



Ohio Revised Code

Section 3937.05 Application for license as rating organization.

Effective: October 1, 1953

Legislation: House Bill 1 - 100th General Assembly

(A) A corporation, an unincorporated association, a partnership, or an individual, whether located within or outside this state, may make application to the superintendent of insurance for license as a rating organization for such kinds of insurance or subdivisions thereof as are specified in its application and shall file therewith:

- (1) A copy of its constitution, articles of agreement or association or certificate of incorporation, and its bylaws, rules, and regulations governing the conduct of its business;
- (2) A list of its members and subscribers;
- (3) The name and address of a resident of this state upon whom notices or orders of the superintendent or process affecting such rating organization may be served;
- (4) A statement of its qualifications as a rating organization.

If the superintendent finds that the applicant is competent, trustworthy, and otherwise qualified to act as a rating organization and that its constitution, articles of agreement or association or certificate of incorporation, and its bylaws, rules, and regulations governing the conduct of its business conform to the law, he shall issue a license specifying the kinds of insurance or subdivisions thereof for which the applicant may act as a rating organization.

Every such application shall be granted or denied in whole or in part by the superintendent within sixty days of the date of its filing with him. Licenses issued pursuant to this section shall remain in effect for three years unless sooner suspended or revoked by the superintendent. The fee for said license shall be twenty-five dollars. Licenses issued pursuant to this section may be suspended or revoked by the superintendent, after hearing upon notice, in the event the rating organization ceases to comply with this division of this section.



Every rating organization shall notify the superintendent promptly of every change in its constitution, articles of agreement or association or certificate of incorporation, and its bylaws, rules, and regulations governing the conduct of its business; its list of members and subscribers; and the name and address of the resident of this state designated by it upon whom notices or orders of the superintendent or process affecting such rating organization may be served.

(B) Subject to rules and regulations approved by the superintendent as reasonable, each rating organization shall permit any insurer, not a member, to be a subscriber to its rating services for any kind of insurance or subdivision thereof for which it is authorized to act as a rating organization. Notice of proposed changes in such rules and regulations shall be given to subscribers. Each rating organization shall furnish its rating services without discrimination to its members and subscribers. The reasonableness of any rule or regulation in its application to subscribers, or the refusal of any rating organization to admit an insurer as a subscriber, shall, at the request of any subscriber or any such insurer, be reviewed by the superintendent at a hearing held upon at least ten days' written notice to such rating organization and to such subscriber or insurer. If the superintendent finds that such rule or regulation is unreasonable in its application to subscribers, he shall order that such rule or regulation shall not be applicable to subscribers. If the rating organization fails to grant or reject an insurer's application for subscribership within thirty days after it was made, the insurer may request a review by the superintendent as if the application had been rejected. If the superintendent finds that the insurer has been refused admittance to the rating organization as a subscriber, without justification, he shall order the rating organization to admit the insurer as a subscriber. If he finds that the action of the rating organization was justified, he shall make an order affirming its action.

(C) No rating organization shall adopt any rule the effect of which would be to prohibit or regulate the payment of dividends, savings, or unabsorbed premium deposits allowed or returned by insurers to their policyholders, members, or subscribers.

(D) Co-operation among rating organizations or among rating organizations and insurers in rate making or in other matters within the scope of sections 3937.01 to 3937.17, inclusive, of the Revised Code, is hereby authorized, provided the filings resulting from such co-operation are subject to such sections which are applicable to filings generally. The superintendent may review such co-operative activities and practices and if, after a hearing, he finds that any such activity or practice is unfair or unreasonable or otherwise inconsistent with sections 3937.01 to 3937.17, inclusive, of the Revised



Code, he may issue a written order specifying in what respects such activity or practice is unfair, unreasonable, or otherwise inconsistent with such sections, and requiring the discontinuance of such activity or practice.