

## As Introduced

126th General Assembly  
Regular Session  
2005-2006

H. B. No. 454

Representatives Coley, Wagoner, Hartnett, Harwood, Brown, Bup

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### A BILL

To amend sections 111.15, 121.07, 1101.15, 1109.15, 1  
1109.43, 1111.02, 1111.04, 1111.06, 1111.07, 2  
1111.08, 1121.30, 1151.14, 1151.321, 1161.18, 3  
1161.51, 1181.25, 1315.21, 1315.99, 1733.25, and 4  
4719.01; to enact new sections 1151.348, 1315.01 5  
to 1315.11, and 1315.16 to 1315.18; to enact 6  
sections 1161.601, 1315.081, 1315.101, 1315.12, 7  
1315.121, 1315.122, 1315.13, 1315.14, 1315.15, 8  
1315.151, 1315.152, 1315.153, and 1315.161; to 9  
repeal sections 1151.348, 1315.01, 1315.02, 10  
1315.03, 1315.04, 1315.05, 1315.06, 1315.07, 11  
1315.08, 1315.09, 1315.10, 1315.11, 1315.16, 12  
1315.17, and 1315.18; and to repeal section 13  
1125.28 of the Revised Code, as it results from 14  
S.B. 293 of the 121st General Assembly, to 15  
authorize financial institutions to enter into 16  
debt suspension and cancellation contracts; to 17  
authorize savings banks to engage in trust 18  
business and change requirements relating to 19  
parity rulemaking authority; to require savings 20  
and loan associations only engage in trust 21  
business under the Trust Company Law; to change 22  
the function, operations, and investing authority 23  
of bankers' banks; to change entities that may be 24  
financial institution qualified trustees and 25

entities that may transfer trust company business; 26  
to authorize a savings and loan association or a 27  
savings bank board of directors to create 28  
committees to carry out certain functions of the 29  
board; and to modify the Money Transmitter Law. 30

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 111.15, 121.07, 1101.15, 1109.15, 31  
1109.43, 1111.02, 1111.04, 1111.06, 1111.07, 1111.08, 1121.30, 32  
1151.14, 1151.321, 1161.18, 1161.51, 1181.25, 1315.21, 1315.99, 33  
1733.25, and 4719.01 be amended and new sections 1151.348, 34  
1315.01, 1315.02, 1315.03, 1315.04, 1315.05, 1315.06, 1315.07, 35  
1315.08, 1315.09, 1315.10, 1315.11, 1315.16, 1315.17, and 1315.18 36  
and sections 1161.601, 1315.081, 1315.101, 1315.12, 1315.121, 37  
1315.122, 1315.13, 1315.14, 1315.15, 1315.151, 1315.152, 1315.153, 38  
and 1315.161 of the Revised Code be enacted to read as follows: 39

**Sec. 111.15.** (A) As used in this section: 40

(1) "Rule" includes any rule, regulation, bylaw, or standard 41  
having a general and uniform operation adopted by an agency under 42  
the authority of the laws governing the agency; any appendix to a 43  
rule; and any internal management rule. "Rule" does not include 44  
any guideline adopted pursuant to section 3301.0714 of the Revised 45  
Code, any order respecting the duties of employees, any finding, 46  
any determination of a question of law or fact in a matter 47  
presented to an agency, or any rule promulgated pursuant to 48  
Chapter 119., section 4141.14, division (C)(1) or (2) of section 49  
5117.02, or section 5703.14 of the Revised Code. "Rule" includes 50  
any amendment or rescission of a rule. 51

(2) "Agency" means any governmental entity of the state and 52  
includes, but is not limited to, any board, department, division, 53

commission, bureau, society, council, institution, state college 54  
or university, community college district, technical college 55  
district, or state community college. "Agency" does not include 56  
the general assembly, the controlling board, the adjutant 57  
general's department, or any court. 58

(3) "Internal management rule" means any rule, regulation, 59  
bylaw, or standard governing the day-to-day staff procedures and 60  
operations within an agency. 61

(4) "Substantive revision" has the same meaning as in 62  
division (J) of section 119.01 of the Revised Code. 63

(B)(1) Any rule, other than a rule of an emergency nature, 64  
adopted by any agency pursuant to this section shall be effective 65  
on the tenth day after the day on which the rule in final form and 66  
in compliance with division (B)(3) of this section is filed as 67  
follows: 68

(a) The rule shall be filed in electronic form with both the 69  
secretary of state and the director of the legislative service 70  
commission; 71

(b) The rule shall be filed in electronic form with the joint 72  
committee on agency rule review. Division (B)(1)(b) of this 73  
section does not apply to any rule to which division (D) of this 74  
section does not apply. 75

An agency that adopts or amends a rule that is subject to 76  
division (D) of this section shall assign a review date to the 77  
rule that is not later than five years after its effective date. 78  
If no review date is assigned to a rule, or if a review date 79  
assigned to a rule exceeds the five-year maximum, the review date 80  
for the rule is five years after its effective date. A rule with a 81  
review date is subject to review under section 119.032 of the 82  
Revised Code. This paragraph does not apply to a rule of a state 83  
college or university, community college district, technical 84

college district, or state community college.

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If all filings are not completed on the same day, the rule shall be effective on the tenth day after the day on which the latest filing is completed. If an agency in adopting a rule designates an effective date that is later than the effective date provided for by division (B)(1) of this section, the rule if filed as required by such division shall become effective on the later date designated by the agency.

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Any rule that is required to be filed under division (B)(1) of this section is also subject to division (D) of this section if not exempted by division (D)(1), (2), (3), (4), (5), (6), (7), or (8) of this section.

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If a rule incorporates a text or other material by reference, the agency shall comply with sections 121.71 to 121.76 of the Revised Code.

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(2) A rule of an emergency nature necessary for the immediate preservation of the public peace, health, or safety shall state the reasons for the necessity. The emergency rule, in final form and in compliance with division (B)(3) of this section, shall be filed in electronic form with the secretary of state, the director of the legislative service commission, and the joint committee on agency rule review. The emergency rule is effective immediately upon completion of the latest filing, except that if the agency in adopting the emergency rule designates an effective date, or date and time of day, that is later than the effective date and time provided for by division (B)(2) of this section, the emergency rule if filed as required by such division shall become effective at the later date, or later date and time of day, designated by the agency.

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An emergency rule becomes invalid at the end of the ninetieth day it is in effect. Prior to that date, the agency may file the

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emergency rule as a nonemergency rule in compliance with division 116  
(B)(1) of this section. The agency may not refile the emergency 117  
rule in compliance with division (B)(2) of this section so that, 118  
upon the emergency rule becoming invalid under such division, the 119  
emergency rule will continue in effect without interruption for 120  
another ninety-day period. 121

(3) An agency shall file a rule under division (B)(1) or (2) 122  
of this section in compliance with the following standards and 123  
procedures: 124

(a) The rule shall be numbered in accordance with the 125  
numbering system devised by the director for the Ohio 126  
administrative code. 127

(b) The rule shall be prepared and submitted in compliance 128  
with the rules of the legislative service commission. 129

(c) The rule shall clearly state the date on which it is to 130  
be effective and the date on which it will expire, if known. 131

(d) Each rule that amends or rescinds another rule shall 132  
clearly refer to the rule that is amended or rescinded. Each 133  
amendment shall fully restate the rule as amended. 134

If the director of the legislative service commission or the 135  
director's designee gives an agency notice pursuant to section 136  
103.05 of the Revised Code that a rule filed by the agency is not 137  
in compliance with the rules of the legislative service 138  
commission, the agency shall within thirty days after receipt of 139  
the notice conform the rule to the rules of the commission as 140  
directed in the notice. 141

(C) All rules filed pursuant to divisions (B)(1)(a) and (2) 142  
of this section shall be recorded by the secretary of state and 143  
the director under the title of the agency adopting the rule and 144  
shall be numbered according to the numbering system devised by the 145

director. The secretary of state and the director shall preserve 146  
the rules in an accessible manner. Each ~~such~~ rule shall be a 147  
public record open to public inspection and may be transmitted to 148  
any law publishing company that wishes to reproduce it. 149

(D) At least sixty-five days before a board, commission, 150  
department, division, or bureau of the government of the state 151  
files a rule under division (B)(1) of this section, it shall file 152  
the full text of the proposed rule in electronic form with the 153  
joint committee on agency rule review, and the proposed rule is 154  
subject to legislative review and invalidation under division (I) 155  
of section 119.03 of the Revised Code. If a state board, 156  
commission, department, division, or bureau makes a substantive 157  
revision in a proposed rule after it is filed with the joint 158  
committee, the state board, commission, department, division, or 159  
bureau shall promptly file the full text of the proposed rule in 160  
its revised form in electronic form with the joint committee. The 161  
latest version of a proposed rule as filed with the joint 162  
committee supersedes each earlier version of the text of the same 163  
proposed rule. Except as provided in division (F) of this section, 164  
a state board, commission, department, division, or bureau shall 165  
also file the rule summary and fiscal analysis prepared under 166  
section 121.24 or 127.18 of the Revised Code, or both, in 167  
electronic form along with a proposed rule, and along with a 168  
proposed rule in revised form, that is filed under this division. 169

As used in this division, "commission" includes the public 170  
utilities commission when adopting rules under a federal or state 171  
statute. 172

This division does not apply to any of the following: 173

(1) A proposed rule of an emergency nature; 174

(2) A rule proposed under section 1121.05, 1121.06, 1155.18, 175  
1163.22, 1349.33, 1707.201, 1733.412, 4123.29, 4123.34, 4123.341, 176

4123.342, 4123.40, 4123.411, 4123.44, or 4123.442 of the Revised Code;	177 178
(3) A rule proposed by an agency other than a board, commission, department, division, or bureau of the government of the state;	179 180 181
(4) A proposed internal management rule of a board, commission, department, division, or bureau of the government of the state;	182 183 184
(5) Any proposed rule that must be adopted verbatim by an agency pursuant to federal law or rule, to become effective within sixty days of adoption, in order to continue the operation of a federally reimbursed program in this state, so long as the proposed rule contains both of the following:	185 186 187 188 189
(a) A statement that it is proposed for the purpose of complying with a federal law or rule;	190 191
(b) A citation to the federal law or rule that requires verbatim compliance.	192 193
(6) An initial rule proposed by the director of health to impose safety standards, quality-of-care standards, and quality-of-care data reporting requirements with respect to a health service specified in section 3702.11 of the Revised Code, or an initial rule proposed by the director to impose quality standards on a facility listed in division (A)(4) of section 3702.30 of the Revised Code, if section 3702.12 of the Revised Code requires that the rule be adopted under this section;	194 195 196 197 198 199 200 201
(7) A rule of the state lottery commission pertaining to instant game rules.	202 203
If a rule is exempt from legislative review under division (D)(5) of this section, and if the federal law or rule pursuant to which the rule was adopted expires, is repealed or rescinded, or	204 205 206

otherwise terminates, the rule is thereafter subject to 207  
legislative review under division (D) of this section. 208

(E) Whenever a state board, commission, department, division, 209  
or bureau files a proposed rule or a proposed rule in revised form 210  
under division (D) of this section, it shall also file the full 211  
text of the same proposed rule or proposed rule in revised form in 212  
electronic form with the secretary of state and the director of 213  
the legislative service commission. Except as provided in division 214  
(F) of this section, a state board, commission, department, 215  
division, or bureau shall file the rule summary and fiscal 216  
analysis prepared under section 121.24 or 127.18 of the Revised 217  
Code, or both, in electronic form along with a proposed rule or 218  
proposed rule in revised form that is filed with the secretary of 219  
state or the director of the legislative service commission. 220

(F) Except as otherwise provided in this division, the 221  
auditor of state or the auditor of state's designee is not 222  
required to file a rule summary and fiscal analysis along with a 223  
proposed rule, or proposed rule in revised form, that the auditor 224  
of state proposes under section 117.12, 117.19, 117.38, or 117.43 225  
of the Revised Code and files under division (D) or (E) of this 226  
section. If, however, the auditor of state or the designee 227  
prepares a rule summary and fiscal analysis of the original 228  
version of such a proposed rule for purposes of complying with 229  
section 121.24 of the Revised Code, the auditor of state or 230  
designee shall file the rule summary and fiscal analysis in 231  
electronic form along with the original version of the proposed 232  
rule filed under division (D) or (E) of this section. 233

**Sec. 121.07.** (A) Except as otherwise provided in this 234  
division, the officers mentioned in sections 121.04 and 121.05 of 235  
the Revised Code and the offices and divisions they administer 236  
shall be under the direction, supervision, and control of the 237

directors of their respective departments, and shall perform such 238  
duties as the directors prescribe. In performing or exercising any 239  
of the examination or regulatory functions, powers, or duties 240  
vested by Title XI, Chapters 1733. and 1761., and sections 1315.01 241  
to ~~1315.11~~ 1315.18 of the Revised Code in the superintendent of 242  
financial institutions, the superintendent of financial 243  
institutions and the division of financial institutions are 244  
independent of and are not subject to the control of the 245  
department or the director of commerce. 246

(B) With the approval of the governor, the director of each 247  
department shall establish divisions within the department, and 248  
distribute the work of the department among such divisions. Each 249  
officer created by section 121.04 of the Revised Code shall be the 250  
head of such a division. 251

With the approval of the governor, the director of each 252  
department may consolidate any two or more of the offices created 253  
in the department by section 121.04 of the Revised Code, or reduce 254  
the number of or create new divisions therein. 255

The director of each department may prescribe rules for the 256  
government of the department, the conduct of its employees, the 257  
performance of its business, and the custody, use, and 258  
preservation of the records, papers, books, documents, and 259  
property pertaining thereto. 260

**Sec. 1101.15.** (A)(1) Except as provided in division (A)(2) of 261  
this section, no person other than a bank doing business under 262  
authority granted by the superintendent of financial institutions, 263  
the bank chartering authority of another state, the office of the 264  
comptroller of the currency, or the bank chartering authority of a 265  
foreign country shall do either of the following: 266

(a) Use "bank," "banker," or "banking," or a word or words of 267  
similar meaning in any other language, in a designation or name, 268

or as any part of a designation or name, under which business is 269  
or may be conducted in this state; 270

(b) Represent itself as a bank. 271

(2)(a) A corporation doing business under Chapter 1151. of 272  
the Revised Code may use the word "bank," "banker," or "banking," 273  
or a word or words of similar meaning in any other language, in or 274  
as part of a designation or name under which business is or may be 275  
conducted in this state, as provided in section 1151.07 of the 276  
Revised Code. 277

(b) A corporation doing business under Chapter 1161. of the 278  
Revised Code may use the word "bank," "banker," or "banking," or a 279  
word or words of similar meaning in any other language, in or as 280  
part of a designation or name under which business is or may be 281  
conducted in this state, as provided in section 1161.09 of the 282  
Revised Code. 283

(c) A corporation doing business under authority granted by 284  
the office of thrift supervision may use the word "bank," 285  
"banker," or "banking," or a word or words of similar meaning in 286  
any other language, in or as part of a designation or name under 287  
which business is or may be conducted in this state. 288

(d) A person, whether operating for profit or not, may use 289  
the word "bank," "banker," or "banking," or a word or words of 290  
similar meaning in any other language, in or as part of a 291  
designation or name under which business is or may be conducted if 292  
the superintendent determines the name, on its face, is not likely 293  
to mislead the public and authorizes the use of the name. 294

(B)(1) Except as provided in division (B)(2) of this section, 295  
no person, other than a corporation licensed in accordance with 296  
authority granted in Chapter 1111. of the Revised Code as a trust 297  
company, ~~a savings and loan association licensed under section~~ 298  
~~1151.348 of the Revised Code to serve as a fiduciary,~~ a national 299

bank with trust powers, or a federal savings association with 300  
trust powers, shall do either of the following: 301

(a) Use the word "trust," or a word or words of similar 302  
meaning in any other language, in a designation or name, or as any 303  
part of a designation or name, under which business is or may be 304  
conducted in this state; 305

(b) Otherwise represent itself as a fiduciary or trust 306  
company. 307

(2)(a) A person that is not required to be licensed under 308  
Chapter 1111. of the Revised Code may serve as a fiduciary and, 309  
when acting in that fiduciary capacity, otherwise represent such 310  
person as a fiduciary. 311

(b) A person licensed by another state to serve as a 312  
fiduciary and exempt from licensure under Chapter 1111. of the 313  
Revised Code may serve as a fiduciary to the extent permitted by 314  
the exemption. 315

(c) A savings and loan association may serve as a trustee to 316  
the extent authorized by section 1151.191 of the Revised Code. 317

(d) A savings bank may serve as a trustee to the extent 318  
authorized by section 1161.24 of the Revised Code. 319

(e) A charitable trust, business trust, real estate 320  
investment trust, personal trust, or other bona fide trust may use 321  
the word "trust" or a word or words of similar meaning in any 322  
other language, in a designation or name, or as part of a 323  
designation or name, under which business is or may be conducted. 324

(f) A person, whether operating for profit or not, may use 325  
"trust" or a word or words of similar meaning in any other 326  
language, in a designation or name, or as part of a designation or 327  
name, under which business is or may be conducted, if the 328  
superintendent determines the name, on its face, is not likely to 329

mislead the public and authorizes the use of the name. 330

(C) No bank shall use "state" as part of a designation or 331  
name under which it transacts business in this state, unless the 332  
bank is doing business under authority granted by the 333  
superintendent or the bank chartering authority of another state. 334

