

**As Reported by the Senate Finance and Financial Institutions
Committee**

**126th General Assembly
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Sub. H. B. No. 454

**Representatives Coley, Wagoner, Hartnett, Harwood, Brown, Bubb, Allen,
Aslanides, Boccieri, Collier, DeBose, Dolan, Domenick, Evans, C., Fende,
Hughes, McGregor, J., Patton, T., Reidelbach, Schneider, Seitz, Setzer,
Smith, G.**

Senators Carey, Kearney

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A B I L L

To amend sections 109.71, 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, 1181.06, 1181.25, 1315.21, 1315.99, 4
1733.25, 3953.30, 3953.32, 3953.33, 4719.01, and 5
4973.17; to enact new sections 1151.348, 1315.01 6
to 1315.11, and 1315.16 to 1315.18; to enact 7
sections 1161.601, 1315.081, 1315.101, 1315.12, 8
1315.121, 1315.122, 1315.13, 1315.14, 1315.15, 9
1315.151, 1315.152, 1315.153, and 1315.161; to 10
repeal sections 1151.348, 1315.01, 1315.02, 11
1315.03, 1315.04, 1315.05, 1315.06, 1315.07, 12
1315.08, 1315.09, 1315.10, 1315.11, 1315.16, 13
1315.17, and 1315.18; and to repeal section 14
1125.28 of the Revised Code, as it results from 15
S.B. 293 of the 121st General Assembly, to modify 16
the Financial Institutions Law with respect to 17
debt suspension and cancellation contracts, trust 18
powers, boards of directors, on premises police 19

officers, and bankers' banks; to revise the Money 20
Transmitters Law, including with respect to 21
licensing, net worth, reporting, investigations, 22
and enforcement; and to modify the Title Insurance 23
Law relative to lender's title insurance, closing 24
or settlement protection, and annual reviews of 25
escrow and other accounts. 26

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

Section 1. That sections 109.71, 121.07, 1101.15, 1109.15, 27
1109.43, 1111.02, 1111.04, 1111.06, 1111.07, 1111.08, 1121.30, 28
1151.14, 1151.321, 1161.18, 1161.51, 1181.06, 1181.25, 1315.21, 29
1315.99, 1733.25, 3953.30, 3953.32, 3953.33, 4719.01, and 4973.17 30
be amended and new sections 1151.348, 1315.01, 1315.02, 1315.03, 31
1315.04, 1315.05, 1315.06, 1315.07, 1315.08, 1315.09, 1315.10, 32
1315.11, 1315.16, 1315.17, and 1315.18 and sections 1161.601, 33
1315.081, 1315.101, 1315.12, 1315.121, 1315.122, 1315.13, 1315.14, 34
1315.15, 1315.151, 1315.152, 1315.153, and 1315.161 of the Revised 35
Code be enacted to read as follows: 36

Sec. 109.71. There is hereby created in the office of the 37
attorney general the Ohio peace officer training commission. The 38
commission shall consist of nine members appointed by the governor 39
with the advice and consent of the senate and selected as follows: 40
one member representing the public; two members who are incumbent 41
sheriffs; two members who are incumbent chiefs of police; one 42
member from the bureau of criminal identification and 43
investigation; one member from the state highway patrol; one 44
member who is the special agent in charge of a field office of the 45
federal bureau of investigation in this state; and one member from 46
the department of education, trade and industrial education 47
services, law enforcement training. 48

As used in sections 109.71 to 109.77 of the Revised Code:	49
(A) "Peace officer" means:	50
(1) A deputy sheriff, marshal, deputy marshal, member of the organized police department of a township or municipal corporation, member of a township police district or joint township police district police force, member of a police force employed by a metropolitan housing authority under division (D) of section 3735.31 of the Revised Code, or township constable, who is commissioned and employed as a peace officer by a political subdivision of this state or by a metropolitan housing authority, and whose primary duties are to preserve the peace, to protect life and property, and to enforce the laws of this state, ordinances of a municipal corporation, resolutions of a township, or regulations of a board of county commissioners or board of township trustees, or any of those laws, ordinances, resolutions, or regulations;	51 52 53 54 55 56 57 58 59 60 61 62 63 64
(2) A police officer who is employed by a railroad company and appointed and commissioned by the secretary of state pursuant to sections 4973.17 to 4973.22 of the Revised Code;	65 66 67
(3) Employees of the department of taxation engaged in the enforcement of Chapter 5743. of the Revised Code and designated by the tax commissioner for peace officer training for purposes of the delegation of investigation powers under section 5743.45 of the Revised Code;	68 69 70 71 72
(4) An undercover drug agent;	73
(5) Enforcement agents of the department of public safety whom the director of public safety designates under section 5502.14 of the Revised Code;	74 75 76
(6) An employee of the department of natural resources who is a natural resources law enforcement staff officer designated	77 78

pursuant to section 1501.013, a park officer designated pursuant 79
to section 1541.10, a forest officer designated pursuant to 80
section 1503.29, a preserve officer designated pursuant to section 81
1517.10, a wildlife officer designated pursuant to section 82
1531.13, or a state watercraft officer designated pursuant to 83
section 1547.521 of the Revised Code; 84

(7) An employee of a park district who is designated pursuant 85
to section 511.232 or 1545.13 of the Revised Code; 86

(8) An employee of a conservancy district who is designated 87
pursuant to section 6101.75 of the Revised Code; 88

