



Ohio Revised Code

Section 3905.18 Paying unlawful consideration.

Effective: September 1, 2002

Legislation: Senate Bill 129 - 124th General Assembly

(A) Neither an insurer nor an insurance agent shall pay a commission, service fee, brokerage fee, or other type of consideration to a person for selling, soliciting, or negotiating insurance in this state, if the person is required to be licensed by the superintendent of insurance under this chapter but is not so licensed. However, renewal or other deferred commissions may be paid to such a person for selling, soliciting, or negotiating insurance in this state if the person was required to be licensed under this chapter at the time of the sale, solicitation, or negotiation and was so licensed at that time.

(B) An insurer shall not pay a commission, service fee, brokerage fee, or other type of consideration to an insurance agent for selling, soliciting, or negotiating insurance in this state, if the insurance agent is required to be appointed by the insurer but is not so appointed.

(C) An insurer or insurance agent may pay or assign a commission, service fee, brokerage fee, or other type of consideration to an insurance agency or to any person who does not sell, solicit, or negotiate insurance in this state, unless the payment or assignment is prohibited by division (B)(7) of section 3901.211 or by section 3911.20, 3933.01, or 3999.22 of the Revised Code.

(D) No insurer or insurance agent shall pay a commission, referral fee, or other compensation to an unlicensed person for any referral unless the compensation is a fixed dollar amount for each referral and does not depend on whether the person referred purchases an insurance product.