**Sec. 1109.15.** (A)(1) Subject to the restrictions and 335  
limitations of the Revised Code, a bank may do any of the 336  
following: 337

(a) Loan money, with or without security, and payable on 338  
demand, at maturity, in installments, or by any combination of 339  
these; 340

(b) Issue, advise, and confirm letters of credit authorizing 341  
the beneficiaries of the letters to draw upon the bank or its 342  
correspondents; 343

(c) Purchase open accounts, whether or not the accounts 344  
represent an evidence of debt. 345

(2) Subject to the margin requirements the superintendent of 346  
financial institutions may prescribe by rule, a bank may make 347  
loans secured by stocks, bonds, or other securities. 348

(3) Subject to any restrictions or requirements established 349  
by the superintendent, in connection with any loan or extension of 350  
credit, a bank may enter into a debt suspension or debt 351  
cancellation contract with the borrower or borrowers. 352

(B) Subject to sections 1109.22, 1109.32, and 1109.47 of the 353  
Revised Code and any rules the superintendent ~~may adopt~~ 354  
prescribes, a bank may purchase obligations of any kind with or 355  
without recourse. 356

(C) A bank may acquire personal property for lease to others, 357  
if the transaction, as a whole, has the character of an extension 358

of credit. 359

(D) Unless otherwise expressly agreed in writing, the 360  
relationship between a bank and its obligor, with respect to any 361  
extension of credit, is that of a creditor and debtor, and creates 362  
no fiduciary or other relationship between the parties. 363

**Sec. 1109.43.** (A) For purposes of this section: 364

(1) "Bankers' bank" means a bank organized to engage 365  
exclusively in providing services to other depository institutions 366  
and depository institution holding companies and their officers, 367  
directors, and employees. 368

(2) "Bankers' bank holding company" means a corporation that 369  
owns or controls, directly or indirectly, a majority of the shares 370  
of the capital stock of a bankers' bank, or controls in any manner 371  
the election of a majority of the directors of a bankers' bank. 372

(3) "Depository institution" means a bank, savings and loan 373  
association, savings bank, or credit union. 374

(B) A bank may invest, in the aggregate, up to ten per cent 375  
of its ~~stated~~ capital ~~and surplus~~ in shares of a bankers' bank or 376  
a bankers' bank holding company, or both. 377

(C)(1) The voting shares of a bankers' bank shall be owned by 378  
twenty or more depository institutions or depository institution 379  
holding companies, and no depository institution or depository 380  
institution holding company shall own, directly or indirectly, 381  
more than fifteen per cent of the voting shares of a bankers' 382  
bank. 383

(2) The voting shares of a bankers' bank shall be owned, 384  
directly or indirectly, exclusively by depository institutions, 385  
depository institution holding companies, and persons who hold the 386  
shares under, or initially acquired them through, a plan for the 387  
benefit of the bankers' bank's officers and employees. 388

(D) No bank or affiliate of a bank shall, directly,	389
indirectly, or acting through one or more other persons, own or	390
control or have the power to vote shares of any of the following:	391
(1) More than one bankers' bank;	392
(2) More than one bankers' bank holding company;	393
(3) Both a bankers' bank and a bankers' bank holding company,	394
unless the bankers' bank is an affiliate of that bankers' bank	395
holding company.	396
<b>Sec. 1111.02.</b> (A) Except as provided in divisions (B) and (C)	397
of this section, no person shall solicit or engage in trust	398
business in this state except a corporation that is one of the	399
following:	400
(1) A corporation licensed under section 1111.06 of the	401
Revised Code that is one of the following:	402
(a) A bank doing business under authority granted by the	403
superintendent of financial institutions;	404
(b) A bank authorized to accept and execute trusts and doing	405
business under authority granted by the bank chartering authority	406
of another state or country;	407
(c) A corporation organized under the laws of another state	408
or country and authorized to accept and execute trusts in that	409
state or country.	410
(2) A bank authorized to accept and execute trusts and doing	411
business under authority granted by the comptroller of the	412
currency;	413
(3) A savings association authorized to accept and execute	414
trusts and doing business under authority granted by the office of	415
thrift supervision;	416
(4) A savings and loan association <del>licensed under section</del>	417

<del>1151.348 of the Revised Code</del> <u>doing business under authority</u>	418
<u>granted by the superintendent of financial institutions;</u>	419
<u>(5) A savings bank doing business under authority granted by</u>	420
<u>the superintendent of financial institutions.</u>	421
(B) This chapter shall not apply to any of the following:	422
(1) A savings and loan association serving as a trustee to	423
the extent authorized by section 1151.191 of the Revised Code;	424
(2) A savings bank serving as a trustee to the extent	425
authorized by section 1161.24 of the Revised Code;	426
(3) A corporation that is incorporated under the laws of	427
another state or the United States, has its principal place of	428
business in another state, is currently qualified to do and is	429
engaging in trust business in the state where the corporation has	430
its principal place of business, and is doing any of the	431
following:	432
(a) Serving as ancillary executor or administrator of	433
property in this state that is in the estate of a decedent, after	434
appointment as executor or administrator of the estate by the	435
courts of the decedent's state of residence;	436
(b) As trustee, acquiring, holding, or transferring a	437
security interest in lands or other property in this state, by	438
mortgage, deed of trust, or other instrument, to secure any	439
evidence of indebtedness;	440
(c) Certifying to any evidence of indebtedness.	441
(C) The following persons shall not be subject to this	442
chapter until July 1, 1997:	443
(1) Any person, other than a person described in division (A)	444
or (B) of this section, that is serving as a fiduciary under a	445
trust instrument, will, or other document executed before July 1,	446
1997;	447

(2) Any person, other than a person described in division (A) 448  
or (B) of this section, that is named as a fiduciary in, or is 449  
nominated as a fiduciary under, a trust instrument, will, or other 450  
document executed before July 1, 1997. 451

**Sec. 1111.04.** (A) Prior to soliciting or engaging in trust 452  
business in this state, a trust company shall pledge to the 453  
treasurer of state interest bearing securities authorized in 454  
division (B) of this section, having a par value, not including 455  
unaccrued interest, of one hundred thousand dollars, and approved 456  
by the superintendent of financial institutions. The trust company 457  
may pledge the securities either by delivery to the treasurer of 458  
state or by placing the securities with a qualified trustee for 459  
safekeeping to the account of the treasurer of state, the 460  
corporate fiduciary, and any other person having an interest in 461  
the securities under Chapter 1109. of the Revised Code, as their 462  
respective interests may appear and be asserted by written notice 463  
to or demand upon the qualified trustee or by order of judgment of 464  
a court. 465

(B) Securities pledged by a trust company to satisfy the 466  
requirements of division (A) of this section shall be one or more 467  
of the following: 468

(1) Bonds, notes, or other obligations of or guaranteed by 469  
the United States or for which the full faith and credit of the 470  
United States is pledged for the payment of principal and 471  
interest; 472

(2) Bonds, notes, debentures, or other obligations or 473  
securities issued by any agency or instrumentality of the United 474  
States; 475

(3) General obligations of this or any other state of the 476  
United States or any subdivision of this or any other state of the 477

United States.

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(C) The treasurer of state shall accept delivery of securities pursuant to this section when accompanied by the superintendent's approval of the securities or the written receipt of a qualified trustee describing the securities and showing the superintendent's approval of the securities, and shall issue a written acknowledgment of the delivery of the securities or the qualified trustee's receipt and the superintendent's approval to the trust company.

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(D) The superintendent shall approve securities to be pledged by a trust company pursuant to this section if the securities are all of the following:

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(1) Interest bearing and of the value required by division (A) of this section;

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(2) Of one or more of the kinds authorized by division (B) of this section and not a derivative of or merely an interest in any of those securities;

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(3) Not in default.

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(E) The treasurer of state shall, with the approval of the superintendent, permit a trust company to pledge securities in substitution for securities pledged pursuant to this section and the withdrawal of the securities substituted for so long as the securities remaining pledged satisfy the requirements of division (A) of this section. The treasurer of state shall permit a trust company to collect interest paid on securities pledged pursuant to this section so long as the trust company is solvent. The treasurer of state shall, with the approval of the superintendent, permit a trust company to withdraw securities pledged pursuant to this section when the trust company has ceased to solicit or engage in trust business in this state.

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(F) For purposes of this section, a qualified trustee is a federal reserve bank ~~located in this state~~, a ~~branch of a federal reserve home loan bank located in this state regardless of where the branch is located~~, a bank authorized to accept and execute trusts and doing business under authority granted by the comptroller of the currency, a savings association authorized to accept and execute trusts and doing business under authority granted by the office of thrift supervision, or a trust company as defined in section 1101.01 of the Revised Code, except that a bank doing business under authority granted by the comptroller of the currency, a savings association doing business under authority granted by the office of thrift supervision, or a trust company may not act as a qualified trustee for securities it or any of its affiliates is pledging pursuant to this section.

(G) The superintendent, with the approval of the treasurer of state and the attorney general, shall prescribe the form of all receipts and acknowledgments provided for by this section, and upon request shall furnish a copy of each form, with the superintendent's certification attached, to each qualified trustee eligible to hold securities for safekeeping under this section.

**Sec. 1111.06.** (A) Any person, other than a ~~savings and loan association eligible to be licensed under section 1151.348 of the Revised Code~~, a national bank with trust powers, or a federal savings association with trust powers, proposing to solicit or engage in trust business in this state shall apply to the superintendent of financial institutions to be licensed as a trust company. The superintendent shall approve or disapprove the application within sixty days after accepting it.

(B) In determining whether to approve or disapprove an application for a trust company license, the superintendent shall consider all of the following:

(1) Whether the applicant is a corporation described in	539
division (A)(1) of section 1111.02 of the Revised Code;	540
(2) Whether the applicant's articles of incorporation or	541
association authorize the applicant to serve as a trustee;	542
(3) If the applicant is not a bank doing business under	543
authority granted by the superintendent, whether the applicant is	544
currently qualified to do and is engaging in trust business in the	545
state or country under the laws of which the applicant is	546
organized;	547
(4) Whether the applicant satisfies the requirements of	548
section 1111.05 of the Revised Code;	549
(5) Whether it is reasonable to believe the applicant will	550
comply with applicable laws and observe sound fiduciary standards	551
in conducting trust business in this state;	552
(6) If the applicant is not a bank doing business under	553
authority granted by the superintendent, whether the applicant is	554
subject to comprehensive supervision and regulation of its	555
fiduciary activities by appropriate authorities of the state or	556
country under the laws of which the applicant is organized.	557
(C) In approving an application for a trust company license,	558
the superintendent may impose any condition the superintendent	559
determines to be appropriate.	560
(D) When an applicant has satisfied all prior conditions	561
imposed by the superintendent in approving the applicant's	562
application for a trust company license and has pledged securities	563
as required by section 1111.04 of the Revised Code, the	564
superintendent shall issue the applicant a trust company license.	565
A license issued pursuant to this section shall remain in force	566
and effect until surrendered by the licensee pursuant to section	567
1111.31 of the Revised Code or suspended or revoked by the	568

superintendent pursuant to section 1111.32 of the Revised Code.

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**Sec. 1111.07.** (A) A trust company's license to solicit or engage in trust business in this state is not transferable or assignable.

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(B) Subject to section 2109.28 of the Revised Code, if any trust company enters into a merger or consolidation in which the trust company is not the surviving corporation, or transfers all or substantially all of its assets and liabilities to another corporation, the resulting, surviving, or transferee corporation shall succeed the trust company as fiduciary as a matter of law and without necessity to do anything further, if the resulting, surviving, or transferee corporation is a trust company, a national bank authorized to accept and execute trusts and doing business under authority granted by the comptroller of the currency, or a federal savings association authorized to accept and execute trusts and doing business under authority granted by the office of thrift supervision, ~~or a savings and loan association licensed under section 1151.348 of the Revised Code.~~ If the trust company is not the surviving corporation of a merger, enters a consolidation, or after transferring substantially all of its assets and liabilities ceases to solicit or engage in trust business in this state, the trust company shall surrender its trust company license in accordance with section 1111.31 of the Revised Code.

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**Sec. 1111.08.** (A) A trust company, a national bank authorized to accept and execute trusts and doing business under authority granted by the comptroller of the currency, or a federal savings association authorized to accept and execute trusts and doing business under authority granted by the office of thrift supervision may transfer all or part of its trust business in this

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state to another trust company, to a national bank authorized to 599  
accept and execute trusts and doing business under authority 600  
granted by the comptroller of the currency, or to a federal 601  
savings association authorized to accept and execute trusts and 602  
doing business under authority granted by the office of thrift 603  
supervision, if all of the following have occurred: 604

(1) Not less than sixty days before consummation of the 605  
transfer, either the transferor or transferee, or both, for each 606  
fiduciary account or relationship to be transferred, has given 607  
written notice, by regular mail to the most recent address shown 608  
on the records of the transferor, to all of the following that 609  
apply: 610

(a) Each court having jurisdiction over the fiduciary account 611  
or relationship; 612

(b) Each cofiduciary of the fiduciary account or 613  
relationship; 614

(c) Each surviving settlor of the trust; 615

(d) Each person that, alone or in conjunction with others, 616  
has the power to remove the trust company as fiduciary or appoint 617  
a successor fiduciary; 618

(e) Except in the case of a trust described in section 401(a) 619  
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 620  
U.S.C.A. 401(a), as amended, each adult beneficiary currently 621  
receiving or entitled as a matter of right to receive a 622  
distribution of principal or income from the trust, estate, or 623  
fund; 624

(f) In the case of a trust described in section 401(a) of the 625  
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 626  
401(a), as amended, the employer or employee organization, or 627  
both, responsible for the maintenance of the trust. 628

(2) The transferor has filed a certified copy of the agreement for the sale with the superintendent of financial institutions.

(B)(1) The transfer of a fiduciary account or relationship pursuant to division (A) of this section results in the transferee being substituted for the transferor as fiduciary as a matter of law and without necessity to do anything further.

(2) The transfer of a fiduciary account or relationship pursuant to division (A) of this section does neither of the following:

(a) Impair the right of any person that, alone or in conjunction with others, has the power to remove a fiduciary or appoint a successor fiduciary;

(b) Absolve or discharge a transferor from any liability arising out of its breach of any fiduciary duty or obligation to the account prior to the transfer.

**Sec. 1121.30.** (A) All assessments, fees, charges, and forfeitures provided for in Chapters 1101. to 1127. and sections ~~1315.02, 1315.10, and 1315.16~~ 1315.01 to 1315.18 of the Revised Code, except civil penalties assessed pursuant to section 1121.35 or 1315.152 of the Revised Code, shall be paid to the superintendent of financial institutions, and the superintendent shall deposit them into the state treasury to the credit of the banks fund, which is hereby created.