(9) A police officer who is employed by a hospital that 89
employs and maintains its own proprietary police department or 90
security department, and who is appointed and commissioned by the 91
secretary of state pursuant to sections 4973.17 to 4973.22 of the 92
Revised Code; 93

(10) Veterans' homes police officers designated under section 94
5907.02 of the Revised Code; 95

(11) A police officer who is employed by a qualified 96
nonprofit corporation police department pursuant to section 97
1702.80 of the Revised Code; 98

(12) A state university law enforcement officer appointed 99
under section 3345.04 of the Revised Code or a person serving as a 100
state university law enforcement officer on a permanent basis on 101
June 19, 1978, who has been awarded a certificate by the executive 102
director of the Ohio peace officer training commission attesting 103
to the person's satisfactory completion of an approved state, 104
county, municipal, or department of natural resources peace 105
officer basic training program; 106

(13) A special police officer employed by the department of 107
mental health pursuant to section 5119.14 of the Revised Code or 108

the department of mental retardation and developmental	109
disabilities pursuant to section 5123.13 of the Revised Code;	110
(14) A member of a campus police department appointed under	111
section 1713.50 of the Revised Code;	112
(15) A member of a police force employed by a regional	113
transit authority under division (Y) of section 306.35 of the	114
Revised Code;	115
(16) Investigators appointed by the auditor of state pursuant	116
to section 117.091 of the Revised Code and engaged in the	117
enforcement of Chapter 117. of the Revised Code;	118
(17) A special police officer designated by the	119
superintendent of the state highway patrol pursuant to section	120
5503.09 of the Revised Code or a person who was serving as a	121
special police officer pursuant to that section on a permanent	122
basis on October 21, 1997, and who has been awarded a certificate	123
by the executive director of the Ohio peace officer training	124
commission attesting to the person's satisfactory completion of an	125
approved state, county, municipal, or department of natural	126
resources peace officer basic training program;	127
(18) A special police officer employed by a port authority	128
under section 4582.04 or 4582.28 of the Revised Code or a person	129
serving as a special police officer employed by a port authority	130
on a permanent basis on May 17, 2000, who has been awarded a	131
certificate by the executive director of the Ohio peace officer	132
training commission attesting to the person's satisfactory	133
completion of an approved state, county, municipal, or department	134
of natural resources peace officer basic training program;	135
(19) A special police officer employed by a municipal	136
corporation who has been awarded a certificate by the executive	137
director of the Ohio peace officer training commission for	138
satisfactory completion of an approved peace officer basic	139

training program and who is employed on a permanent basis on or 140
after March 19, 2003, at a municipal airport, or other municipal 141
air navigation facility, that has scheduled operations, as defined 142
in section 119.3 of Title 14 of the Code of Federal Regulations, 143
14 C.F.R. 119.3, as amended, and that is required to be under a 144
security program and is governed by aviation security rules of the 145
transportation security administration of the United States 146
department of transportation as provided in Parts 1542. and 1544. 147
of Title 49 of the Code of Federal Regulations, as amended; 148

(20) A police officer who is employed by an owner or operator 149
of an amusement park that has an average yearly attendance in 150
excess of six hundred thousand guests and that employs and 151
maintains its own proprietary police department or security 152
department, and who is appointed and commissioned by a judge of 153
the appropriate municipal court or county court pursuant to 154
section 4973.17 of the Revised Code; 155

(21) A police officer who is employed by a bank+ , savings and 156
loan association+ , savings bank+ , credit union+ , or association of 157
banks, savings and loan associations, savings banks, or credit 158
unions ~~and,~~ who has been appointed and commissioned by the 159
secretary of state pursuant to sections 4973.17 to 4973.22 of the 160
Revised Code, and who has been awarded a certificate by the 161
executive director of the Ohio peace officer training commission 162
attesting to the person's satisfactory completion of a state, 163
county, municipal, or department of natural resources peace 164
officer basic training program. 165

(B) "Undercover drug agent" has the same meaning as in 166
division (B)(2) of section 109.79 of the Revised Code. 167

(C) "Crisis intervention training" means training in the use 168
of interpersonal and communication skills to most effectively and 169
sensitively interview victims of rape. 170

(D) "Missing children" has the same meaning as in section 171
2901.30 of the Revised Code. 172

Sec. 121.07. (A) Except as otherwise provided in this 173
division, the officers mentioned in sections 121.04 and 121.05 of 174
the Revised Code and the offices and divisions they administer 175
shall be under the direction, supervision, and control of the 176
directors of their respective departments, and shall perform such 177
duties as the directors prescribe. In performing or exercising any 178
of the examination or regulatory functions, powers, or duties 179
vested by Title XI, Chapters 1733. and 1761., and sections 1315.01 180
to ~~1315.11~~ 1315.18 of the Revised Code in the superintendent of 181
financial institutions, the superintendent of financial 182
institutions and the division of financial institutions are 183
independent of and are not subject to the control of the 184
department or the director of commerce. 185

(B) With the approval of the governor, the director of each 186
department shall establish divisions within the department, and 187
distribute the work of the department among such divisions. Each 188
officer created by section 121.04 of the Revised Code shall be the 189
head of such a division. 190

With the approval of the governor, the director of each 191
department may consolidate any two or more of the offices created 192
in the department by section 121.04 of the Revised Code, or reduce 193
the number of or create new divisions therein. 194

