plus assumed written premiums during a calendar year that are not subject to the pooling arrangement;
- (2) The net income of the insurer that is not subject to the pooling arrangement represents less than five per cent of the insurer's capital and surplus.

(D) Each report of a material nonrenewal, cancellation, or revision of ceded reinsurance agreements shall include the following information:

- (1) The effective date of the nonrenewal, cancellation, or revision;
- (2) A description of the transaction;
- (3) The purpose of, or reason for, the transaction;
- (4) If applicable, the identity of the replacement reinsurers;
- (5) The identity of the person initiating the transaction.

(E) Each insurer shall report all material nonrenewals, cancellations, or revisions of ceded reinsurance agreements on a nonconsolidated basis, unless the insurer is part of a consolidated group of insurers that utilizes a pooling arrangement or a one hundred per cent reinsurance agreement that affects the solvency and integrity of the insurer's reserves and the insurer has ceded substantially all of its direct and assumed business to the pool. The insurer is deemed to have ceded substantially all of its direct and assumed business to the pool if both of the following apply:



- (1) The insurer has less than one million dollars total direct plus assumed written premiums during a calendar year that are not subject to the pooling arrangement;

- (2) The net income of the insurer that is not subject to the pooling arrangement represents less than five per cent of the insurer's capital and surplus.