(B) The superintendent may expend or obligate the banks fund to defray the costs of the division of financial institutions in administering Chapters 1101. to 1127. and sections 1315.01 to ~~1315.11 and 1315.16~~ to 1315.18 of the Revised Code. The superintendent shall pay from the fund all actual and necessary expenses incurred by the superintendent, including for any

services rendered by the department of commerce for the division's 659  
administration of Chapters 1101. to 1127. and sections 1315.01 to 660  
~~1315.11 and 1315.16~~ to 1315.18 of the Revised Code. The fund shall 661  
be assessed a proportionate share of the administrative costs of 662  
the department and the division of financial institutions. The 663  
proportionate share of the administration costs of the division of 664  
financial institutions shall be determined in accordance with 665  
procedures prescribed by the superintendent and approved by the 666  
director of budget and management. The amount assessed for the 667  
fund's proportional share of the department's administrative costs 668  
and the division's administrative costs shall be paid from the 669  
banks fund to the division of administration fund and the division 670  
of financial institutions fund respectively. 671

(C) Any money deposited into the state treasury to the credit 672  
of the banks fund, but not expended or encumbered by the 673  
superintendent to defray the costs of administering Chapters 1101. 674  
to 1127. and sections 1315.01 to ~~1315.11 and 1315.16~~ to 1315.18 of 675  
the Revised Code, shall remain in the banks fund for expenditures 676  
by the superintendent in subsequent years. 677

**Sec. 1151.14.** (A) The board of directors of every savings and 678  
loan association shall hold a regular meeting, at least once in 679  
each month, at a day and hour fixed by resolution of the board. 680  
Written notice of every special meeting of the board shall be 681  
given to each director unless the notice is waived. When any 682  
regular or special meeting is adjourned, notice of the adjourned 683  
meeting and of the business to be transacted at ~~such~~ the adjourned 684  
meeting shall be given. A complete record of the board's 685  
proceedings shall be kept in a minute book. The vote of each 686  
director upon each question shall be recorded in the minutes. 687

(B) A savings and loan association's constitution may 688  
authorize the board of directors to do both of the following: 689

(1) Create an executive committee or any other committee of the board of directors, each consisting of at least three directors; 690  
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(2) Delegate to an executive committee or other committee of the board of directors described in division (B)(1) of this section, any authority of the board of directors, however conferred, other than the authority to fill vacancies on the board of directors or to fill vacancies on a committee of the board of directors. 693  
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(C) All of the following apply to any executive committee or other committee described in division (B) of this section: 699  
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(1) The board of directors may appoint one or more of the directors as alternate members of a committee of the board of directors to take the place of any absent member at any meeting of the committee of the board of directors. 701  
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(2) Each committee of the board of directors serves at the pleasure of the board of directors, acts only in intervals between meetings of the board of directors, and is subject to the control and direction of the board of directors. 705  
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(3) Unless otherwise provided in the constitution or ordered by the board of directors, a committee of the board of directors may act by a majority of its members at a meeting or by a writing or writings signed by all of its members. 709  
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(4) An act or authorization of an act by a committee of the board of directors that is within the authority delegated to the committee is as effective for all purposes as an act or authorization of an act done by the board of directors. 713  
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**Sec. 1151.321.** ~~A building~~ (A) Except as provided in division (B) of this section, a savings and loan association may cancel loans mentioned in sections 1151.29 to 1151.32, inclusive, of the 717  
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Revised Code, and release the securities for them on such terms as 720  
its board of directors provides. 721

(B) Subject to any restrictions or requirements established 722  
by the superintendent of savings and loan associations, in 723  
connection with any loan or extension of credit, an association 724  
may enter into a debt suspension or debt cancellation contract 725  
with the borrower or borrowers. 726

Sec. 1151.348. (A) A savings and loan association authorized 727  
to do business by the division of financial institutions pursuant 728  
to Chapters 1151. to 1157. of the Revised Code may engage in trust 729  
business after obtaining a license under section 1111.06 of the 730  
Revised Code. 731

(B) Except as provided in division (C) of this section, a 732  
savings and loan association that is licensed under section 733  
1111.06 of the Revised Code is a trust company as defined in 734  
division (S) of section 1101.01 of the Revised Code for purposes 735  
of Chapter 1111. of the Revised Code and of all laws applicable to 736  
a trust company. 737

(C) The division shall supervise any savings and loan 738  
association licensed as a trust company under Chapter 1111. of the 739  
Revised Code pursuant to Chapters 1151. to 1157. of the Revised 740  
Code, except that the division may apply provisions in Chapter 741  
1111. of the Revised Code in the case of a voluntary or forced 742  
liquidation of a savings and loan association's trust business. 743

Sec. 1161.18. (A) The board of directors of every savings 744  
bank shall hold a regular meeting, at least once each month, at a 745  
day and hour fixed by resolution of the board. Written notice of 746  
every special meeting of the board shall be given to each director 747  
unless the notice is waived. When any regular or special meeting 748  
is adjourned, notice of the adjourned meeting and of the business 749

to be transacted at the adjourned meeting shall be given. A 750  
complete record of the board's proceedings shall be kept in a 751  
minute book. The vote of each director upon each question shall be 752  
recorded in the minutes. 753

(B) A savings bank's constitution may authorize the board of 754  
directors to do both of the following: 755

(1) Create an executive committee or any other committee of 756  
the board of directors, each consisting of at least three 757  
directors; 758

(2) Delegate to an executive committee or other committee of 759  
the board of directors described in division (B)(1) of this 760  
section, any authority of the board of directors, however 761  
conferred, other than the authority to fill vacancies on the board 762  
of directors or to fill vacancies on a committee of the board of 763  
directors. 764

(C) All of the following apply to any executive committee or 765  
other committee described in division (B) of this section: 766

(1) The board of directors may appoint one or more of the 767  
directors as alternate members of a committee of the board of 768  
directors to take the place of any absent member at any meeting of 769  
the committee of the board of directors. 770

(2) Each committee of the board of directors serves at the 771  
pleasure of the board of directors, acts only in intervals between 772  
meetings of the board of directors, and is subject to the control 773  
and direction of the board of directors. 774

(3) Unless otherwise provided in the constitution or ordered 775  
by the board of directors, a committee of the board of directors 776  
may act by a majority of its members at a meeting or by a writing 777  
or writings signed by all of its members. 778

(4) An act or authorization of an act by a committee of the 779

board of directors that is within the authority delegated to the 780  
committee is as effective for all purposes as an act or 781  
authorization of an act done by the board of directors. 782

**Sec. 1161.51. A** (A) Except as provided in division (B) of 783  
this section, a savings bank may cancel loans mentioned in 784  
sections 1161.36 to 1161.50 of the Revised Code, and release the 785  
securities for them on such terms as its board of directors 786  
provides. 787

(B) Subject to any restrictions or requirements established 788  
by the superintendent of savings banks, in connection with any 789  
loan or extension of credit, a savings bank may enter into a debt 790  
suspension or debt cancellation contract with the borrower or 791  
borrowers. 792

**Sec. 1161.601. (A)** A savings bank authorized to do business 793  
by the division of financial institutions pursuant to Chapters 794  
1161. to 1165. of the Revised Code may engage in trust business 795  
after obtaining a license under section 1111.06 of the Revised 796  
Code. 797

(B) Except as provided in division (C) of this section, a 798  
savings bank that is licensed under section 1111.06 of the Revised 799  
Code is a trust company as defined in division (S) of section 800  
1101.01 of the Revised Code for purposes of Chapter 1111. of the 801  
Revised Code and of all laws applicable to a trust company. 802

(C) The division shall supervise any savings bank licensed as 803  
a trust company under Chapter 1111. of the Revised Code pursuant 804  
to Chapters 1161. to 1165. of the Revised Code, except that the 805  
division may apply provisions in Chapter 1111. of the Revised Code 806  
in the case of a voluntary or forced liquidation of a savings 807  
bank's trust business. 808

**Sec. 1181.25.** The superintendent of financial institutions 809  
may introduce into evidence or disclose, or authorize to be 810  
introduced into evidence or disclosed, information that, under 811  
sections 1121.18, 1155.16, 1163.20, 1315.122, 1321.09, 1321.55, 812  
1321.76, 1322.06, 1322.061, 1733.32, 1733.327, and 4727.18 of the 813  
Revised Code, is privileged, confidential, or otherwise not public 814  
information or a public record, provided that the superintendent 815  
acts only as provided in those sections or in the following 816  
circumstances: 817

(A) When in the opinion of the superintendent, it is 818  
appropriate with regard to any enforcement actions taken and 819  
decisions made by the superintendent under Chapters 1315., 1321., 820  
1322., 1733., 4712., 4727., and 4728. of the Revised Code or Title 821  
XI of the Revised Code; 822

(B) When litigation has been initiated by the superintendent 823  
in furtherance of the powers, duties, and obligations imposed upon 824  
the superintendent by Chapters 1315., 1321., 1322., 1733., 4712., 825  
4727., and 4728. of the Revised Code or Title XI of the Revised 826  
Code; 827

(C) When in the opinion of the superintendent, it is 828  
appropriate with regard to enforcement actions taken or decisions 829  
made by other financial institution regulatory authorities to whom 830  
the superintendent has provided the information pursuant to 831  
authority in Chapters 1315., 1321., 1322., 1733., 4712., 4727., 832  
and 4728. of the Revised Code or Title XI of the Revised Code. 833

**Sec. 1315.01.** Except when the context otherwise requires, as 834  
used in sections 1315.01 to 1315.18 of the Revised Code: 835

(A) "Authorized delegate" means a person designated by a 836  
licensee under section 1315.11 of the Revised Code to receive, 837  
directly or indirectly, money or its equivalent for transmission 838

by the licensee.

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(B) "Control" means the power, directly or indirectly, to direct the management and policies of a licensee or the ownership, control of, or power to vote twenty-five per cent or more of any class of the outstanding voting securities of a controlling person. For purposes of determining the percentage of a licensee controlled by any person, the person's interest shall be aggregated with the interest of any other person controlled by the person or by any spouse, parent, or child of the person.

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(C) "Controlling person" means any person that controls a licensee.

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(D) "Executive officer" means the licensee's president, treasurer, secretary, each senior officer responsible for the licensee's business, and any other person that performs similar functions.

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(E) "Licensee" means a person licensed under sections 1315.01 to 1315.18 of the Revised Code to receive, directly or indirectly, for transmission, money or its equivalent from persons located in this state.

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(F) "Outstandings" means the total of all moneys received for transmission that are not yet delivered, paid, or accessed.

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(G) "Transmit money" means to receive, directly or indirectly and by any means, money or its equivalent from a person and to deliver, pay, or make accessible, by any means, method, manner, or device, whether or not a payment instrument is used, the money received or its equivalent to the same or another person, at the same or another time, and at the same or another place.

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**Sec. 1315.02.** (A) No person, regardless of the location of that person, its facilities, or its agents, shall receive, directly or indirectly and by any means, money or its equivalent

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for transmission from a person located in this state, unless that 869  
person receiving the money or its equivalent for transmission is a 870  
licensee, an authorized delegate of a licensee that is not itself 871  
required to be licensed under division (B) of this section, or is 872  
one of the following: 873

(1) The United States or any department, agency, or 874  
instrumentality of the United States; 875

(2) The United States postal service; 876

(3) A state of the United States or any political subdivision 877  
of a state of the United States; 878

(4) A bank, credit union, savings and loan association, 879  
savings association, or savings bank organized under the laws of 880  
the United States or any state of the United States or doing 881  
business under a license granted under Chapter 1119. of the 882  
Revised Code; 883

(5) A contractor providing electronic transfer of government 884  
benefits on behalf of the United States or any department, agency, 885  
or instrumentality of the United States or on behalf of any state 886  
or any political subdivision of the United States; 887

(6) A person the only money transmitter activity of which is 888  
to deliver payroll money on behalf of employers to employees by 889  
check or deposit in a checking or savings account at a bank, 890  
savings bank, savings and loan association, savings association, 891  
or credit union; 892

(7) A person the only money transmitter activity of which is 893  
to accept prepayment for future purchases of that person's goods 894  
or services that are other than money transmitter services; 895

(8) A person, the regulation of money transmitter activities 896  
under sections 1315.01 to 1315.18 of the Revised Code of which, 897  
the superintendent of financial institutions determines would not 898

serve the intended purposes of the regulation. 899

(B) No authorized delegate of a licensee also shall do 900  
accounting, verification, or reconciliation of transmissions 901  
completed or bank statements for a licensee, unless the authorized 902  
delegate also is a licensee. 903

**Sec. 1315.03.** (A) Each application for a money transmitter 904  
license shall be in the form prescribed by the superintendent of 905  
financial institutions and accompanied by an application fee 906  
established in section 1315.13 of the Revised Code. 907

(B)(1) The superintendent shall approve or deny every 908  
application for a license under this section within one hundred 909  
eighty days after the date that the superintendent accepts the 910  
application as complete, unless the applicant has, by written 911  
consent, agreed to a longer time for the superintendent to make a 912  
determination on the application. 913

(2) Subject to division (D) of this section, an application 914  
is not complete and the superintendent shall not accept it for 915  
processing until the applicant pays the application fee described 916  
in division (A) of this section. The time described in division 917  
(B)(1) of this section in which the superintendent must make a 918  
determination on an application does not begin until the 919  
superintendent has determined that the application is complete and 920  
has accepted it for processing. 921

(3) A determination by the superintendent that an application 922  
is complete and is accepted for processing means only that the 923  
application, on its face, appears to include all of the items and 924  
to address all of the matters that are required, and is not an 925  
assessment of the substance of the application or of the 926  
sufficiency of the information provided. 927

(C)(1) The superintendent may grant confidential treatment 928

for information in or related to an application described in 929  
division (A) of this section, if confidential treatment is 930  
requested by the applicant in compliance with division (C)(2) of 931  
this section and any of the following applies: 932

(a) The information is of a commercial or financial nature, 933  
disclosure of which likely would result in substantial harm to the 934  
competitive position of the applicant or its affiliates or to any 935  
party to the transaction or its affiliates. 936

(b) The information is of a personal, medical, financial, or 937  
similar nature, disclosure of which would result in a clearly 938  
unwarranted invasion of personal privacy. 939

(c) The information is contained in, related to, or derived 940  
from examinations, operating or condition reports, agreements, 941  
orders, or actions prepared by, on behalf of, or for the use of a 942  
governmental agency or authority. 943

(d) The information has been filed with a governmental agency 944  
or authority and has not been approved for disclosure by that 945  
agency or authority. 946

(e) The information specifically is excepted from disclosure 947  
by statute. 948

(2)(a) An applicant requesting confidential treatment under 949  
division (C) of this section shall do so in writing at the time 950  
that the application containing the information, or additional 951  
information related to an application, is submitted. 952

(b) The request described in division (C)(2)(a) of this 953  
section separately shall address each item of information for 954  
which confidential treatment is requested, explaining the 955  
applicability of the asserted justification for confidential 956  
treatment and either specifically demonstrating the harm that 957  
would result from public disclosure of the item of information or 958

setting forth the reason that the applicant cannot authorize 959  
public disclosure of the item of information. 960

(c) The applicant separately shall bind and identify all 961  
items of information for which confidential treatment is requested 962  
under division (C) of this section and shall make specific 963  
reference to those items in the remainder of the application or 964  
additional information related to the application. 965

(3)(a) The superintendent shall review a request for 966  
confidential treatment under division (C) of this section and 967  
provide the applicant with written notice of the superintendent's 968  
decision on granting confidential treatment for each item of 969  
information for which it is requested. 970

(b) If the superintendent's decision provided pursuant to 971  
division (C)(3)(a) of this section is not to grant confidential 972  
treatment to an item of information, the applicant may withdraw 973  
the item of information by written notice within ten days after 974  
the applicant's receipt of the superintendent's decision. If the 975  
applicant fails to withdraw the item of information within the 976  
ten-day period, the applicant is deemed to have waived the right 977  
to withdraw, and the item of information is a part of the 978  
application available to the public. 979

(4)(a) An item of information submitted with a request for 980  
confidential treatment under division (C) of this section is not 981  
deemed filed with the superintendent until the superintendent 982  
grants confidential treatment or the applicant is deemed to have 983  
waived the right to withdraw the item of information. 984

(b) Until the item of information submitted with a request 985  
for confidential treatment is filed in accordance with division 986  
(C)(4)(a) of this section, no person shall copy or inspect the 987  
item of information or anything derived from the item of 988  
information, except as necessary to assist the superintendent in 989

deciding whether to grant confidential treatment to the item of 990  
information in accordance with division (C) of this section. 991

(5) When an item of information is filed following the 992  
superintendent's decision to grant it confidential treatment 993  
pursuant to division (C)(3)(a) of this section, the item of 994  
information is not a public record as defined in section 149.43 of 995  
the Revised Code and only the superintendent shall use it in 996  
connection with the performance of the duties and exercise of the 997  
powers of the superintendent. Without prior notice to the 998  
applicant, the superintendent may disclose or comment on any of 999  
the contents of the application in an order, statement, or opinion 1000  
issued by the superintendent in connection with a decision on the 1001  
application. 1002

(D) Division (B)(2) of this section does not prohibit either 1003  
of the following: 1004

(1) The superintendent denying an application described in 1005  
division (A) of this section prior to the superintendent's 1006  
acceptance of the application for processing, on the basis that 1007  
the applicant failed to include all of the items and address all 1008  
of the issues required for the application, if both of the 1009  
following apply: 1010

(a) The superintendent advised the applicant that the 1011  
application was incomplete. 1012

(b) After being advised by the superintendent pursuant to 1013  
division (D)(1)(a) of this section that the application was 1014  
incomplete, the applicant did not, within a reasonable period of 1015  
time, complete the application. 1016

(2) The superintendent denying an application described in 1017  
division (A) of this section on the basis that the applicant 1018  
failed to provide the information necessary for the superintendent 1019  
to consider the application adequately after the superintendent's 1020

acceptance of the application for processing, if both of the 1021  
following apply: 1022

(a) After beginning to process the application, the 1023  
superintendent determined and advised the applicant additional 1024  
information was necessary to consider the application adequately. 1025

(b) After the superintendent advised the applicant pursuant 1026  
to division (D)(2)(a) of this section that additional information 1027  
was necessary to consider the application adequately, the 1028  
applicant did not, within a reasonable period of time, provide 1029  
that information. 1030

**Sec. 1315.04.** (A)(1) After accepting an application for a 1031  
money transmitter license described in section 1315.03 of the 1032  
Revised Code, the superintendent of financial institutions shall 1033  
examine all the facts and circumstances relating to the 1034  
application. 1035

(2) At the applicant's expense, the superintendent may 1036  
conduct an on-site examination of the applicant's books, records, 1037  
and operations. If the superintendent requests, the applicant 1038  
shall advance to the superintendent the superintendent's estimate 1039  
of the cost of the on-site examination, with any unconsumed 1040  
portion to be returned to the applicant. 1041

(3) The applicant shall pay the cost of its examination 1042  
described in division (A) of this section, or any balance of the 1043  
cost of its examination in the case of an applicant that advanced 1044  
the estimated cost of its examination, within fourteen days after 1045  
receiving an invoice for payment. 1046

(B) In making a determination on an application described in 1047  
division (A)(1) of this section, the superintendent shall consider 1048  
all of the following: 1049