The director of each department may prescribe rules for the 195
government of the department, the conduct of its employees, the 196
performance of its business, and the custody, use, and 197
preservation of the records, papers, books, documents, and 198
property pertaining thereto. 199

Sec. 1101.15. (A)(1) Except as provided in division (A)(2) of 200

this section, no person other than a bank doing business under 201
authority granted by the superintendent of financial institutions, 202
the bank chartering authority of another state, the office of the 203
comptroller of the currency, or the bank chartering authority of a 204
foreign country shall do either of the following: 205

(a) Use "bank," "banker," or "banking," or a word or words of 206
similar meaning in any other language, in a designation or name, 207
or as any part of a designation or name, under which business is 208
or may be conducted in this state; 209

(b) Represent itself as a bank. 210

(2)(a) A corporation doing business under Chapter 1151. of 211
the Revised Code may use the word "bank," "banker," or "banking," 212
or a word or words of similar meaning in any other language, in or 213
as part of a designation or name under which business is or may be 214
conducted in this state, as provided in section 1151.07 of the 215
Revised Code. 216

(b) A corporation doing business under Chapter 1161. of the 217
Revised Code may use the word "bank," "banker," or "banking," or a 218
word or words of similar meaning in any other language, in or as 219
part of a designation or name under which business is or may be 220
conducted in this state, as provided in section 1161.09 of the 221
Revised Code. 222

(c) A corporation doing business under authority granted by 223
the office of thrift supervision may use the word "bank," 224
"banker," or "banking," or a word or words of similar meaning in 225
any other language, in or as part of a designation or name under 226
which business is or may be conducted in this state. 227

(d) A person, whether operating for profit or not, may use 228
the word "bank," "banker," or "banking," or a word or words of 229
similar meaning in any other language, in or as part of a 230
designation or name under which business is or may be conducted if 231

the superintendent determines the name, on its face, is not likely
to mislead the public and authorizes the use of the name.

(B)(1) Except as provided in division (B)(2) of this section,
no person, other than a corporation licensed in accordance with
authority granted in Chapter 1111. of the Revised Code as a trust
company, ~~a savings and loan association licensed under section
1151.348 of the Revised Code to serve as a fiduciary,~~ a national
bank with trust powers, or a federal savings association with
trust powers, shall do either of the following:

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

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

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

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

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

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

(e) A charitable trust, business trust, real estate
investment trust, personal trust, or other bona fide trust may use
the word "trust" or a word or words of similar meaning in any

other language, in a designation or name, or as part of a 262
designation or name, under which business is or may be conducted. 263

(f) A person, whether operating for profit or not, may use 264
"trust" or a word or words of similar meaning in any other 265
language, in a designation or name, or as part of a designation or 266
name, under which business is or may be conducted, if the 267
superintendent determines the name, on its face, is not likely to 268
mislead the public and authorizes the use of the name. 269

(C) No bank shall use "state" as part of a designation or 270
name under which it transacts business in this state, unless the 271
bank is doing business under authority granted by the 272
superintendent or the bank chartering authority of another state. 273

Sec. 1109.15. (A)(1) Subject to the restrictions and 274
limitations of the Revised Code, a bank may do any of the 275
following: 276

(a) Loan money, with or without security, and payable on 277
demand, at maturity, in installments, or by any combination of 278
these; 279

(b) Issue, advise, and confirm letters of credit authorizing 280
the beneficiaries of the letters to draw upon the bank or its 281
correspondents; 282

(c) Purchase open accounts, whether or not the accounts 283
represent an evidence of debt. 284

(2) Subject to the margin requirements the superintendent of 285
financial institutions may prescribe by rule, a bank may make 286
loans secured by stocks, bonds, or other securities. 287

(B) Subject to sections 1109.22, 1109.32, and 1109.47 of the 288
Revised Code and any rules the superintendent ~~may adopt~~ 289
prescribes, a bank may purchase obligations of any kind with or 290
without recourse. 291

(C) A bank may acquire personal property for lease to others, 292
if the transaction, as a whole, has the character of an extension 293
of credit. 294

(D)(1) Subject to division (D)(2) of this section, any other 295
restrictions and limitations of the Revised Code, and any 296
restrictions or requirements established by the superintendent, a 297
bank may enter into a debt suspension agreement or debt 298
cancellation contract with a borrower or borrowers in connection 299
with any loan or extension of credit. 300

(2) A bank shall not offer or finance, directly or 301
indirectly, a debt suspension agreement or debt cancellation 302
contract requiring a lump sum, single payment for the agreement or 303
contract payable at the outset of the agreement or contract, if 304
the debt subject to the agreement or contract is secured by one to 305
four family, residential real property. 306

(3) For purposes of division (D) of this section, "debt 307
cancellation contract" and "debt suspension agreement" have the 308
same meanings as in 12 C.F.R part 37. 309

(E) Unless otherwise expressly agreed in writing, the 310
relationship between a bank and its obligor, with respect to any 311
extension of credit, is that of a creditor and debtor, and creates 312
no fiduciary or other relationship between the parties. 313

Sec. 1109.43. (A) For purposes of this section: 314

(1) "Bankers' bank" means a bank organized to engage 315
exclusively in providing services to other depository institutions 316
and depository institution holding companies and their officers, 317
directors, and employees. 318

