



## Ohio Revised Code

### Section 3903.05 Temporary restraining orders - injunctions.

Effective: March 23, 2018

Legislation: Senate Bill 169 - 132nd General Assembly

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(A) Upon complaint or motion of any receiver, conservator, rehabilitator, or liquidator appointed in a proceeding under sections 3903.01 to 3903.59 of the Revised Code, any court of general jurisdiction may issue a temporary restraining order, a preliminary injunction, a permanent injunction, or such other orders that the court considers necessary and proper to prevent any one or more of the following:

(1) The transaction of further business;

(2) The transfer of property;

(3) Interference with the receiver, conservator, rehabilitator, or liquidator or with a proceeding under sections 3903.01 to 3903.59 of the Revised Code;

(4) Waste of the insurer's assets;

(5) Dissipation and transfer of bank accounts;

(6) The commencement or further prosecution of any actions or proceedings;

(7) The obtaining of preferences, judgments, attachments, garnishments, or liens against the insurer, its assets, or its policyholders;

(8) The levying of execution against the insurer, its assets, or its policyholders;

(9) The making of any sale or deed for nonpayment of taxes or assessments that would lessen the value of the assets of the insurer;

(10) The withholding from the receiver, conservator, rehabilitator, or liquidator of books, accounts,



documents, or other records relating to the business of the insurer;

(11) Any other threatened or contemplated action that might lessen the value of the insurer's assets or prejudice the rights of policyholders, creditors, or shareholders, or the administration of any proceeding under sections 3903.01 to 3903.59 of the Revised Code.

(B) The receiver, conservator, rehabilitator, or liquidator may apply to any court outside of this state for any relief described in division (A) of this section.

(C)(1) A federal home loan bank shall not be stayed or otherwise prohibited by a court from exercising its rights regarding collateral pledged by an insurer-member for more than ten days following the date a temporary restraining order, preliminary injunction, or permanent injunction is issued by the court pursuant to division (A) of this section.

(2) A federal home loan bank exercising its rights regarding collateral pledged by an insurer-member shall, within seven days of receiving a redemption request made by the insurer-member, repurchase any of the insurer-member's outstanding capital stock in excess of the amount the insurer-member must hold as a minimum investment. The federal home loan bank shall repurchase the excess outstanding capital stock only to the extent that it determines in good faith that the repurchase is both of the following:

(a) Permissible under federal laws and regulations and the federal home loan bank's capital plan;

(b) Consistent with the capital stock practices currently applicable to the federal home loan bank's entire membership.

(D)(1) Not later than ten days after the date of appointment of a receiver, conservator, rehabilitator, or liquidator in a proceeding under sections 3903.01 to 3903.59 of the Revised Code involving an insurer-member of a federal home loan bank, the federal home loan bank shall provide to the receiver, conservator, rehabilitator, or liquidator a process and timeline for all of the following:

(a) The release of any collateral held by the federal home loan bank that exceeds the amount that is required to support the secured obligations of the insurer-member and that is remaining after any



repayment of loans, as determined under the applicable agreements between the federal home loan bank and the insurer-member;

(b) The release of any collateral of the insurer-member remaining in the federal home loan bank's possession following repayment in full of all outstanding secured obligations of the insurer-member;

(c) The payment of fees owed by the insurer-member and the operation, maintenance, closure, or disposition of deposits and other accounts of the insurer-member, as mutually agreed upon by the receiver, conservator, rehabilitator, or liquidator and the federal home loan bank;

(d) Any redemption or repurchase of federal home loan bank stock or excess stock of any class that the insurer-member is required to own under agreements between the federal home loan bank and the insurer-member.

(2) Upon the request of a receiver, conservator, rehabilitator, or liquidator appointed in a proceeding under sections 3903.01 to 3903.59 of the Revised Code involving a federal home loan bank insurer-member, the federal home loan bank shall provide to the receiver, conservator, rehabilitator, or liquidator any available options for the insurer-member to renew or restructure a loan. In determining which options are available, the federal home loan bank may consider market conditions, the terms of any loans outstanding to the insurer-member, the applicable policies of the federal home loan bank, and the federal laws and regulations applicable to federal home loan banks.

(E) As used in this section, "insurer-member" means a member of the federal home loan bank in question that is an insurer.