(1) The applicant's financial condition; 1050

(2) The applicant's business practices; 1051

(3) The applicant's and its directors', executive officers', and controlling persons' experience, competence, character, and history of compliance with applicable laws. 1052  
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(C) The superintendent shall not approve an application described in division (A)(1) of this section if the applicant does not meet both of the following requirements: 1055  
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(1) The applicant is a legally established business entity that is capitalized separately and distinctly from every other legal entity and is qualified to do business in this state. 1058  
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(2) The applicant has a minimum net worth of not less than five hundred thousand dollars, calculated according to generally accepted accounting principles, but excluding any assets that the superintendent disqualifies and including any off-balance sheet liabilities that the superintendent requires. 1061  
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(D)(1) In approving an application for a money transmitter license, the superintendent may impose any condition the superintendent determines to be appropriate. 1066  
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(2) When an applicant has satisfied all prior conditions imposed by the superintendent in approving the applicant's application for a money transmitter license and has provided a security device as required by section 1315.07 of the Revised Code, the superintendent shall issue the applicant a money transmitter license. A license issued pursuant to this section remains in force and effect until surrendered by the licensee pursuant to section 1315.18 of the Revised Code or suspended or revoked by the superintendent pursuant to section 1315.151 of the Revised Code. 1069  
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(E) On or before the first day of July of each year, each licensee shall pay to the superintendent an annual fee for 1079  
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carrying on the business as a money transmitter, which fee is 1081  
established by the superintendent pursuant to division (B) of 1082  
section 1315.13 of the Revised Code. 1083

Sec. 1315.05. Each licensee, at all times, shall meet both of 1084  
the following requirements: 1085

(A) Be a legally established business entity that is 1086  
capitalized separately and distinctly from every other legal 1087  
entity and qualified to do business in this state; 1088

(B) Have a minimum net worth of not less than five hundred 1089  
thousand dollars, calculated according to generally accepted 1090  
accounting principles, but excluding any assets that the 1091  
superintendent of financial institutions disqualifies and 1092  
including any off-balance sheet liabilities that the 1093  
superintendent requires. 1094

(C) No licensee shall fail to comply with this section. 1095

Sec. 1315.06. (A)(1)(a) Subject to division (A)(2) of this 1096  
section, each licensee shall maintain permissible investments 1097  
described in division (B) of this section having an aggregate 1098  
market value of not less than the aggregate amount of all of the 1099  
licensee's outstandings received from persons in the United 1100  
States, directly and through authorized delegates, to the extent 1101  
reported to the licensee. 1102

(b) For purposes of division (A)(1)(a) of this section, a 1103  
licensee's permissible investments, even if commingled with other 1104  
assets of the licensee, and a licensee's other assets to the 1105  
extent necessary to equal the licensee's outstandings, are, by 1106  
operation of law, impressed with a trust and held for the benefit 1107  
of persons the money of which the licensee holds for transmission, 1108  
and these permissible investments are not available to satisfy any 1109  
other of the licensee's creditors. 1110

(2) The superintendent of financial institutions may waive the requirement described in division (A)(1)(a) of this section if the volume of a licensee's outstandings does not exceed the licensee's security device provided pursuant to section 1315.07 of the Revised Code. 1111  
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(B) All of the following are permissible investments by a licensee: 1116  
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(1) Cash; 1118

(2) Certificates of deposit or other debt obligations of a depository institution, either domestic or foreign; 1119  
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(3) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances, that are eligible for purchase by member banks of the federal reserve system; 1121  
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(4) Any investment bearing a rating of one of the three highest grades as defined by a nationally recognized organization that rates securities; 1125  
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(5) Investment securities that are obligations of the United States or its agencies or instrumentalities; obligations that are guaranteed fully as to principal and interest by the United States; or any obligations of any state, municipality, or political subdivision of a state; 1128  
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(6) Shares in a money market mutual fund; interest-bearing bills, notes, bonds, debentures, or preferred stock traded on any national securities exchange or on a national over-the-counter market; or mutual funds primarily composed of such securities or a fund composed of one or more permissible investments described in division (B) of this section; 1133  
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(7) Any demand borrowing agreement or agreements made to a corporation or a subsidiary of a corporation the capital stock of 1139  
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which is listed on a national exchange, provided that the total 1141  
borrowing agreements with any one borrower do not exceed ten per 1142  
cent of the licensee's outstandings; 1143

(8) To the extent permitted by the superintendent, 1144  
receivables that are due to a licensee from its authorized 1145  
delegates and are not past due or doubtful of collection; 1146

(9) Any other investments approved by the superintendent. 1147

(C) No licensee shall fail to comply with this section. 1148

**Sec. 1315.07.** (A)(1) In a form satisfactory to the 1149  
superintendent of financial institutions, each licensee shall 1150  
provide and maintain a security device of one or more of the types 1151  
described in division (B) of this section of not less than three 1152  
hundred thousand dollars or such greater amount as the 1153  
superintendent finds appropriate but, except pursuant to a 1154  
supervisory action, not exceeding two million dollars. 1155

(2) By control agreement or terms of the bond, the security 1156  
device described in division (A)(1) of this section shall run to 1157  
the superintendent for the benefit of any claimants against the 1158  
licensee, to secure the faithful performance of the obligations of 1159  
the licensee with respect to its receipt of money from persons in 1160  
this state for transmission. In the case of a bond, the 1161  
superintendent may bring suit on behalf of claimants, either in 1162  
one action or in successive actions, or may authorize claimants to 1163  
bring their own actions on the bond. 1164

(B) The security device required by division (A) of this 1165  
section shall be one or more of the following: 1166

(1) A pledge, with a holder acceptable to the superintendent 1167  
and subject to a control agreement with the superintendent, of any 1168  
of the following: 1169

(a) Cash; 1170

(b) Interest-bearing stocks, bonds, notes, debentures, or 1171  
other obligations of the United States or any agency or 1172  
instrumentality of the United States, or guaranteed by the United 1173  
States; 1174

(c) Interest bearing stocks, bonds, notes, debentures, or 1175  
other obligations of this state, or of a city, county, town, 1176  
village, school district, or instrumentality of this state, or 1177  
guaranteed by this state. 1178

(2) A surety bond; 1179

(3) Any other security device approved by the superintendent. 1180

(C)(1)(a) In the case of a security device provided in the 1181  
form of a pledge of securities, the securities pledged shall be 1182  
valued at the lower of principal amount or market value. 1183

(b) The licensee is entitled to receive all interest and 1184  
dividends on cash or securities pledged and, with the approval of 1185  
the superintendent, may substitute pledged securities, which 1186  
substitution also may be ordered by the superintendent pursuant to 1187  
a written order. 1188

(2) In the case of a security device provided in the form of 1189  
a surety bond, both of the following apply: 1190

(a) The surety bond shall remain in effect until canceled, 1191  
which may occur only after thirty days' written notice to the 1192  
superintendent. 1193

(b) Cancellation of a surety bond does not affect any 1194  
liability incurred or accrued during the bond's effective period. 1195

(D) A licensee shall maintain the security device required by 1196  
division (A) of this section after the licensee ceases money 1197  
transmission operations in this state, until the licensee's 1198  
outstandings in this state all have been satisfied or properly 1199  
reported to the division of unclaimed funds. However, the 1200

superintendent may permit the security device to be reduced to the 1201  
extent that the amount of the licensee's outstandings in this 1202  
state are reduced. 1203

(E) No licensee shall fail to comply with this section. 1204

**Sec. 1315.08.** (A) Within forty-five days after the end of 1205  
each calendar quarter, each licensee shall submit to the 1206  
superintendent of financial institutions all of the following in 1207  
the form prescribed by the superintendent: 1208

(1) The licensee's unaudited, unconsolidated financial 1209  
statements as of the end of the calendar quarter, including a 1210  
balance sheet, income statement, statement of changes in 1211  
shareholder's equity, and statement of cash flows; 1212

(2) A statement for the calendar quarter of the number of 1213  
money transmission transactions undertaken by the licensee in this 1214  
state and in the United States in total, the dollar amount of 1215  
transactions, and the number and dollar amount of those 1216  
transactions currently outstanding; 1217

(3) A schedule of the licensee's permissible investments and 1218  
their market values as of the end of the calendar quarter; 1219

(4) A schedule of the locations, if any, within this state at 1220  
which the licensee is conducting business directly or through its 1221  
authorized delegates; 1222

(5) Any other information that the superintendent requires. 1223

(B) Annually, not more than one hundred twenty days after the 1224  
end of its fiscal year, each licensee shall submit to the 1225  
superintendent its audited unconsolidated financial statements for 1226  
the fiscal year, including a balance sheet, income statement, 1227  
statement of changes in shareholder equity, and statement of cash 1228  
flows. If the licensee is a subsidiary of another company, the 1229  
licensee also shall submit the audited consolidated financial 1230

<u>statements of its parent company.</u>	1231
<u>(C) No licensee shall fail to comply with this section.</u>	1232
<u>Sec. 1315.081. (A) Within fifteen business days after the</u>	1233
<u>occurrence of any of the events listed below, a licensee shall</u>	1234
<u>file a written report with the superintendent describing the event</u>	1235
<u>and its expected impact on the licensee's activities in the state:</u>	1236
<u>(1) Any material changes in information provided in a</u>	1237
<u>licensee's application or any report submitted to the</u>	1238
<u>superintendent under sections 1315.01 to 1315.18 of the Revised</u>	1239
<u>Code;</u>	1240
<u>(2) The licensee's filing for bankruptcy or reorganization;</u>	1241
<u>(3) The institution of revocation or suspension proceedings</u>	1242
<u>against the licensee by any state or governmental authority with</u>	1243
<u>regard to the licensee's money transmission activities;</u>	1244
<u>(4) Any felony indictment of the licensee, or any of its</u>	1245
<u>controlling persons, directors, officers, or employees, related to</u>	1246
<u>money transmission activities;</u>	1247
<u>(5) Any felony conviction of the licensee, or any of its</u>	1248
<u>controlling persons, directors, officers, or employees, related to</u>	1249
<u>money transmission activities;</u>	1250
<u>(6) Any proposed change of control of the licensee;</u>	1251
<u>(7) The licensee's decision to voluntarily surrender or not</u>	1252
<u>to renew a money transmitter license it holds in another</u>	1253
<u>jurisdiction.</u>	1254
<u>(B)(1) No person shall make a false statement,</u>	1255
<u>misrepresentation, or false certification to the division of</u>	1256
<u>financial institutions or in a record filed or required to be</u>	1257
<u>maintained under sections 1315.01 to 1315.18 of the Revised Code</u>	1258
<u>or make a false entry or omit a material entry in a record filed</u>	1259

or required to be maintained under sections 1315.01 to 1315.18 of 1260  
the Revised Code or made available to the division. 1261

(2) No licensee shall fail to comply with this section. 1262

**Sec. 1315.09.** (A) Each licensee shall make, keep, and 1263  
preserve with respect to the licensee the following books, 1264  
accounts, and other records for a period of five years to be open 1265  
to inspection by the superintendent of financial institutions: 1266

(1) A record or records of each money transmission 1267  
transaction; 1268

(2) A general ledger containing all assets, liabilities, 1269  
capital, income, and expense accounts, posted at least monthly; 1270

(3) All bank statements and bank reconciliation records; 1271

(4) A record of all outstandings; 1272

(5) A record of all payments made; 1273

(6) The names and addresses of all authorized delegates of 1274  
the licensee; 1275

(7) Any other records that the superintendent requires. 1276

(B) For purposes of this section, a licensee may retain a 1277  
document, paper, or other instrument or record by use of a process 1278  
to record, copy, photograph, or store a representation of the 1279  
original document, paper, or other instrument or record, if all of 1280  
the following apply: 1281

(1) The process correctly and accurately copies or 1282  
reproduces, or provides a means for correctly and accurately 1283  
copying or reproducing, the original document, paper, or other 1284  
instrument or record with regard to both its substance and 1285  
appearance, except that the copy or reproduction need not reflect 1286  
the original paper or other medium, size, or color, unless the 1287  
medium, size, or color is necessary to establish the authenticity 1288

of the original. 1289

(2) The process does not permit the recording, copy, 1290  
photographic image, or stored representation of the original 1291  
document, paper, or other instrument or record to be altered or 1292  
manipulated. 1293

(3) The medium the process uses to record, copy, photograph, 1294  
or store a representation of an original document, paper, or other 1295  
instrument or record is a durable medium for retaining and 1296  
reproducing records. 1297

(C) A licensee may maintain its records described in division 1298  
(A) of this section at a location other than within this state, so 1299  
long as the licensee makes its records accessible to the 1300  
superintendent on seven business days written notice. 1301

(D) No licensee shall fail to comply with this section. 1302

**Sec. 1315.10.** (A) Subject to division (F) of this section, no 1303  
person, alone or acting in concert with other persons, shall, 1304  
directly or indirectly, acquire control of a licensee without the 1305  
prior approval of the superintendent of financial institutions. 1306

(B) A person or group of persons proposing to acquire control 1307  
of a licensee shall submit an application for the superintendent's 1308  
approval in the form prescribed by the superintendent. 1309

(C)(1) The superintendent may grant confidential treatment 1310  
for information in or related to an application described in 1311  
division (B) of this section, if confidential treatment is 1312  
requested by the applicant in compliance with division (C)(2) of 1313  
this section and any of the following applies: 1314

(a) The information is of a commercial or financial nature, 1315  
disclosure of which likely would result in substantial harm to the 1316  
competitive position of the applicant or its affiliates or to any 1317  
party to the transaction or its affiliates. 1318

(b) The information is of a personal, medical, financial, or similar nature, disclosure of which would result in a clearly unwarranted invasion of personal privacy. 1319  
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(c) The information is contained in, related to, or derived from examinations, operating or condition reports, agreements, orders, or actions prepared by, on behalf of, or for the use of a governmental agency or authority. 1322  
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(d) The information has been filed with a governmental agency or authority and has not been approved for disclosure by that agency or authority. 1326  
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(e) The information specifically is excepted from disclosure by statute. 1329  
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(2)(a) An applicant requesting confidential treatment under division (C) of this section shall do so in writing at the time the application containing the information, or additional information related to an application, is submitted. 1331  
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(b) The request described in division (C)(2)(a) of this section separately shall address each item of information for which confidential treatment is requested, explaining the applicability of the asserted justification for confidential treatment and either specifically demonstrating the harm that would result from public disclosure of the item of information or setting forth the reason that the applicant cannot authorize public disclosure of the item of information. 1335  
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(c) The applicant separately shall bind and identify all items of information for which confidential treatment is requested under division (C) of this section and make specific reference to those items in the remainder of the application or additional information related to the application. 1343  
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(3)(a) The superintendent shall review a request for 1348

confidential treatment under division (C) of this section and 1349  
provide the applicant with written notice of the superintendent's 1350  
decision on granting confidential treatment for each item of 1351  
information for which it is requested. 1352

(b) If the superintendent's decision provided pursuant to 1353  
division (C)(3)(a) of this section is not to grant confidential 1354  
treatment to an item of information, the applicant may withdraw 1355  
the item of information by written notice within ten days after 1356  
the applicant's receipt of the superintendent's decision. If the 1357  
applicant fails to withdraw the item of information within the 1358  
ten-day period, the applicant is deemed to have waived the right 1359  
to withdraw, and the item of information is deemed a part of the 1360  
application available to the public. 1361

(4)(a) An item of information submitted with a request for 1362  
confidential treatment under division (C) of this section is not 1363  
deemed filed with the superintendent until the superintendent 1364  
grants confidential treatment, or the applicant is deemed to have 1365  
waived the right to withdraw the item of information. 1366

(b) Until the item of information submitted with a request 1367  
for confidential treatment is filed in accordance with division 1368  
(C)(4)(a) of this section, no person shall copy or inspect the 1369  
item of information or anything derived from the item of 1370  
information, except as is necessary to assist the superintendent 1371  
in deciding whether to grant confidential treatment to the item of 1372  
information in accordance with division (C) of this section. 1373

(5) When an item of information is filed following the 1374  
superintendent's decision to grant it confidential treatment 1375  
pursuant to division (C)(3)(a) of this section, the item of 1376  
information is not a public record as defined in section 149.43 of 1377  
the Revised Code and only the superintendent shall use it in 1378  
connection with the performance of the duties and exercise of the 1379

powers of the superintendent. Without prior notice to the 1380  
applicant, the superintendent may disclose or comment on any of 1381  
the contents of the application in an order, statement, or opinion 1382  
issued by the superintendent in connection with a decision on the 1383  
application. 1384

(D)(1) If the superintendent requests, the applicant shall 1385  
bear the expense of the examination conducted in accordance with 1386  
section 1315.101 of the Revised Code, and upon the 1387  
superintendent's request, shall advance to the superintendent the 1388  
superintendent's estimate of the cost of the examination, with any 1389  
unconsumed portion to be returned to the applicant. 1390

(2) If the superintendent requests payment pursuant to 1391  
division (D)(1) of this section, the applicant shall pay the cost 1392  
of its examination described in section 1315.101 of the Revised 1393  
Code, or any balance of the cost of its examination in the case of 1394  
an applicant that advanced the estimated cost of its examination, 1395  
within fourteen days after receiving an invoice for payment. 1396

(E) The superintendent may do either of the following: 1397

(1) Deny an application described in division (B) of this 1398  
section prior to the superintendent's acceptance of the 1399  
application for processing, on the basis that the applicant failed 1400  
to include all of the items and address all of the issues required 1401  
for the application, if both of the following apply: 1402