(2) "Bankers' bank holding company" means a corporation that 319
owns or controls, directly or indirectly, a majority of the shares 320
of the capital stock of a bankers' bank, or controls in any manner 321

the election of a majority of the directors of a bankers' bank. 322

(3) "Depository institution" means a bank, savings and loan 323
association, savings bank, or credit union. 324

(B) A bank may invest, in the aggregate, up to ten per cent 325
of its ~~stated~~ capital ~~and surplus~~ in shares of a bankers' bank or 326
a bankers' bank holding company, or both. 327

(C)(1) The voting shares of a bankers' bank shall be owned by 328
twenty or more depository institutions or depository institution 329
holding companies, and no depository institution or depository 330
institution holding company shall own, directly or indirectly, 331
more than fifteen per cent of the voting shares of a bankers' 332
bank. 333

(2) The voting shares of a bankers' bank shall be owned, 334
directly or indirectly, exclusively by depository institutions, 335
depository institution holding companies, and persons who hold the 336
shares under, or initially acquired them through, a plan for the 337
benefit of the bankers' bank's officers and employees. 338

(D) No bank or affiliate of a bank shall, directly, 339
indirectly, or acting through one or more other persons, own or 340
control or have the power to vote shares of any of the following: 341

(1) More than one bankers' bank; 342

(2) More than one bankers' bank holding company; 343

(3) Both a bankers' bank and a bankers' bank holding company, 344
unless the bankers' bank is an affiliate of that bankers' bank 345
holding company. 346

Sec. 1111.02. (A) Except as provided in divisions (B) and (C) 347
of this section, no person shall solicit or engage in trust 348
business in this state except a corporation that is one of the 349
following: 350

(1) A corporation licensed under section 1111.06 of the Revised Code that is one of the following:	351 352
(a) A bank doing business under authority granted by the superintendent of financial institutions;	353 354
(b) <u>A savings and loan association doing business under authority granted by the superintendent of financial institutions;</u>	355 356
(c) <u>A savings bank doing business under authority granted by the superintendent of financial institutions;</u>	357 358
(d) A bank authorized to accept and execute trusts and doing business under authority granted by the bank chartering authority of another state or country;	359 360 361
(e) (e) A corporation organized under the laws of another state or country and authorized to accept and execute trusts in that state or country.	362 363 364
(2) A bank authorized to accept and execute trusts and doing business under authority granted by the comptroller of the currency;	365 366 367
(3) A savings association authorized to accept and execute trusts and doing business under authority granted by the office of thrift supervision;	368 369 370
(4) A savings and loan association licensed under section 1151.348 of the Revised Code.	371 372
(B) This chapter shall not apply to any of the following:	373
(1) A savings and loan association serving as a trustee to the extent authorized by section 1151.191 of the Revised Code;	374 375
(2) A savings bank serving as a trustee to the extent authorized by section 1161.24 of the Revised Code;	376 377
(3) A corporation that is incorporated under the laws of another state or the United States, has its principal place of	378 379

business in another state, is currently qualified to do and is 380
engaging in trust business in the state where the corporation has 381
its principal place of business, and is doing any of the 382
following: 383

(a) Serving as ancillary executor or administrator of 384
property in this state that is in the estate of a decedent, after 385
appointment as executor or administrator of the estate by the 386
courts of the decedent's state of residence; 387

(b) As trustee, acquiring, holding, or transferring a 388
security interest in lands or other property in this state, by 389
mortgage, deed of trust, or other instrument, to secure any 390
evidence of indebtedness; 391

(c) Certifying to any evidence of indebtedness. 392

(C) The following persons shall not be subject to this 393
chapter until July 1, 1997: 394

(1) Any person, other than a person described in division (A) 395
or (B) of this section, that is serving as a fiduciary under a 396
trust instrument, will, or other document executed before July 1, 397
1997; 398

(2) Any person, other than a person described in division (A) 399
or (B) of this section, that is named as a fiduciary in, or is 400
nominated as a fiduciary under, a trust instrument, will, or other 401
document executed before July 1, 1997. 402

Sec. 1111.04. (A) Prior to soliciting or engaging in trust 403
business in this state, a trust company shall pledge to the 404
treasurer of state interest bearing securities authorized in 405
division (B) of this section, having a par value, not including 406
unaccrued interest, of one hundred thousand dollars, and approved 407
by the superintendent of financial institutions. The trust company 408
may pledge the securities either by delivery to the treasurer of 409

state or by placing the securities with a qualified trustee for 410
safekeeping to the account of the treasurer of state, the 411
corporate fiduciary, and any other person having an interest in 412
the securities under Chapter 1109. of the Revised Code, as their 413
respective interests may appear and be asserted by written notice 414
to or demand upon the qualified trustee or by order of judgment of 415
a court. 416

(B) Securities pledged by a trust company to satisfy the 417
requirements of division (A) of this section shall be one or more 418
of the following: 419

(1) Bonds, notes, or other obligations of or guaranteed by 420
the United States or for which the full faith and credit of the 421
United States is pledged for the payment of principal and 422
interest; 423

(2) Bonds, notes, debentures, or other obligations or 424
securities issued by any agency or instrumentality of the United 425
States; 426

(3) General obligations of this or any other state of the 427
United States or any subdivision of this or any other state of the 428
United States. 429