(a) The superintendent advised the person that the 1403  
application was incomplete. 1404

(b) After being advised by the superintendent pursuant to 1405  
division (E)(1)(a) of this section that the application was 1406  
incomplete, the person, within a reasonable period of time, did 1407  
not complete the application. 1408

(2) Deny an application described in division (B) of this 1409

section on the basis that the applicant failed to provide the 1410  
information necessary for the superintendent to consider the 1411  
application adequately after the superintendent's acceptance of 1412  
the application for processing, if both of the following apply: 1413

(a) After beginning to process the application, the 1414  
superintendent determined and advised the applicant that 1415  
additional information was necessary to consider the application 1416  
adequately. 1417

(b) After being advised by the superintendent pursuant to 1418  
division (E)(2)(a) of this section that additional information was 1419  
necessary to consider the application adequately, the applicant, 1420  
within a reasonable period of time, did not provide that 1421  
information. 1422

(F)(1) Division (A) of this section requiring prior approval 1423  
to obtain control, directly or indirectly, of a licensee does not 1424  
apply to any of the following persons, but these persons shall 1425  
notify the superintendent of a change of control: 1426

(a) A person that acts as a proxy for the sole purpose of 1427  
voting at a designated meeting of the shareholders or holders of 1428  
voting interests of a licensee or person in control of a licensee; 1429

(b) A person that acquires control of a licensee by devise or 1430  
descent; 1431

(c) A person that acquires control as a personal 1432  
representative, custodian, guardian, conservator, or trustee, or 1433  
as an officer appointed by a court of competent jurisdiction or by 1434  
operation of law; 1435

(d) A person that the superintendent by rule or order 1436  
determines is not subject to division (A) of this section based on 1437  
the public interest. 1438

(2) Division (A) of this section does not apply to public 1439

offerings of securities. 1440

(3) Before filing an application described in division (A) of this section, a person may request in writing a determination from the superintendent of whether the person would be considered a person in control of a licensee upon consummation of a proposed transaction. If the superintendent determines that the person would not be a person in control of a licensee, the person and the proposed transaction are not subject to the requirements of division (A) of this section. 1441  
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(G) No person shall fail to comply with this section. 1449

**Sec. 1315.101.** (A) After accepting an application to acquire control of a licensee described in section 1315.10 of the Revised Code, the superintendent of financial institutions shall examine all of the facts and circumstances relating to the application. 1450  
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(B) The superintendent shall approve the application described in division (A) of this section if the superintendent determines both of the following: 1454  
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(1) The competence, experience, and character of the applicant or applicants seeking to acquire control of a licensee and the applicant's or applicants' general fitness to operate the licensee or person in control of the licensee in a lawful and proper manner are acceptable. 1457  
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(2) The interests of the public are not jeopardized by the change of control. 1462  
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**Sec. 1315.11.** (A) A licensee that chooses to conduct money transmission activities in this state through an authorized delegate shall execute an express written contract with the authorized delegate that, at a minimum, sets forth all of the following: 1464  
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<u>(1) The duties and responsibilities of the authorized</u>	1469
<u>delegate regarding money or its equivalent received from persons</u>	1470
<u>located in this state for transmission by the licensee;</u>	1471
<u>(2) The duties and responsibilities of the authorized</u>	1472
<u>delegate regarding instruments, devices, or processes used by the</u>	1473
<u>licensee to transmit money;</u>	1474
<u>(3) The duties and responsibilities of the authorized</u>	1475
<u>delegate with regard to compliance with laws regulating money</u>	1476
<u>transmission activities.</u>	1477
<u>(B) A licensee shall monitor the activities of its authorized</u>	1478
<u>delegate with regard to money or its equivalent received from</u>	1479
<u>persons in this state for transmission by the licensee and for</u>	1480
<u>compliance with all of the following:</u>	1481
<u>(1) The written contract between the licensee and the</u>	1482
<u>authorized delegate;</u>	1483
<u>(2) Sections 1315.01 to 1315.18 of the Revised Code;</u>	1484
<u>(3) Other laws applicable to the business of transmitting</u>	1485
<u>money.</u>	1486
<u>(C) As part of the examination of a licensee authorized by</u>	1487
<u>section 1315.12 of the Revised Code, the superintendent of</u>	1488
<u>financial institutions may examine the books and records and</u>	1489
<u>policies and procedures of the licensee's authorized delegate.</u>	1490
<u>(D)(1) An authorized delegate or other person that receives</u>	1491
<u>money or its equivalent for transmission by a licensee shall keep</u>	1492
<u>it separate and shall not commingle it with other money or</u>	1493
<u>receipts. All money or its equivalent, less fees, that is received</u>	1494
<u>by an authorized delegate or by any other person for transmission</u>	1495
<u>by a licensee, from the time received until remitted to the</u>	1496
<u>licensee, shall constitute funds owned by and belonging to the</u>	1497
<u>licensee and shall be impressed with a trust for the benefit of</u>	1498

the person from which the money or its equivalent is received. 1499

(2) If an authorized delegate or other person fails to comply with division (D)(1) of this section and commingles any money or its equivalent received for transmission by a licensee with any other funds or property owned or controlled by the authorized delegate or other person, all commingled proceeds and other property shall be impressed with a trust in favor of the licensee in an amount equal to the amount due the licensee. 1500  
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(E) No licensee shall fail to comply with division (A) or (B) of this section, and no authorized delegate or other person that receives money or its equivalent for transmission by a licensee shall fail to comply with division (D) of this section. 1507  
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**Sec. 1315.12.** (A) As often as the superintendent of financial institutions considers necessary, the superintendent, or any deputy or examiner appointed or any contractor engaged by the superintendent for that purpose, thoroughly shall examine the records and affairs of each licensee. The examination shall include a review of all of the following: 1511  
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1514  
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1516

(1) Compliance with law; 1517

(2) Safety and soundness; 1518

(3) Other matters that the superintendent determines. 1519

(B) The superintendent may conduct all aspects of an examination described in division (A) of this section concurrently or may divide the examination into constituent parts and conduct them at various times. 1520  
1521  
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(C)(1) The licensee shall bear the expense of the examination. If the superintendent requests, the licensee shall advance to the superintendent the superintendent's estimate of the cost of the examination, with any unconsumed portion to be returned to the licensee. 1524  
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1526  
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(2) A licensee shall pay the cost of its examination 1529  
conducted pursuant to this section, or any balance of the cost of 1530  
its examination in the case of a licensee that advanced the 1531  
estimated cost of its examination, within fourteen days of 1532  
receiving an invoice for payment. 1533

(D) The superintendent shall preserve the report of each 1534  
examination conducted pursuant to this section, including related 1535  
correspondence received and copies of related correspondence sent, 1536  
for twenty years after the examination date. 1537

**Sec. 1315.121.** (A) In administering sections 1315.01 to 1538  
1315.18 of the Revised Code and fulfilling the duties imposed by 1539  
those sections, including the duty imposed by section 1315.12 of 1540  
the Revised Code, the superintendent of financial institutions may 1541  
do any of the following: 1542

(1) Participate with financial institution regulatory 1543  
authorities of this and other states, the United States, and other 1544  
countries in any of the following: 1545

(a) Programs for alternate examinations of the records and 1546  
affairs of licensees and other money transmitters over which they 1547  
have concurrent jurisdiction; 1548

(b) Joint or concurrent examinations of the records and 1549  
affairs of licensees and other money transmitters over which they 1550  
have concurrent jurisdiction; 1551

(c) Coordinated examinations of the records and affairs of 1552  
licensees and other money transmitters over which they have 1553  
collective jurisdiction. 1554

(2) Conduct, participate in, or coordinate independent, 1555  
concurrent, joint, or coordinated examinations of the records and 1556  
affairs of licensees and other money transmitters and otherwise 1557  
act on behalf of financial institution regulatory authorities of 1558

this and other states, the United States, and other countries 1559  
having jurisdiction over the licensees and other money 1560  
transmitters; 1561

(3) Rely on information leading to, arising from, or obtained 1562  
in the course of examinations conducted by financial institution 1563  
regulatory authorities of this and other states, the United 1564  
States, and other countries when both of the following apply: 1565

(a) Pursuant to agreement and applicable law, the 1566  
superintendent may receive and use the information leading to, 1567  
arising from, or obtained in the course of the other regulatory 1568  
authorities' examinations in administering sections 1315.01 to 1569  
1315.18 of the Revised Code and acting under the authority of 1570  
those sections; 1571

(b) In the superintendent's judgment the other regulatory 1572  
authorities' personnel, practices, and authority warrant the 1573  
superintendent's reliance. 1574

(4) Authorize financial institution regulatory authorities of 1575  
this and other states, the United States, and other countries to 1576  
receive and use information leading to, arising from, or obtained 1577  
in the course of examinations conducted by the division of 1578  
financial institutions in the same manner and for the purposes 1579  
they could use information leading to, arising from, or obtained 1580  
in the course of their own examinations when both of the following 1581  
apply: 1582

(a) Pursuant to applicable law, information leading to, 1583  
arising from, or obtained in the course of examinations the other 1584  
regulatory authorities conduct is protected from general 1585  
disclosure and may only be disclosed for purposes similar to those 1586  
provided in section 1315.122 of the Revised Code, which are 1587  
principally regulatory in nature, for disclosure of information 1588  
leading to, arising from, or obtained in the course of 1589

examinations conducted by the division; 1590

(b) Pursuant to agreement and applicable law, information 1591  
leading to, arising from, or obtained in the course of 1592  
examinations conducted by the division will, in the other 1593  
regulatory authorities' possession or the possession of any 1594  
persons to whom the other regulatory authorities disclosed the 1595  
information as a part of examinations of those persons, be 1596  
protected from disclosure to the same extent as information 1597  
leading to, arising from, or obtained in the course of those 1598  
regulatory authorities' examinations. 1599

(5) Rely on the actions of financial institution regulatory 1600  
authorities of this and other states, the United States, or other 1601  
countries, or participate with them jointly, in responding to 1602  
violations of law, unsafe or unsound practices, breaches of 1603  
fiduciary duty, or other regulatory concerns affecting licensees 1604  
and other money transmitters over which they have concurrent 1605  
jurisdiction when the other regulatory authorities have adequate 1606  
personnel, practices, and authority to warrant the reliance; 1607

(6) Implement other cooperative arrangements with financial 1608  
institution regulatory authorities of this and other states, the 1609  
United States, and other countries consistent with safety and 1610  
soundness. 1611

(B) No person shall use any reliance by the superintendent, 1612  
in whole or in part, on financial institution regulatory 1613  
authorities of this or other states, the United States, or other 1614  
countries in accordance with division (A) of this section to 1615  
support any assertion of either of the following: 1616

(1) Failure of the superintendent or division to properly 1617  
administer sections 1315.01 to 1315.18 of the Revised Code or 1618  
fulfill the duties imposed by those sections; 1619

(2) Disagreement by the superintendent or division with any 1620

action taken by financial institution regulatory authorities of 1621  
this or other states, the United States, or other countries. 1622

(C) In conducting, participating in, or coordinating 1623  
independent, concurrent, joint, or coordinated examinations of the 1624  
records and affairs of licensees and other money transmitters, the 1625  
superintendent may purchase services from financial institution 1626  
regulatory authorities of this and other states, the United 1627  
States, and other countries, including services provided by 1628  
employees of other financial institution regulatory authorities in 1629  
their capacities as employees of other financial institution 1630  
regulatory authorities. The purchase of services from one or more 1631  
financial institution regulatory authorities of this and other 1632  
states, the United States, or other countries is the purchase of 1633  
services from a sole source provider and is not the employment of 1634  
any financial institution regulatory authority or any of its 1635  
employees. 1636

The authority to purchase services pursuant to this division 1637  
does not impair the superintendent's authority to purchase 1638  
services from any other source. 1639

**Sec. 1315.122.** (A) Information leading to, arising from, or 1640  
obtained in the course of the examination of a licensee or other 1641  
person conducted pursuant to the authority of sections 1315.01 to 1642  
1315.18 of the Revised Code is privileged and confidential. No 1643  
person, including any person to whom the information is disclosed 1644  
under the authority of this section, shall disclose information 1645  
leading to, arising from, or obtained in the course of an 1646  
examination, except as specifically provided in this section. 1647

(B) The superintendent of financial institutions and the 1648  
superintendent's agents and employees may disclose information 1649  
leading to, arising from, or obtained in the course of an 1650  
examination conducted pursuant to section 1315.12 or 1315.121 of 1651

the Revised Code as follows: 1652

(1) To the governor, director of commerce, or deputy director of commerce to enable them to act in the interests of the public; 1653  
1654

(2) To the banking commission, created pursuant to section 1123.01 of the Revised Code, to enable the commission to effectively advise the superintendent and take action on any matter the superintendent presents to the commission; 1655  
1656  
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(3) To financial institution regulatory authorities of this and other states, the United States, and other countries to assist them in their regulatory duties; 1659  
1660  
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(4) To the directors, officers, agents, and parent company of the licensee or other money transmitter examined to assist them in conducting the business of the licensee or other money transmitter examined in a safe and sound manner and in compliance with law; 1662  
1663  
1664  
1665

(5) To law enforcement authorities conducting criminal investigations. 1666  
1667

(C) Information leading to, arising from, or obtained in the course of an examination of a licensee or other person pursuant to sections 1315.01 to 1315.18 of the Revised Code shall not be discoverable from any source. The information shall not be introduced into evidence, except in the following circumstances: 1668  
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1671  
1672

(1) In connection with criminal proceedings; 1673

(2) When, in the opinion of the superintendent, it is appropriate with regard to enforcement actions taken and decisions made by the superintendent under the authority of sections 1315.01 to 1315.18 of the Revised Code regarding a licensee or other person; 1674  
1675  
1676  
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(3) When litigation has been initiated by the superintendent in furtherance of the powers, duties, and obligations imposed upon the superintendent by sections 1315.01 to 1315.18 of the Revised 1679  
1680  
1681

Code; 1682

(4) When authorized by agreements between the superintendent and financial institution regulatory authorities of this and other states, the United States, and other countries authorized by section 1315.121 of the Revised Code; 1683  
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(5) When and in the manner authorized in section 1181.25 of the Revised Code. 1687  
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(D) A report of an examination conducted pursuant to section 1315.12 or 1315.121 of the Revised Code is the property of the division of financial institutions. Under no circumstances may the licensee or other money transmitter examined, its directors, officers, employees, agents, regulated persons, or contractors, or any person having knowledge or possession of a report of examination, or any of its contents, disclose or make public in any manner the report of examination or its contents. The authority provided in division (B)(4) of this section for use of examination information to assist in conducting the business of the licensee or other money transmitter examined in a safe and sound manner and in compliance with law shall not be construed to authorize disclosure of a report of examination or any of its contents in conducting business with the examined licensee's or other money transmitter's customers, creditors, or shareholders, or with other persons. 1689  
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(E) Whoever violates this section shall be removed from office, shall be liable, with the violator's bond in damages to the person injured by the disclosure of information, and is guilty of a felony of the fourth degree. 1705  
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1707  
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**Sec. 1315.13.** Annually, the superintendent shall establish both of the following: 1709  
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(A) The application fee for an application for a license to 1711

<u>transmit money under section 1315.03 of the Revised Code;</u>	1712
<u>(B) An annual fee described in division (E) of section</u>	1713
<u>1315.04 of the Revised Code for each licensee to carry on the</u>	1714
<u>business of a money transmitter. When establishing the annual fee</u>	1715
<u>for each licensee, the superintendent may consider the number of</u>	1716
<u>offices and authorized delegates the licensee has and the volume</u>	1717
<u>of business the licensee does in this state.</u>	1718
<u>Sec. 1315.14. The superintendent of financial institutions</u>	1719
<u>may adopt rules that, in the superintendent's judgment, are</u>	1720
<u>necessary or appropriate to carry out the purposes of sections</u>	1721
<u>1315.01 to 1315.18 of the Revised Code.</u>	1722
<u>Sec. 1315.15. (A) The superintendent of financial</u>	1723
<u>institutions may issue and serve a notice of charges and intent to</u>	1724
<u>issue a cease and desist order upon a licensee or other person if,</u>	1725
<u>in the opinion of the superintendent, either of the following</u>	1726
<u>applies to the licensee or other person:</u>	1727
<u>(1) The licensee or other person is engaging, has engaged,</u>	1728
<u>or, the superintendent has reasonable cause to believe, is about</u>	1729
<u>to engage in an unsafe or unsound practice in conducting the</u>	1730
<u>business of transmitting money.</u>	1731
<u>(2) The licensee or other person is violating, has violated,</u>	1732
<u>or, the superintendent has reasonable cause to believe, is about</u>	1733
<u>to violate any of the following:</u>	1734
<u>(a) A law or rule;</u>	1735
<u>(b) A condition imposed in writing by the superintendent in</u>	1736
<u>connection with granting an application or other request by the</u>	1737
<u>licensee or other person;</u>	1738
<u>(c) A written agreement entered into with the superintendent.</u>	1739
<u>(B) The notice of charges and intent to issue a cease and</u>	1740