(C) The treasurer of state shall accept delivery of 430
securities pursuant to this section when accompanied by the 431
superintendent's approval of the securities or the written receipt 432
of a qualified trustee describing the securities and showing the 433
superintendent's approval of the securities, and shall issue a 434
written acknowledgment of the delivery of the securities or the 435
qualified trustee's receipt and the superintendent's approval to 436
the trust company. 437

(D) The superintendent shall approve securities to be pledged 438
by a trust company pursuant to this section if the securities are 439
all of the following: 440

(1) Interest bearing and of the value required by division 441
(A) of this section; 442

(2) Of one or more of the kinds authorized by division (B) of 443
this section and not a derivative of or merely an interest in any 444
of those securities; 445

(3) Not in default. 446

(E) The treasurer of state shall, with the approval of the 447
superintendent, permit a trust company to pledge securities in 448
substitution for securities pledged pursuant to this section and 449
the withdrawal of the securities substituted for so long as the 450
securities remaining pledged satisfy the requirements of division 451
(A) of this section. The treasurer of state shall permit a trust 452
company to collect interest paid on securities pledged pursuant to 453
this section so long as the trust company is solvent. The 454
treasurer of state shall, with the approval of the superintendent, 455
permit a trust company to withdraw securities pledged pursuant to 456
this section when the trust company has ceased to solicit or 457
engage in trust business in this state. 458

(F) For purposes of this section, a qualified trustee is a 459
federal reserve bank ~~located in this state, a branch of a federal~~ 460
~~reserve bank located in this state regardless of where the branch~~ 461
~~is located~~, a federal home loan bank, ~~or~~ a trust company as 462
defined in section 1101.01 of the Revised Code, a bank that has 463
pledged securities pursuant to this section, is authorized to 464
accept and execute trusts, and is doing business under authority 465
granted by the comptroller of currency, or a savings association 466
that has pledged securities pursuant to this section, is 467
authorized to accept and execute trusts, and is doing business 468
under authority granted by the office of thrift supervision except 469
that a bank doing business under authority granted by the 470
comptroller of the currency, a savings association doing business 471

under authority granted by the office of thrift supervision, or a 472
trust company may not act as a qualified trustee for securities it 473
or any of its affiliates is pledging pursuant to this section. 474

(G) The superintendent, with the approval of the treasurer of 475
state and the attorney general, shall prescribe the form of all 476
receipts and acknowledgments provided for by this section, and 477
upon request shall furnish a copy of each form, with the 478
superintendent's certification attached, to each qualified trustee 479
eligible to hold securities for safekeeping under this section. 480

Sec. 1111.06. (A) Any person, other than a ~~savings and loan~~ 481
~~association eligible to be licensed under section 1151.348 of the~~ 482
~~Revised Code,~~ a national bank with trust powers, or a federal 483
savings association with trust powers, proposing to solicit or 484
engage in trust business in this state shall apply to the 485
superintendent of financial institutions to be licensed as a trust 486
company. The superintendent shall approve or disapprove the 487
application within sixty days after accepting it. 488

(B) In determining whether to approve or disapprove an 489
application for a trust company license, the superintendent shall 490
consider all of the following: 491

(1) Whether the applicant is a corporation described in 492
division (A)(1) of section 1111.02 of the Revised Code; 493

(2) Whether the applicant's articles of incorporation or 494
association authorize the applicant to serve as a trustee; 495

(3) If the applicant is not a bank, savings and loan 496
association, or savings bank doing business under authority 497
granted by the superintendent, whether the applicant is currently 498
qualified to do and is engaging in trust business in the state or 499
country under the laws of which the applicant is organized; 500

(4) Whether the applicant satisfies the requirements of 501

section 1111.05 of the Revised Code; 502

(5) Whether it is reasonable to believe the applicant will 503
comply with applicable laws and observe sound fiduciary standards 504
in conducting trust business in this state; 505

(6) If the applicant is not a bank, savings and loan 506
association, or savings bank doing business under authority 507
granted by the superintendent, whether the applicant is subject to 508
comprehensive supervision and regulation of its fiduciary 509
activities by appropriate authorities of the state or country 510
under the laws of which the applicant is organized. 511

(C) In approving an application for a trust company license, 512
the superintendent may impose any condition the superintendent 513
determines to be appropriate. 514

(D) When an applicant has satisfied all prior conditions 515
imposed by the superintendent in approving the applicant's 516
application for a trust company license and has pledged securities 517
as required by section 1111.04 of the Revised Code, the 518
superintendent shall issue the applicant a trust company license. 519
A license issued pursuant to this section shall remain in force 520
and effect until surrendered by the licensee pursuant to section 521
1111.31 of the Revised Code or suspended or revoked by the 522
superintendent pursuant to section 1111.32 of the Revised Code. 523

Sec. 1111.07. (A) A trust company's license to solicit or 524
engage in trust business in this state is not transferable or 525
assignable. 526

(B) Subject to section 2109.28 of the Revised Code, if any 527
trust company enters into a merger or consolidation in which the 528
trust company is not the surviving corporation, or transfers all 529
or substantially all of its assets and liabilities to another 530
corporation, the resulting, surviving, or transferee corporation 531

shall succeed the trust company as fiduciary as a matter of law 532
and without necessity to do anything further, if the resulting, 533
surviving, or transferee corporation is a trust company, a 534
national bank authorized to accept and execute trusts and doing 535
business under authority granted by the comptroller of the 536
currency, or a federal savings association authorized to accept 537
and execute trusts and doing business under authority granted by 538
the office of thrift supervision, ~~or a savings and loan~~ 539
~~association licensed under section 1151.348 of the Revised Code.~~ 540
If the trust company is not the surviving corporation of a merger, 541
enters a consolidation, or after transferring substantially all of 542
its assets and liabilities ceases to solicit or engage in trust 543
business in this state, the trust company shall surrender its 544
trust company license in accordance with section 1111.31 of the 545
Revised Code. 546

Sec. 1111.08. (A) A trust company, a national bank authorized 547
to accept and execute trusts and doing business under authority 548
granted by the comptroller of the currency, or a federal savings 549
association authorized to accept and execute trusts and doing 550
business under authority granted by the office of thrift 551
supervision may transfer all or part of its trust business in this 552
state to another trust company, to a national bank authorized to 553
accept and execute trusts and doing business under authority 554
granted by the comptroller of the currency, or to a federal 555
savings association authorized to accept and execute trusts and 556
doing business under authority granted by the office of thrift 557
supervision, if all of the following have occurred: 558

(1) Not less than sixty days before consummation of the 559
transfer, either the transferor or transferee, or both, for each 560
fiduciary account or relationship to be transferred, has given 561
written notice, by regular mail to the most recent address shown 562

on the records of the transferor, to all of the following that 563
apply: 564

(a) Each court having jurisdiction over the fiduciary account 565
or relationship; 566

(b) Each cofiduciary of the fiduciary account or 567
relationship; 568

(c) Each surviving settlor of the trust; 569

(d) Each person that, alone or in conjunction with others, 570
has the power to remove the trust company as fiduciary or appoint 571
a successor fiduciary; 572

(e) Except in the case of a trust described in section 401(a) 573
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 574
U.S.C.A. 401(a), as amended, each adult beneficiary currently 575
receiving or entitled as a matter of right to receive a 576
distribution of principal or income from the trust, estate, or 577
fund; 578

(f) In the case of a trust described in section 401(a) of the 579
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 580
401(a), as amended, the employer or employee organization, or 581
both, responsible for the maintenance of the trust. 582

(2) The transferor has filed a certified copy of the 583
agreement for the sale with the superintendent of financial 584
institutions. 585

(B)(1) The transfer of a fiduciary account or relationship 586
pursuant to division (A) of this section results in the transferee 587
being substituted for the transferor as fiduciary as a matter of 588
law and without necessity to do anything further. 589

(2) The transfer of a fiduciary account or relationship 590
pursuant to division (A) of this section does neither of the 591
following: 592

(a) Impair the right of any person that, alone or in 593
conjunction with others, has the power to remove a fiduciary or 594
appoint a successor fiduciary; 595

(b) Absolve or discharge a transferor from any liability 596
arising out of its breach of any fiduciary duty or obligation to 597
the account prior to the transfer. 598

Sec. 1121.30. (A) All assessments, fees, charges, and 599
forfeitures provided for in Chapters 1101. to 1127. and sections 600
~~1315.02, 1315.10, and 1315.16~~ 1315.01 to 1315.18 of the Revised 601
Code, except civil penalties assessed pursuant to section 1121.35 602
or 1315.152 of the Revised Code, shall be paid to the 603
superintendent of financial institutions, and the superintendent 604
shall deposit them into the state treasury to the credit of the 605
banks fund, which is hereby created. 606

(B) The superintendent may expend or obligate the banks fund 607
to defray the costs of the division of financial institutions in 608
administering Chapters 1101. to 1127. and sections 1315.01 to 609
~~1315.11 and 1315.16~~ to 1315.18 of the Revised Code. The 610
superintendent shall pay from the fund all actual and necessary 611
expenses incurred by the superintendent, including for any 612
services rendered by the department of commerce for the division's 613
administration of Chapters 1101. to 1127. and sections 1315.01 to 614
~~1315.11 and 1315.16~~ to 1315.18 of the Revised Code. The fund shall 615
be assessed a proportionate share of the administrative costs of 616
the department and the division of financial institutions. The 617
proportionate share of the administration costs of the division of 618
financial institutions shall be determined in accordance with 619
procedures prescribed by the superintendent and approved by the 620
director of budget and management. The amount assessed for the 621
fund's proportional share of the department's administrative costs 622
and the division's administrative costs shall be paid from the 623

banks fund to the division of administration fund and the division 624
of financial institutions fund respectively. 625

(C) Any money deposited into the state treasury to the credit 626
of the banks fund, but not expended or encumbered by the 627
superintendent to defray the costs of administering Chapters 1101. 628
to 1127. and sections 1315.01 to ~~1315.11 and 1315.16~~ to 1315.18 of 629
the Revised Code, shall remain in the banks fund for expenditures 630
by the superintendent in subsequent years. 631

Sec. 1151.14. ~~The board of directors of every (A)(1) A 632
savings and loan association shall hold a regular meeting, at 633
least once in each month, at a day and hour fixed by resolution of 634
the board. Written notice of every special meeting of the board 635
shall be given to each director unless the notice is waived. When 636
any regular or special meeting is adjourned, notice of the 637
adjourned meeting and of the business to be transacted at such 638
adjourned meeting shall be given. A complete record of the board's 639
proceedings shall be kept in a minute book. The vote of each 640
director upon each question shall be recorded in the minutes. 641
association's board of directors shall meet monthly unless the 642
savings and loan association's constitution provides for a 643
different frequency of meetings, which shall not be less than 644
quarterly. 645~~

(2) Division (A)(1) of this section does not prohibit either 646
of the following: 647

(a) More frequent meetings of a savings and loan 648
association's board of directors than required by division (A)(1) 649
of this section; 650

(b) The superintendent of financial institutions requiring a 651
savings and loan association's board of directors to meet more 652
frequently than required by division (A)(1) of this section if the 653
superintendent determines more frequent meetings are appropriate 654

because of circumstances regarding the savings and loan
association.