<u>desist order described in division (A) of this section shall</u>	1741
<u>include all of the following:</u>	1742
<u>(1) A statement of the violation or violations or unsafe or</u>	1743
<u>unsound practice or practices alleged;</u>	1744
<u>(2) A statement of the facts constituting the violation or</u>	1745
<u>violations or unsafe or unsound practice or practices alleged;</u>	1746
<u>(3) Notice that the licensee or other person is entitled to a</u>	1747
<u>hearing, in accordance with section 1315.17 of the Revised Code,</u>	1748
<u>to determine whether a cease and desist order should be issued</u>	1749
<u>against the licensee or other person, if the licensee or other</u>	1750
<u>person requests the hearing within thirty days of service of the</u>	1751
<u>notice;</u>	1752
<u>(4) Notice that, if the licensee or other person makes a</u>	1753
<u>timely request for a hearing, the licensee or other person may</u>	1754
<u>appear at the hearing in person or by attorney or by presenting</u>	1755
<u>positions, arguments, and contentions in writing, and at the</u>	1756
<u>hearing may present evidence and examine witnesses for and against</u>	1757
<u>the licensee or other person.</u>	1758
<u>(5) Notice that failure of the licensee or other person to</u>	1759
<u>make a timely request for a hearing to determine whether a cease</u>	1760
<u>and desist order should be issued or to appear at the hearing, in</u>	1761
<u>person, by attorney, or by writing, is consent by the licensee or</u>	1762
<u>other person to the issuance of the cease and desist order.</u>	1763
<u>(C) The superintendent may issue a cease and desist order</u>	1764
<u>against the licensee or other person if any of the following</u>	1765
<u>applies:</u>	1766
<u>(1) The licensee or other person consents to the issuance of</u>	1767
<u>the cease and desist order.</u>	1768
<u>(2) Upon the record of the hearing described in division (B)</u>	1769
<u>of this section, the superintendent finds that a violation or</u>	1770

unsafe or unsound practice has been established. 1771

(3) The superintendent determines that the licensee's or other person's books and records are too incomplete or inaccurate to permit the superintendent, through the normal supervisory process, to determine the financial condition of the licensee or other person or the details or purpose of one or more transactions that may have a material effect on the financial condition of the licensee or other person. 1772  
1773  
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(4) The superintendent finds that the violation or unsafe or unsound practice alleged in division (B) of this section is likely, prior to completion of the hearing described in that division, to cause any of the following: 1779  
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1781  
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(a) The licensee's or other person's insolvency; 1783

(b) Significant dissipation of the licensee's or other person's earnings or assets; 1784  
1785

(c) Weakening of the licensee's or other person's condition or other prejudice to the interests of the licensee's or other person's customers. 1786  
1787  
1788

(D) A cease and desist order may require the licensee or other person to cease and desist from each violation or unsafe or unsound practice, to correct or remedy the conditions resulting from each violation or unsafe or unsound practice, and to take affirmative action, including any of the following: 1789  
1790  
1791  
1792  
1793

(1) Make restitution or provide reimbursement, indemnification, or guarantee against loss, if either of the following applies: 1794  
1795  
1796

(a) The licensee or other person was or will be unjustly enriched in connection with the violation or practice. 1797  
1798

(b) The violation or practice involved a reckless disregard for the law or any applicable rule or prior order of the 1799  
1800

<u>superintendent.</u>	1801
<u>(2) Restrict the licensee's or other person's growth;</u>	1802
<u>(3) Dispose of any loan or asset involved;</u>	1803
<u>(4) Rescind agreements or contracts;</u>	1804
<u>(5) Employ qualified officers or employees, who may be</u> <u>subject to approval by the superintendent;</u>	1805 1806
<u>(6) Take any other action that the superintendent determines</u> <u>appropriate.</u>	1807 1808
<u>(E) A cease and desist order issued by the superintendent</u> <u>pursuant to division (C) of this section is effective at the time</u> <u>specified in the order, which shall be as follows:</u>	1809 1810 1811
<u>(1) In the case of a cease and desist order issued pursuant</u> <u>to division (C)(2) of this section, not less than thirty days</u> <u>after service of the order upon the licensee or other person;</u>	1812 1813 1814
<u>(2) In the case of a cease and desist order issued pursuant</u> <u>to division (C)(1), (3), or (4) of this section, immediately upon</u> <u>service of the order on the licensee or other person.</u>	1815 1816 1817
<u>(F) A cease and desist order shall remain effective and</u> <u>enforceable as provided in the order except to the extent it is</u> <u>stayed, modified, terminated, or set aside by action of the</u> <u>superintendent or a reviewing court. If, upon the record of a</u> <u>hearing, the superintendent determines not to issue a cease and</u> <u>desist order, any cease and desist order issued pursuant to</u> <u>division (C)(3) or (4) of this section is terminated.</u>	1818 1819 1820 1821 1822 1823 1824
<u>(G) Within ten days after being served a cease and desist</u> <u>order issued pursuant to division (C)(3) or (4) of this section, a</u> <u>licensee or other person may apply to the court of common pleas of</u> <u>the county in which the principal place of business of the</u> <u>licensee or other person is located, or to the court of common</u> <u>pleas of Franklin county, for an injunction setting aside,</u>	1825 1826 1827 1828 1829 1830

limiting, or suspending the enforcement, operation, or 1831  
effectiveness of the cease and desist order pending completion of 1832  
the hearing to determine whether a cease and desist order should 1833  
be issued against the licensee or other person pursuant to 1834  
division (C)(2) of this section, and the court has jurisdiction to 1835  
issue the injunction. 1836

Sec. 1315.151. (A) The superintendent of financial 1837  
institutions may issue and serve a notice of charges and intent to 1838  
suspend or revoke a licensee's license, if the superintendent 1839  
finds that any of the following applies: 1840

(1) Any fact or condition exists that, if it had existed at 1841  
the time when the licensee applied for its license, would have 1842  
been grounds for denying the application. 1843

(2) The licensee's net worth becomes inadequate and the 1844  
licensee, after ten days' written notice from the superintendent, 1845  
fails to take steps that the superintendent considers necessary to 1846  
remedy the deficiency. 1847

(3) The licensee knowingly violates any material provision of 1848  
sections 1315.01 to 1315.18 of the Revised Code or any rule or 1849  
order adopted by the superintendent. 1850

(4) The licensee is conducting its business in an unsafe or 1851  
unsound manner. 1852

(5) The licensee is insolvent. 1853

(6) The licensee has suspended payment of its obligations, 1854  
has made an assignment for the benefit of its creditors, or has 1855  
admitted in writing its inability to pay its debts as they become 1856  
due. 1857

(7) The licensee has applied for an adjudication of 1858  
bankruptcy, reorganization, arrangement, or other relief relating 1859  
to bankruptcy. 1860

(8) The licensee refuses to permit the superintendent to make any examination authorized by sections 1315.01 to 1315.18 of the Revised Code. 1861  
1862  
1863

(9) The licensee willfully fails to make any report required by sections 1315.01 to 1315.18 of the Revised Code. 1864  
1865

(10) The competence, experience, character, or general fitness of the licensee indicates that it is not in the public interest to permit the licensee to continue to transmit money in this state. 1866  
1867  
1868  
1869

(B) The notice of charges and intent to suspend or revoke a license described in division (A) of this section shall include all of the following: 1870  
1871  
1872

(1) A statement of the grounds alleged; 1873

(2) A statement of the facts constituting the grounds alleged; 1874  
1875

(3) Notice that the licensee is entitled to a hearing, in accordance with section 1315.17 of the Revised Code, to determine whether a license should be suspended or revoked, if the licensee requests the hearing within thirty days of service of the notice; 1876  
1877  
1878  
1879

(4) Notice that, if the licensee makes a timely request for a hearing, the licensee may appear at the hearing in person or by attorney or by presenting positions, arguments, and contentions in writing, and at the hearing may present evidence and examine witnesses for and against the licensee. 1880  
1881  
1882  
1883  
1884

(5) Notice that failure of the licensee to make a timely request for a hearing to determine whether the license should be suspended or revoked or to appear at the hearing, in person, by attorney, or by writing, is consent by the licensee to the suspension or revocation of the license. 1885  
1886  
1887  
1888  
1889

(C) The superintendent may order a license suspended or 1890

<u>revoked, if any of the following applies:</u>	1891
<u>(1) The licensee consents to the suspension or revocation.</u>	1892
<u>(2) Upon the record of the hearing described in division (B)</u> <u>of this section, the superintendent finds that one or more grounds</u> <u>alleged pursuant to that division have been established.</u>	1893 1894 1895
<u>(3) The superintendent determines that the licensee's books</u> <u>and records are too incomplete or inaccurate to permit the</u> <u>superintendent, through the normal supervisory process, to</u> <u>determine the financial condition of the licensee or the details</u> <u>or purpose of one or more transactions that may have a material</u> <u>effect on the financial condition of the licensee.</u>	1896 1897 1898 1899 1900 1901
<u>(4) The superintendent finds that one or more of the grounds</u> <u>alleged pursuant to division (B) of this section are likely, prior</u> <u>to completion of the hearing described in that division, to cause</u> <u>any of the following:</u>	1902 1903 1904 1905
<u>(a) The licensee's insolvency;</u>	1906
<u>(b) Significant dissipation of the licensee's earnings or</u> <u>assets;</u>	1907 1908
<u>(c) Weakening of the licensee's condition or other prejudice</u> <u>to the interests of the licensee's customers.</u>	1909 1910
<u>(D) A suspension or revocation of a license order issued by</u> <u>the superintendent pursuant to division (C) of this section is</u> <u>effective at the time specified in the order, which shall be as</u> <u>follows:</u>	1911 1912 1913 1914
<u>(1) In the case of a suspension or revocation order issued</u> <u>pursuant to division (C)(2) of this section, not less than thirty</u> <u>days after service of the order upon the licensee;</u>	1915 1916 1917
<u>(2) In the case of a suspension or revocation order issued</u> <u>pursuant to division (C)(1), (3), or (4) of this section,</u> <u>immediately upon service of the order on the licensee.</u>	1918 1919 1920

(E) A suspension or revocation of a license order shall 1921  
remain effective and enforceable as provided in the order except 1922  
to the extent it is stayed, modified, terminated, or set aside by 1923  
action of the superintendent or a reviewing court. If, upon the 1924  
record of a hearing, the superintendent determines not to suspend 1925  
or revoke a license, any suspension or revocation order issued 1926  
pursuant to division (C)(3) or (4) of this section is terminated. 1927

(F) Within ten days after being served a suspension or 1928  
revocation of a license order issued pursuant to division (C)(3) 1929  
or (4) of this section, a licensee may apply to the court of 1930  
common pleas of the county in which the principal place of 1931  
business of the licensee is located, or to the court of common 1932  
pleas of Franklin county, for an injunction setting aside, 1933  
limiting, or suspending the enforcement, operation, or 1934  
effectiveness of the suspension or revocation order pending 1935  
completion of the hearing to determine whether a suspension or 1936  
revocation order should be issued against the licensee pursuant to 1937  
division (C)(2) of this section, and the court has jurisdiction to 1938  
issue the injunction. 1939

**Sec. 1315.152.** (A) The superintendent of financial 1940  
institutions may assess civil penalties against a licensee or 1941  
other person for each day a violation, unsafe or unsound practice, 1942  
or breach continues as follows: 1943

(1) The superintendent may assess a civil penalty of not more 1944  
than five hundred dollars per day if the licensee or other person 1945  
violates any of the following: 1946

(a) Any law or rule; 1947

(b) Any order issued pursuant to section 1315.15 or 1315.151 1948  
of the Revised Code; 1949

(c) Any condition imposed in writing by the superintendent in 1950

<u>connection with granting any application by the licensee or other</u>	1951
<u>person;</u>	1952
<u>(d) A written agreement between the licensee or other person</u>	1953
<u>and the superintendent.</u>	1954
<u>(2) The superintendent may assess a civil penalty of not more</u>	1955
<u>than one thousand dollars per day if both of the following apply:</u>	1956
<u>(a) The licensee or other person does any of the following:</u>	1957
<u>(i) Commits any violation listed in division (A)(1) of this</u>	1958
<u>section;</u>	1959
<u>(ii) Recklessly engages in an unsafe or unsound practice;</u>	1960
<u>(iii) Breaches any fiduciary duty.</u>	1961
<u>(b) The violation, unsafe or unsound practice, or breach is</u>	1962
<u>part of a pattern of misconduct or causes or is likely to cause</u>	1963
<u>more than a minimal loss to the licensee or other person.</u>	1964
<u>(B) A notice of assessment of a civil penalty shall include</u>	1965
<u>all of the following:</u>	1966
<u>(1) A statement of the violation or violations or unsafe or</u>	1967
<u>unsound practice or practices or breach or breaches alleged;</u>	1968
<u>(2) A statement of the facts supporting the assessment of the</u>	1969
<u>civil penalty;</u>	1970
<u>(3) Notice that the licensee or other person is entitled to a</u>	1971
<u>hearing, in accordance with section 1315.17 of the Revised Code to</u>	1972
<u>determine whether a civil penalty should be assessed against the</u>	1973
<u>licensee or other person, if the licensee or other person requests</u>	1974
<u>the hearing within thirty days of service of the notice of</u>	1975
<u>assessment of a civil penalty;</u>	1976
<u>(4) Notice that, if the licensee or other person makes a</u>	1977
<u>timely request for a hearing, the licensee or other person may</u>	1978
<u>appear at the hearing in person, by attorney, or by presenting</u>	1979

<u>positions, arguments, and contentions in writing, and at the</u>	1980
<u>hearing may present evidence and examine witnesses for and against</u>	1981
<u>the licensee or other person;</u>	1982
<u>(5) Notice that failure of the licensee or other person to</u>	1983
<u>make a timely request for a hearing to determine whether a civil</u>	1984
<u>penalty should be assessed against the licensee or other person,</u>	1985
<u>or to appear at the hearing, in person, by attorney, or by</u>	1986
<u>writing, is consent by the licensee or other person to the</u>	1987
<u>assessment of the civil penalty.</u>	1988
<u>(C) The superintendent may assess a civil penalty if either</u>	1989
<u>of the following applies:</u>	1990
<u>(1) The licensee or other person consents to the assessment</u>	1991
<u>of the civil penalty.</u>	1992
<u>(2) Upon the record of the hearing described in division (B)</u>	1993
<u>of this section the superintendent finds a violation, unsafe or</u>	1994
<u>unsound practice, or breach has been established.</u>	1995
<u>(D) In determining the amount of the civil penalty to be</u>	1996
<u>assessed pursuant to this section, the superintendent shall</u>	1997
<u>consider all of the following:</u>	1998
<u>(1) The seriousness of and the risk posed by the violation,</u>	1999
<u>unsafe or unsound practice, or breach;</u>	2000
<u>(2) The licensee's or other person's good faith efforts to</u>	2001
<u>prevent the violation, unsafe or unsound practice, or breach;</u>	2002
<u>(3) The licensee's or other person's history regarding</u>	2003
<u>violations, unsafe or unsound practices, and breaches;</u>	2004
<u>(4) The licensee's or other person's financial resources;</u>	2005
<u>(5) Any other matters justice may require.</u>	2006
<u>(E) Any licensee's or other person assessed a civil penalty</u>	2007
<u>pursuant to this section shall pay the civil penalty to the</u>	2008

superintendent, and the superintendent shall deposit any civil 2009  
penalty paid into the state treasury to the credit of the general 2010  
revenue fund. 2011

Sec. 1315.153. If the superintendent of financial 2012  
institutions has reason to believe that a person has violated or 2013  
is violating section 1315.02 of the Revised Code, the 2014  
superintendent may petition the court of common pleas of the 2015  
county where the person's principal place of business or residence 2016  
is located or, if the person's principal place of business or 2017  
residence is not in this state, the court of common pleas of 2018  
Franklin county for the issuance of a temporary restraining order 2019  
or an injunction. 2020

Sec. 1315.16. (A) The superintendent of financial 2021  
institutions may do both of the following: 2022

(1) Summon and compel, by order or subpoena, witnesses to 2023  
appear before the superintendent, deputy superintendent, examiner, 2024  
or attorney examiner, and testify under oath regarding the affairs 2025  
of a licensee or other person; 2026

(2) Compel, by order or subpoena, the production of any 2027  
record, book, paper, document, item, or other thing pertaining to 2028  
a licensee or other person. 2029

(B) The superintendent shall serve an order or subpoena 2030  
issued pursuant to division (A) of this section in any manner 2031  
provided by section 1315.161 of the Revised Code. 2032

(C) If a person fails to comply with an order or subpoena of 2033  
the superintendent or refuses to testify to any matter regarding 2034  
which the person is lawfully interrogated before the 2035  
superintendent, on application of the superintendent, the court of 2036  
common pleas of the county in which the person resides or in which 2037  
the principal place of business of the person is located, or a 2038

judge of the court, shall compel compliance by attachment 2039  
proceedings as for contempt in the case of noncompliance with a 2040  
subpoena issued from the court or refusal to testify in the court. 2041

Sec. 1315.161. (A) The superintendent of financial 2042  
institutions may serve any notice that the superintendent is 2043  
required or authorized to give and any subpoena or order that the 2044  
superintendent is required or authorized to issue pursuant to 2045  
sections 1315.01 to 1315.18 of the Revised Code, at the sole 2046  
discretion of the superintendent, by any of the following means: 2047

(1) In person by the superintendent or an employee or agent 2048  
of the division of financial institutions; 2049

(2) By regular mail; 2050

(3) By registered or certified mail; 2051

(4) By private carrier; 2052

(5) By any other means permitted by the Rules of Civil 2053  
Procedure for service of process; 2054

(6) By any other manner the superintendent provides, by rule 2055  
or otherwise, that is reasonably calculated to give notice, 2056  
including by publication. 2057

(B) A notice, subpoena, or order served by the superintendent 2058  
in accordance with this section is effective upon delivery with 2059  
respect to divisions (A)(1) and (4) of this section, upon placing 2060  
in the regular mail with respect to divisions (A)(2) and (3) of 2061  
this section, and upon publication or completion of the act 2062  
reasonably calculated to give notice with respect to division 2063  
(A)(6) of this section. 2064

(C) Fees for service of a notice, subpoena, or order 2065  
described in division (A) of this section shall be paid from 2066  
amounts appropriated to the division of financial institutions for 2067

that purpose.