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

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

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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.

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

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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.

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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.

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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.

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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

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authorization of an act done by the board of directors. 685

Sec. 1151.321. A ~~building~~ (A) Except as provided in division 686
(B) of this section, a savings and loan association may cancel 687
loans mentioned in sections 1151.29 to 1151.32, ~~inclusive,~~ of the 688
Revised Code, and release the securities for them on such terms as 689
its board of directors provides. 690

(B)(1) Subject to division (B)(2) of this section and any 691
restrictions or requirements established by the superintendent of 692
financial institutions, in connection with any loan or extension 693
of credit, a savings and loan association may enter into a debt 694
suspension agreement or debt cancellation contract with the 695
borrower or borrowers. 696

(2) A savings and loan association shall not offer or 697
finance, directly or indirectly, a debt suspension agreement or 698
debt cancellation contract requiring a lump sum, single payment 699
for the agreement or contract payable at the outset of the 700
agreement or contract, if the debt subject to the agreement or 701
contract is secured by one to four family, residential real 702
property. 703

(3) For purposes of division (B) of this section, "debt 704
cancellation contract" and "debt suspension agreement" have the 705
same meanings as in 12 C.F.R part 37. 706

Sec. 1151.348. (A) A savings and loan association authorized 707
to do business by the division of financial institutions pursuant 708
to Chapters 1151. to 1157. of the Revised Code may engage in trust 709
business after obtaining a license under section 1111.06 of the 710
Revised Code. 711

(B) Except as provided in division (C) of this section, a 712
savings and loan association that is licensed under section 713
1111.06 of the Revised Code is a trust company as defined in 714

division (S) of section 1101.01 of the Revised Code for purposes 715
of Chapter 1111. of the Revised Code and of all laws applicable to 716
a trust company. 717

(C) The division shall supervise any savings and loan 718
association licensed as a trust company under Chapter 1111. of the 719
Revised Code pursuant to Chapters 1151. to 1157. of the Revised 720
Code, except that the division may apply provisions in Chapter 721
1111. of the Revised Code in the case of a voluntary or forced 722
liquidation of a savings and loan association's trust business. 723

Sec. 1161.18. ~~The (A)(1) A savings bank's board of directors~~ 724
~~of every savings bank shall hold a regular meeting, at least once~~ 725
~~each month, at a day and hour fixed by resolution of the board.~~ 726
~~Written notice of every special meeting of the board shall be~~ 727
~~given to each director unless the notice is waived. When any~~ 728
~~regular or special meeting is adjourned, notice of the adjourned~~ 729
~~meeting and of the business to be transacted at the adjourned~~ 730
~~meeting shall be given. A complete record of the board's~~ 731
~~proceedings shall be kept in a minute book. The vote of each~~ 732
~~director upon each question shall be recorded in the minutes.~~ 733
shall meet monthly unless the savings bank's constitution provides 734
for a different frequency of meetings, which shall not be less 735
than quarterly. 736

(2) Division (A)(1) of this section does not prohibit either 737
of the following: 738

(a) More frequent meetings of a savings bank's board of 739
directors than required by division (A)(1) of this section; 740

(b) The superintendent of financial institutions requiring a 741
savings bank's board of directors to meet more frequently than 742
required by division (A)(1) of this section if the superintendent 743
determines more frequent meetings are appropriate because of 744

circumstances regarding the savings bank. 745

(B) A savings bank's constitution may authorize the board of directors to do both of the following: 746
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(1) Create an executive committee or any other committee of the board of directors, each consisting of at least three directors; 748
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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. 751
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(C) All of the following apply to any executive committee or other committee described in division (B) of this section: 757
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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. 759
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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. 763
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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. 767
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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. 771
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Sec. 1161.51. A (A) Except as provided in division (B) of 775
this section, a savings bank may cancel loans mentioned in 776
sections 1161.36 to 1161.50 of the Revised Code, and release the 777
securities for them on such terms as its board of directors 778
provides. 779

(B)(1) Subject to division (B)(2) of this section and any 780
restrictions or requirements established by the superintendent of 781
financial institutions, in connection with any loan or extension 782
of credit, a savings bank may enter into a debt suspension 783
agreement or debt cancellation contract with the borrower or 784
borrowers. 785

(2) A savings bank shall not offer or finance, directly or 786
indirectly, a debt suspension agreement or debt cancellation 787
contract requiring a lump sum, single payment for the agreement or 788
contract payable at the outset of the agreement or contract, if 789
the debt subject to the agreement or contract is secured by one to 790
four family, residential real property. 791

(3) For purposes of division (B) of this section, "debt 792
cancellation contract" and "debt suspension agreement" have the 793
same meanings as in 12 C.F.R part 37. 794