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Sec. 1315.17. (A)(1) Upon a licensee's or other person's request for an administrative hearing authorized in section 1315.15, 1315.151, or 1315.152 of the Revised Code, the division of financial institutions shall set a reasonable time, date, and place in this state for the hearing and notify the licensee or other person requesting the hearing. Within ninety days after the hearing, the superintendent of financial institutions shall render a decision, which shall include findings of fact upon which the decision is predicated, and shall issue and serve on the licensee or other person the decision and an order consistent with the decision. Judicial review of the order exclusively is as provided in division (B) of this section. Unless a notice of appeal is filed within thirty days after service of the superintendent's order as provided in division (B) of this section, and until the record of the administrative hearing has been filed, the superintendent may, at anytime, upon the notice and in the manner that the superintendent considers proper, modify, terminate, or set aside the superintendent's order. After filing the record, the superintendent may modify, terminate, or set aside the superintendent's order with permission of the court.

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(2) In the course of, or in connection with, an administrative hearing governed by this section, the superintendent, or a person designated by the superintendent to conduct the hearing, may administer oaths and affirmations; take or cause depositions to be taken; and issue, revoke, quash, or modify subpoenas and subpoenas duces tecum. The superintendent may adopt rules regarding these hearings. The attendance of witnesses and the production of documents provided for in this section may be required from any place within or outside the state. A party to a hearing governed by this section may apply to the court of

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common pleas of Franklin county, or the court of common pleas of 2099  
the county in which the hearing is being conducted or the witness 2100  
resides or carries on business, for enforcement of a subpoena or 2101  
subpoena duces tecum issued pursuant to this section, and the 2102  
courts have jurisdiction and power to order and require compliance 2103  
with the subpoena. Witnesses subpoenaed under this section shall 2104  
be paid the same fees and mileage that are paid witnesses in the 2105  
courts of common pleas in civil cases. 2106

(B)(1) A licensee or other person against whom the 2107  
superintendent issues an order upon the record of a hearing under 2108  
the authority of section 1315.15, 1315.151, or 1315.152 of the 2109  
Revised Code may obtain a review of the order by filing a notice 2110  
of appeal in the court of common pleas in the county in which the 2111  
principal place of business of the licensee or other person, or 2112  
the residence of the other person, is located, or in the court of 2113  
common pleas of Franklin county, within thirty days after the date 2114  
of service of the superintendent's order. The clerk of the court 2115  
promptly shall transmit a copy of the notice of appeal to the 2116  
superintendent, and the superintendent shall file the record of 2117  
the administrative hearing. Upon the filing of the notice of 2118  
appeal, the court has jurisdiction, which upon the filing of the 2119  
record of the administrative hearing is exclusive, to affirm, 2120  
modify, terminate, or set aside, in whole or in part, the 2121  
superintendent's order. 2122

(2) The commencement of proceedings for judicial review 2123  
pursuant to division (B) of this section does not, unless 2124  
specifically ordered by the court, operate as a stay of any order 2125  
issued by the superintendent. If it appears to the court an 2126  
unusual hardship to the appellant will result from the execution 2127  
of the superintendent's order pending determination of the appeal, 2128  
and the interests of the public will not be threatened by a stay 2129  
of the order, the court may grant a stay and fix its terms. 2130

(C) The superintendent may, in the sole discretion of the superintendent, apply to the court of common pleas of the county in which the principal place of business of the licensee or other person, or the residence of the other person, is located, or the court of common pleas of Franklin county, for the enforcement of an effective and outstanding superintendent's order issued under section 1315.15, 1315.151, or 1315.152 of the Revised Code, and the court has jurisdiction and power to order and require compliance with the superintendent's order. In an action by the superintendent pursuant to this division to enforce an order assessing a civil penalty issued under section 1315.152 of the Revised Code, the validity and appropriateness of the civil penalty is not subject to review.

(D) No court has jurisdiction to affect, by injunction or otherwise, the issuance or enforcement of an order issued under section 1315.15, 1315.151, or 1315.152 of the Revised Code or to review, modify, suspend, terminate, or set aside an order issued under section 1315.15, 1315.151, or 1315.152 of the Revised Code, except as provided in this section, in division (G) of section 1315.15 of the Revised Code for an order issued pursuant to division (C)(3) or (4) of section 1315.15 of the Revised Code, or in division (F) of section 1315.151 of the Revised Code for an order issued pursuant to division (C)(3) or (4) of section 1315.151 of the Revised Code.

(E) Nothing in this section or in any other section of the Revised Code or rules implementing this or any other section of the Revised Code shall prohibit or limit the superintendent from doing any of the following:

(1) Issuing orders pursuant to section 1315.15, 1315.151, or 1315.152 of the Revised Code;

(2) Individually or contemporaneously taking any other action

provided by law or rule with respect to a licensee or other person; 2162  
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(3) Taking any action provided by law or rule, whether alone or in conjunction with another regulatory agency or authority, with respect to a licensee or other person. 2164  
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**Sec. 1315.18.** (A) A licensee that ceases to do business in this state shall do so in accordance with a plan approved by the superintendent of financial institutions or pursuant to directions issued by the superintendent in connection with the revocation or suspension of the licensee's license pursuant to section 1315.151 of the Revised Code. 2167  
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(B) When a licensee ceases to do business in this state, if the superintendent considers it necessary to protect the interests of the licensee's customers, the superintendent may do either of the following: 2173  
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(1) Take control of permissible investments or other assets owned by the licensee equal in value to the licensee's outstandings in this state; 2177  
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(2) Require the sale of the licensee's contracts for continuing services or require the licensee's termination of those contracts with compensation to the customers for loss of the services. 2180  
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(C) No licensee shall fail to comply with this section. 2184

**Sec. 1315.21.** As used in sections 1315.21 to 1315.30 of the Revised Code: 2185  
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(A) "Check" means any check, draft, money order, or other instrument for the transmission or payment of money. "Check" does not include a travelers check. 2187  
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(B) "Check-cashing business" means any person ~~who~~ that 2190

engages in the business of cashing checks for a fee.	2191
"Check-cashing business" does not include any of the following:	2192
(1) A licensee as defined in section 1321.01 of the Revised Code;	2193 2194
(2) A registrant as defined in section 1321.51 of the Revised Code;	2195 2196
(3) A financial institution;	2197
(4) A person <del>who</del> <u>that</u> is primarily engaged in the business of selling tangible personal property or services at retail and does not derive more than five per cent of <del>his</del> <u>the person's</u> gross income from the cashing of checks;	2198 2199 2200 2201
(5) A person licensed under sections 1315.01 to <del>1315.11</del> <u>1315.18</u> of the Revised Code, or any agent of that person, to the extent that the person or the agent is engaged in cashing checks or travelers checks issued by the licensed person.	2202 2203 2204 2205
(C) "Financial institution" means any bank, trust company, savings bank, savings and loan association, or credit union, <del>which</del> <u>that</u> is incorporated or organized under the laws of the United States or of any state thereof, or of Canada or any province thereof, and subject to regulation or supervision by such country, state, or province.	2206 2207 2208 2209 2210 2211
(D) "Superintendent of financial institutions" includes the deputy superintendent for consumer finance as provided in section 1181.21 of the Revised Code.	2212 2213 2214
<b>Sec. 1315.99.</b> (A) Whoever violates <del>section 1315.11, section 1315.17,</del> division (A) or (B) of section 1315.28, section 1315.41, or division (E)(2) of section 1315.53 of the Revised Code is guilty of a misdemeanor of the first degree.	2215 2216 2217 2218
(B) Whoever violates division (F)(1) of section 1315.53 or division (B) of section 1315.54 of the Revised Code is guilty of a	2219 2220

felony of the fourth degree. 2221

(C) Whoever violates division (A) of section 1315.55 of the Revised Code is guilty of money laundering. A violation of division (A)(1), (2), (3), (4), or (5) of that section is a felony of the third degree, and, in addition, the court may impose a fine of seven thousand five hundred dollars or twice the value of the property involved, whichever is greater. 2222  
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(D) Whoever knowingly violates division (A) of section 1315.02, or intentionally violates division (B)(1) of section 1315.081, of the Revised Code is guilty of a felony of the fourth degree. 2228  
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**Sec. 1733.25.** (A) A credit union may make loans to members for provident and productive purposes as authorized by law, the articles, and regulations, and subject to policies adopted by the credit committee and approved by the board of directors. 2232  
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(B) Upon the approval of the board of directors, a credit union may make loans to other credit unions, provided that loans made to other credit unions need not have the approval of the board of directors on a per case basis. The total of all such loans, including the aggregate of all money paid into any trust established by one or more credit unions for the purpose of making loans to other credit unions, shall not exceed twenty-five per cent of the shares and undivided earnings of the lending credit union, except that this percentage limitation does not apply to corporate credit unions. 2236  
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(C) The interest on any loan made by a credit union shall not exceed one and one-half per cent per month on unpaid balances. Such interest may accrue and be chargeable upon a monthly basis, and may be computed upon the unpaid balance of the loan as of the end of the previous calendar month. 2246  
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Such interest may be accrued and charged by any technique 2251  
approved by the superintendent of credit unions so long as the 2252  
effective interest rate on any loan does not exceed the amount 2253  
permitted to be charged by the computation authorized in this 2254  
division. 2255

(D) A credit union may accept security in such form and under 2256  
such rules as shall be set forth in the articles, the regulations, 2257  
or established by the credit committee and approved by the board 2258  
of directors. 2259

(E) The total loans to association members shall not exceed 2260  
ten per cent of the shares and undivided earnings or the total 2261  
value of shares pledged by association members as security for 2262  
loans, whichever is greater. 2263

(F) Subject to any restrictions or requirements established 2264  
by the superintendent, in connection with any loan or extension of 2265  
credit, a credit union may enter into a debt suspension or debt 2266  
cancellation contract with the borrower or borrowers. 2267

**Sec. 4719.01.** (A) As used in sections 4719.01 to 4719.18 of 2268  
the Revised Code: 2269

(1) "Affiliate" means a business entity that is owned by, 2270  
operated by, controlled by, or under common control with another 2271  
business entity. 2272

(2) "Communication" means a written or oral notification or 2273  
advertisement that meets both of the following criteria, as 2274  
applicable: 2275

(a) The notification or advertisement is transmitted by or on 2276  
behalf of the seller of goods or services and by or through any 2277  
printed, audio, video, cinematic, telephonic, or electronic means. 2278

(b) In the case of a notification or advertisement other than 2279  
by telephone, either of the following conditions is met: 2280

(i) The notification or advertisement is followed by a 2281  
telephone call from a telephone solicitor or salesperson. 2282

(ii) The notification or advertisement invites a response by 2283  
telephone, and, during the course of that response, a telephone 2284  
solicitor or salesperson attempts to make or makes a sale of goods 2285  
or services. As used in division (A)(2)(b)(ii) of this section, 2286  
"invites a response by telephone" excludes the mere listing or 2287  
inclusion of a telephone number in a notification or 2288  
advertisement. 2289

(3) "Gift, award, or prize" means anything of value that is 2290  
offered or purportedly offered, or given or purportedly given by 2291  
chance, at no cost to the receiver and with no obligation to 2292  
purchase goods or services. As used in this division, "chance" 2293  
includes a situation in which a person is guaranteed to receive an 2294  
item and, at the time of the offer or purported offer, the 2295  
telephone solicitor does not identify the specific item that the 2296  
person will receive. 2297

(4) "Goods or services" means any real property or any 2298  
tangible or intangible personal property, or services of any kind 2299  
provided or offered to a person. "Goods or services" includes, but 2300  
is not limited to, advertising; labor performed for the benefit of 2301  
a person; personal property intended to be attached to or 2302  
installed in any real property, regardless of whether it is so 2303  
attached or installed; timeshare estates or licenses; and extended 2304  
service contracts. 2305

(5) "Purchaser" means a person that is solicited to become or 2306  
does become financially obligated as a result of a telephone 2307  
solicitation. 2308

(6) "Salesperson" means an individual who is employed, 2309  
appointed, or authorized by a telephone solicitor to make 2310  
telephone solicitations but does not mean any of the following: 2311

(a) An individual who comes within one of the exemptions in division (B) of this section;	2312 2313
(b) An individual employed, appointed, or authorized by a person who comes within one of the exemptions in division (B) of this section;	2314 2315 2316
(c) An individual under a written contract with a person who comes within one of the exemptions in division (B) of this section, if liability for all transactions with purchasers is assumed by the person so exempted.	2317 2318 2319 2320
(7) "Telephone solicitation" means a communication to a person that meets both of the following criteria:	2321 2322
(a) The communication is initiated by or on behalf of a telephone solicitor or by a salesperson.	2323 2324
(b) The communication either represents a price or the quality or availability of goods or services or is used to induce the person to purchase goods or services, including, but not limited to, inducement through the offering of a gift, award, or prize.	2325 2326 2327 2328 2329
(8) "Telephone solicitor" means a person that engages in telephone solicitation directly or through one or more salespersons either from a location in this state, or from a location outside this state to persons in this state. "Telephone solicitor" includes, but is not limited to, any such person that is an owner, operator, officer, or director of, partner in, or other individual engaged in the management activities of, a business.	2330 2331 2332 2333 2334 2335 2336 2337
(B) A telephone solicitor is exempt from the provisions of sections 4719.02 to 4719.18 and section 4719.99 of the Revised Code if the telephone solicitor is any one of the following:	2338 2339 2340
(1) A person engaging in a telephone solicitation that is a	2341

one-time or infrequent transaction not done in the course of a 2342  
pattern of repeated transactions of a like nature; 2343

(2) A person engaged in telephone solicitation solely for 2344  
religious or political purposes; a charitable organization, 2345  
fund-raising counsel, or professional solicitor in compliance with 2346  
the registration and reporting requirements of Chapter 1716. of 2347  
the Revised Code; or any person or other entity exempt under 2348  
section 1716.03 of the Revised Code from filing a registration 2349  
statement under section 1716.02 of the Revised Code; 2350

(3) A person, making a telephone solicitation involving a 2351  
home solicitation sale as defined in section 1345.21 of the 2352  
Revised Code, that makes the sales presentation and completes the 2353  
sale at a later, face-to-face meeting between the seller and the 2354  
purchaser rather than during the telephone solicitation. However, 2355  
if the person, following the telephone solicitation, causes 2356  
another person to collect the payment of any money, this exemption 2357  
does not apply. 2358

(4) A licensed securities, commodities, or investment broker, 2359  
dealer, investment advisor, or associated person when making a 2360  
telephone solicitation within the scope of the person's license. 2361  
As used in division (B)(4) of this section, "licensed securities, 2362  
commodities, or investment broker, dealer, investment advisor, or 2363  
associated person" means a person subject to licensure or 2364  
registration as such by the securities and exchange commission; 2365  
the National Association of Securities Dealers or other 2366  
self-regulatory organization, as defined by 15 U.S.C.A. 78c; by 2367  
the division of securities under Chapter 1707. of the Revised 2368  
Code; or by an official or agency of any other state of the United 2369  
States. 2370

(5)(a) A person primarily engaged in soliciting the sale of a 2371  
newspaper of general circulation; 2372

(b) As used in division (B)(5)(a) of this section, "newspaper  
of general circulation" includes, but is not limited to, both of  
the following:

(i) A newspaper that is a daily law journal designated as an  
official publisher of court calendars pursuant to section 2701.09  
of the Revised Code;

(ii) A newspaper or publication that has at least twenty-five  
per cent editorial, non-advertising content, exclusive of inserts,  
measured relative to total publication space, and an audited  
circulation to at least fifty per cent of the households in the  
newspaper's retail trade zone as defined by the audit.

(6)(a) An issuer, or its subsidiary, that has a class of  
securities to which all of the following apply:

(i) The class of securities is subject to section 12 of the  
"Securities Exchange Act of 1934," 15 U.S.C.A. 781, and is  
registered or is exempt from registration under 15 U.S.C.A.  
781(g)(2)(A), (B), (C), (E), (F), (G), or (H);

(ii) The class of securities is listed on the New York stock  
exchange, the American stock exchange, or the NASDAQ national  
market system;

(iii) The class of securities is a reported security as  
defined in 17 C.F.R. 240.11Aa3-1(a)(4).

(b) An issuer, or its subsidiary, that formerly had a class  
of securities that met the criteria set forth in division  
(B)(6)(a) of this section if the issuer, or its subsidiary, has a  
net worth in excess of one hundred million dollars, files or its  
parent files with the securities and exchange commission an S.E.C.  
form 10-K, and has continued in substantially the same business  
since it had a class of securities that met the criteria in  
division (B)(6)(a) of this section. As used in division (B)(6)(b)

of this section, "issuer" and "subsidiary" include the successor  
to an issuer or subsidiary. 2403  
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(7) A person soliciting a transaction regulated by the  
commodity futures trading commission, if the person is registered  
or temporarily registered for that activity with the commission  
under 7 U.S.C.A. 1 et. seq. and the registration or temporary  
registration has not expired or been suspended or revoked; 2405  
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(8) A person soliciting the sale of any book, record, audio  
tape, compact disc, or video, if the person allows the purchaser  
to review the merchandise for at least seven days and provides a  
full refund within thirty days to a purchaser who returns the  
merchandise or if the person solicits the sale on behalf of a  
membership club operating in compliance with regulations adopted  
by the federal trade commission in 16 C.F.R. 425; 2410  
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(9) A supervised financial institution or its subsidiary. As  
used in division (B)(9) of this section, "supervised financial  
institution" means a bank, trust company, savings and loan  
association, savings bank, credit union, industrial loan company,  
consumer finance lender, commercial finance lender, or institution  
described in section 2(c)(2)(F) of the "Bank Holding Company Act  
of 1956," 12 U.S.C.A. 1841(c)(2)(F), as amended, supervised by an  
official or agency of the United States, this state, or any other  
state of the United States; or a licensee or registrant under  
sections 1321.01 to 1321.19, 1321.51 to 1321.60, or 1321.71 to  
1321.83 of the Revised Code. 2417  
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(10)(a) An insurance company, association, or other  
organization that is licensed or authorized to conduct business in  
this state by the superintendent of insurance pursuant to Title  
XXXIX of the Revised Code or Chapter 1751. of the Revised Code,  
when soliciting within the scope of its license or authorization. 2428  
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(b) A licensed insurance broker, agent, or solicitor when 2433

soliciting within the scope of the person's license. As used in 2434  
division (B)(10)(b) of this section, "licensed insurance broker, 2435  
agent, or solicitor" means any person licensed as an insurance 2436  
broker, agent, or solicitor by the superintendent of insurance 2437  
pursuant to Title XXXIX of the Revised Code. 2438

(11) A person soliciting the sale of services provided by a 2439  
cable television system operating under authority of a 2440  
governmental franchise or permit; 2441

(12) A person soliciting a business-to-business sale under 2442  
which any of the following conditions are met: 2443

(a) The telephone solicitor has been operating continuously 2444  
for at least three years under the same business name under which 2445  
it solicits purchasers, and at least fifty-one per cent of its 2446  
gross dollar volume of sales consists of repeat sales to existing 2447  
customers to whom it has made sales under the same business name. 2448

(b) The purchaser business intends to resell the goods 2449  
purchased. 2450

(c) The purchaser business intends to use the goods or 2451  
services purchased in a recycling, reuse, manufacturing, or 2452  
remanufacturing process. 2453

(d) The telephone solicitor is a publisher of a periodical or 2454  
of magazines distributed as controlled circulation publications as 2455  
defined in division (CC) of section 5739.01 of the Revised Code 2456  
and is soliciting sales of advertising, subscriptions, reprints, 2457  
lists, information databases, conference participation or 2458  
sponsorships, trade shows or media products related to the 2459  
periodical or magazine, or other publishing services provided by 2460  
the controlled circulation publication. 2461

(13) A person that, not less often than once each year, 2462  
publishes and delivers to potential purchasers a catalog that 2463

complies with both of the following:	2464
(a) It includes all of the following:	2465
(i) The business address of the seller;	2466
(ii) A written description or illustration of each good or service offered for sale;	2467 2468
(iii) A clear and conspicuous disclosure of the sale price of each good or service; shipping, handling, and other charges; and return policy;	2469 2470 2471
(b) One of the following applies:	2472
(i) The catalog includes at least twenty-four pages of written material and illustrations, is distributed in more than one state, and has an annual postage-paid mail circulation of not less than two hundred fifty thousand households;	2473 2474 2475 2476
(ii) The catalog includes at least ten pages of written material or an equivalent amount of material in electronic form on the internet or an on-line computer service, the person does not solicit customers by telephone but solely receives telephone calls made in response to the catalog, and during the calls the person takes orders but does not engage in further solicitation of the purchaser. As used in division (B)(13)(b)(ii) of this section, "further solicitation" does not include providing the purchaser with information about, or attempting to sell, any other item in the catalog that prompted the purchaser's call or in a substantially similar catalog issued by the seller.	2477 2478 2479 2480 2481 2482 2483 2484 2485 2486 2487
(14) A political subdivision or instrumentality of the United States, this state, or any state of the United States;	2488 2489
(15) A college or university or any other public or private institution of higher education in this state;	2490 2491
(16) A public utility as defined in section 4905.02 of the Revised Code or a retail natural gas supplier as defined in	2492 2493

section 4929.01 of the Revised Code, if the utility or supplier is 2494  
subject to regulation by the public utilities commission, or the 2495  
affiliate of the utility or supplier; 2496

(17) A person that solicits sales through a television 2497  
program or advertisement that is presented in the same market area 2498  
no fewer than twenty days per month or offers for sale no fewer 2499  
than ten distinct items of goods or services; and offers to the 2500  
purchaser an unconditional right to return any good or service 2501  
purchased within a period of at least seven days and to receive a 2502  
full refund within thirty days after the purchaser returns the 2503  
good or cancels the service; 2504

(18)(a) A person that, for at least one year, has been 2505  
operating a retail business under the same name as that used in 2506  
connection with telephone solicitation and both of the following 2507  
occur on a continuing basis: 2508

(i) The person either displays goods and offers them for 2509  
retail sale at the person's business premises or offers services 2510  
for sale and provides them at the person's business premises. 2511

(ii) At least fifty-one per cent of the person's gross dollar 2512  
volume of retail sales involves purchases of goods or services at 2513  
the person's business premises. 2514

(b) An affiliate of a person that meets the requirements in 2515  
division (B)(18)(a) of this section if the affiliate meets all of 2516  
the following requirements: 2517

(i) The affiliate has operated a retail business for a period 2518  
of less than one year; 2519

(ii) The affiliate either displays goods and offers them for 2520  
retail sale at the affiliate's business premises or offers 2521  
services for sale and provides them at the affiliate's business 2522  
premises; 2523

(iii) At least fifty-one per cent of the affiliate's gross 2524  
dollar volume of retail sales involves purchases of goods or 2525  
services at the affiliate's business premises. 2526

(c) A person that, for a period of less than one year, has 2527  
been operating a retail business in this state under the same name 2528  
as that used in connection with telephone solicitation, as long as 2529  
all of the following requirements are met: 2530

(i) The person either displays goods and offers them for 2531  
retail sale at the person's business premises or offers services 2532  
for sale and provides them at the person's business premises; 2533

(ii) The goods or services that are the subject of telephone 2534  
solicitation are sold at the person's business premises, and at 2535  
least sixty-five per cent of the person's gross dollar volume of 2536  
retail sales involves purchases of goods or services at the 2537  
person's business premises; 2538

(iii) The person conducts all telephone solicitation 2539  
activities according to sections 310.3, 310.4, and 310.5 of the 2540  
telemarketing sales rule adopted by the federal trade commission 2541  
in 16 C.F.R. part 310. 2542

(19) A person who performs telephone solicitation sales 2543  
services on behalf of other persons and to whom one of the 2544  
following applies: 2545

(a) The person has operated under the same ownership, 2546  
control, and business name for at least five years, and the person 2547  
receives at least seventy-five per cent of its gross revenues from 2548  
written telephone solicitation contracts with persons who come 2549  
within one of the exemptions in division (B) of this section. 2550

(b) The person is an affiliate of one or more exempt persons 2551  
and makes telephone solicitations on behalf of only the exempt 2552  
persons of which it is an affiliate. 2553

(c) The person makes telephone solicitations on behalf of 2554  
only exempt persons, the person and each exempt person on whose 2555  
behalf telephone solicitations are made have entered into a 2556  
written contract that specifies the manner in which the telephone 2557  
solicitations are to be conducted and that at a minimum requires 2558  
compliance with the telemarketing sales rule adopted by the 2559  
federal trade commission in 16 C.F.R. part 310, and the person 2560  
conducts the telephone solicitations in the manner specified in 2561  
the written contract. 2562

(d) The person performs telephone solicitation for religious 2563  
or political purposes, a charitable organization, a fund-raising 2564  
council, or a professional solicitor in compliance with the 2565  
registration and reporting requirements of Chapter 1716. of the 2566  
Revised Code; and meets all of the following requirements: 2567

(i) The person has operated under the same ownership, 2568  
control, and business name for at least five years, and the person 2569  
receives at least fifty-one per cent of its gross revenues from 2570  
written telephone solicitation contracts with persons who come 2571  
within the exemption in division (B)(2) of this section; 2572

(ii) The person does not conduct a prize promotion or offer 2573  
the sale of an investment opportunity; ~~and~~ 2574

(iii) The person conducts all telephone solicitation 2575  
activities according to sections 310.3, 310.4, and 310.5 of the 2576  
telemarketing sales rules adopted by the federal trade commission 2577  
in 16 C.F.R. part 310. 2578

(20) A person that is a licensed real estate salesperson or 2579  
broker under Chapter 4735. of the Revised Code when soliciting 2580  
within the scope of the person's license; 2581

(21)(a) Either of the following: 2582

(i) A publisher that solicits the sale of the publisher's 2583

periodical or magazine of general, paid circulation, or a person 2584  
that solicits a sale of that nature on behalf of a publisher under 2585  
a written agreement directly between the publisher and the person. 2586

(ii) A publisher that solicits the sale of the publisher's 2587  
periodical or magazine of general, paid circulation, or a person 2588  
that solicits a sale of that nature as authorized by a publisher 2589  
under a written agreement directly with a publisher's 2590  
clearinghouse provided the person is a resident of Ohio for more 2591  
than three years and initiates all telephone solicitations from 2592  
Ohio and the person conducts the solicitation and sale in 2593  
compliance with 16 C.F.R. ~~Part~~ part 310, as adopted by the federal 2594  
trade commission. 2595

(b) As used in division (B)(21) of this section, "periodical 2596  
or magazine of general, paid circulation" excludes a periodical or 2597  
magazine circulated only as part of a membership package or given 2598  
as a free gift or prize from the publisher or person. 2599

(22) A person that solicits the sale of food, as defined in 2600  
section 3715.01 of the Revised Code, or the sale of products of 2601  
horticulture, as defined in section 5739.01 of the Revised Code, 2602  
if the person does not intend the solicitation to result in, or 2603  
the solicitation actually does not result in, a sale that costs 2604  
the purchaser an amount greater than five hundred dollars. 2605

(23) A funeral director licensed pursuant to Chapter 4717. of 2606  
the Revised Code when soliciting within the scope of that license, 2607  
if both of the following apply: 2608

(a) The solicitation and sale are conducted in compliance 2609  
with 16 C.F.R. part 453, as adopted by the federal trade 2610  
commission, and with sections 1107.33 and 1345.21 to 1345.28 of 2611  
the Revised Code; 2612

(b) The person provides to the purchaser of any preneed 2613  
funeral contract a notice that clearly and conspicuously sets 2614

forth the cancellation rights specified in division (G) of section 2615  
1107.33 of the Revised Code, and retains a copy of the notice 2616  
signed by the purchaser. 2617

(24) A person, or affiliate thereof, licensed to sell or 2618  
issue Ohio instruments designated as travelers checks pursuant to 2619  
sections 1315.01 to ~~1315.11~~ 1315.18 of the Revised Code. 2620

(25) A person that solicits sales from its previous 2621  
purchasers and meets all of the following requirements: 2622

(a) The solicitation is made under the same business name 2623  
that was previously used to sell goods or services to the 2624  
purchaser; 2625

(b) The person has, for a period of not less than three 2626  
years, operated a business under the same business name as that 2627  
used in connection with telephone solicitation; 2628

(c) The person does not conduct a prize promotion or offer 2629  
the sale of an investment opportunity; 2630

(d) The person conducts all telephone solicitation activities 2631  
according to sections 310.3, 310.4, and 310.5 of the telemarketing 2632  
sales rules adopted by the federal trade commission in 16 C.F.R. 2633  
part 310; 2634

(e) Neither the person nor any of its principals has been 2635  
convicted of, pleaded guilty to, or has entered a plea of no 2636  
contest for a felony or a theft offense as defined in sections 2637  
2901.02 and 2913.01 of the Revised Code or similar law of another 2638  
state or of the United States; 2639

(f) Neither the person nor any of its principals has had 2640  
entered against them an injunction or a final judgment or order, 2641  
including an agreed judgment or order, an assurance of voluntary 2642  
compliance, or any similar instrument, in any civil or 2643  
administrative action involving engaging in a pattern of corrupt 2644

practices, fraud, theft, embezzlement, fraudulent conversion, or 2645  
misappropriation of property; the use of any untrue, deceptive, or 2646  
misleading representation; or the use of any unfair, unlawful, 2647  
deceptive, or unconscionable trade act or practice. 2648

(26) An institution defined as a home health agency in 2649  
section 3701.881 of the Revised Code, that conducts all telephone 2650  
solicitation activities according to sections 310.3, 310.4, and 2651  
310.5 of the telemarketing sales rules adopted by the federal 2652  
trade commission in 16 C.F.R. part 310, and engages in telephone 2653  
solicitation only within the scope of the institution's 2654  
certification, accreditation, contract with the department of 2655  
aging, or status as a home health agency; and that meets one of 2656  
the following requirements: 2657

(a) The institution is certified as a provider of home health 2658  
services under Title XVIII of the Social Security Act, 49 Stat. 2659  
620, 42 U.S.C. 301, as amended; 2660

(b) The institution is accredited by either the joint 2661  
commission on accreditation of health care organizations or the 2662  
community health accreditation program; 2663

(c) The institution is providing passport services under the 2664  
direction of the Ohio department of aging under section 173.40 of 2665  
the Revised Code; 2666

(d) An affiliate of an institution that meets the 2667  
requirements of division (B)(26)(a), (b), or (c) of this section 2668  
when offering for sale substantially the same goods and services 2669  
as those that are offered by the institution that meets the 2670  
requirements of division (B)(26)(a), (b), or (c) of this section. 2671

(27) A person licensed to provide a hospice care program by 2672  
the department of health pursuant to section 3712.04 of the 2673  
Revised Code when conducting telephone solicitations within the 2674  
scope of the person's license and according to sections 310.3, 2675

310.4, and 310.5 of the telemarketing sales rules adopted by the federal trade commission in 16 C.F.R. part 310. 2676  
2677

**Section 2.** That existing sections 111.15, 121.07, 1101.15, 2678  
1109.15, 1109.43, 1111.02, 1111.04, 1111.06, 1111.07, 1111.08, 2679  
1121.30, 1151.14, 1151.321, 1161.18, 1161.51, 1181.25, 1315.21, 2680  
1315.99, 1733.25, and 4719.01 and sections 1151.348, 1315.01, 2681  
1315.02, 1315.03, 1315.04, 1315.05, 1315.06, 1315.07, 1315.08, 2682  
1315.09, 1315.10, 1315.11, 1315.16, 1315.17, and 1315.18 of the 2683  
Revised Code are hereby repealed. 2684

**Section 3.** That section 1125.28 of the Revised Code, as it 2685  
results from S.B. 293 of the 121st General Assembly, is hereby 2686  
repealed. The version of section 1125.28 of the Revised Code, as 2687  
it results from H.B. 538 of the 121st General Assembly, is not 2688  
affected by this repeal. 2689

**Section 4.** A license issued under sections 1315.01 to 1315.11 2690  
of the Revised Code that is in effect immediately prior to the 2691  
effective date of this act shall remain in force as a license 2692  
under sections 1315.01 to 1315.18 of the Revised Code as enacted 2693  
by this act until the license's expiration date. Thereafter, the 2694  
licensee shall be treated as if it had applied for and had 2695  
received a license under sections 1315.01 to 1315.18 of the 2696  
Revised Code and shall be required to comply with sections 1315.01 2697  
to 1315.18 of the Revised Code. 2698

**Section 5.** Section 1315.21 of the Revised Code is presented 2699  
in this act as a composite of the section as amended by both Am. 2700  
Sub. S.B. 293 and Am. Sub. H.B. 538 of the 121st General Assembly. 2701  
Section 1315.99 of the Revised Code is presented in this act as a 2702  
composite of the section as amended by both Am. Sub. H.B. 333 and 2703  
Am. Sub. H.B. 538 of the 121st General Assembly. The General 2704  
Assembly, applying the principle stated in division (B) of section 2705

1.52 of the Revised Code that amendments are to be harmonized if	2706
reasonably capable of simultaneous operation, finds that the	2707
composites are the resulting versions of the sections in effect	2708
prior to the effective date of the sections as presented in this	2709
act.	2710