Sec. 1161.601. (A) A savings bank authorized to do business 795
by the division of financial institutions pursuant to Chapters 796
1161. to 1165. of the Revised Code may engage in trust business 797
after obtaining a license under section 1111.06 of the Revised 798
Code. 799

(B) Except as provided in division (C) of this section, a 800
savings bank that is licensed under section 1111.06 of the Revised 801
Code is a trust company as defined in division (S) of section 802
1101.01 of the Revised Code for purposes of Chapter 1111. of the 803
Revised Code and of all laws applicable to a trust company. 804

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

Sec. 1181.06. There is hereby created in the state treasury the financial institutions fund. The fund shall receive assessments on the banks fund established under section ~~1125.28~~ 1121.30 of the Revised Code, the savings institutions fund established under section 1181.18 of the Revised Code, the credit unions fund established under section 1733.321 of the Revised Code, and the consumer finance fund established under section 1321.21 of the Revised Code in accordance with procedures prescribed by the superintendent of financial institutions and approved by the director of budget and management. Such assessments shall be in addition to any assessments on these funds required under division (G) of section 121.08 of the Revised Code. All operating expenses of the division of financial institutions shall be paid from the financial institutions fund.

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

(A) When in the opinion of the superintendent, it is

appropriate with regard to any enforcement actions taken and 835
decisions made by the superintendent under Chapters 1315., 1321., 836
1322., 1733., 4712., 4727., and 4728. of the Revised Code or Title 837
XI of the Revised Code; 838

(B) When litigation has been initiated by the superintendent 839
in furtherance of the powers, duties, and obligations imposed upon 840
the superintendent by Chapters 1315., 1321., 1322., 1733., 4712., 841
4727., and 4728. of the Revised Code or Title XI of the Revised 842
Code; 843

(C) When in the opinion of the superintendent, it is 844
appropriate with regard to enforcement actions taken or decisions 845
made by other financial institution regulatory authorities to whom 846
the superintendent has provided the information pursuant to 847
authority in Chapters 1315., 1321., 1322., 1733., 4712., 4727., 848
and 4728. of the Revised Code or Title XI of the Revised Code. 849

Sec. 1315.01. Except when the context otherwise requires, as 850
used in sections 1315.01 to 1315.18 of the Revised Code: 851

(A) "Authorized delegate" means a person designated by a 852
licensee under section 1315.11 of the Revised Code to receive, 853
directly or indirectly, money or its equivalent for transmission 854
by the licensee. 855

(B) "Control" means the power, directly or indirectly, to 856
direct the management and policies of a licensee or the ownership, 857
control of, or power to vote twenty-five per cent or more of any 858
class of the outstanding voting securities of a controlling 859
person. For purposes of determining the percentage of a licensee 860
controlled by any person, the person's interest shall be 861
aggregated with the interest of any other person controlled by the 862
person or by any spouse, parent, or child of the person. 863

(C) "Controlling person" means any person that controls a 864

licensee. 865

(D) "Executive officer" means the licensee's president, 866
treasurer, secretary, each senior officer responsible for the 867
licensee's business, and any other person that performs similar 868
functions. 869

(E) "Licensee" means a person licensed under sections 1315.01 870
to 1315.18 of the Revised Code to receive, directly or indirectly, 871
for transmission, money or its equivalent from persons located in 872
this state. 873

(F) "Outstandings" means the total of all moneys received for 874
transmission that are not yet delivered, paid, or accessed. 875

(G) "Transmit money" means to receive, directly or indirectly 876
and by any means, money or its equivalent from a person and to 877
deliver, pay, or make accessible, by any means, method, manner, or 878
device, whether or not a payment instrument is used, the money 879
received or its equivalent to the same or another person, at the 880
same or another time, and at the same or another place, but does 881
not include transactions in which the recipient of the money or 882
its equivalent is the principal or authorized representative of 883
the principal in a transaction for which the money or its 884
equivalent is received, other than the transmission of money or 885
its equivalent. "Transmit money" also includes the sale of checks 886
and other payment instruments. 887

Sec. 1315.02. (A) No person, regardless of the location of 888
that person, its facilities, or its agents, shall receive, 889
directly or indirectly and by any means, money or its equivalent 890
for transmission from a person located in this state, unless that 891
person receiving the money or its equivalent for transmission is a 892
licensee, an authorized delegate of a licensee that is not itself 893
required to be licensed under division (B) of this section, or is 894

<u>one of the following:</u>	895
<u>(1) The United States or any department, agency, or instrumentality of the United States;</u>	896
<u>(2) The United States postal service;</u>	897
<u>(3) A state of the United States or any political subdivision of a state of the United States;</u>	898
<u>(4) A bank, credit union, savings and loan association, savings association, or savings bank organized under the laws of the United States or any state of the United States or doing business under a license granted under Chapter 1119. of the Revised Code, a subsidiary or affiliate of a bank, savings and loan association, or savings bank, a credit union service organization, or an authorized representative of any of these;</u>	899
<u>(5) A contractor providing electronic transfer of government benefits on behalf of the United States or any department, agency, or instrumentality of the United States or on behalf of any state or any political subdivision of any state of the United States;</u>	900
<u>(6) A person the only money transmitter activity of which is to deliver payroll money on behalf of employers to employees by check or deposit in a checking or savings account at a bank, savings bank, savings and loan association, savings association, or credit union;</u>	901
<u>(7) A person the only money transmitter activity of which is to accept prepayment for future purchases of that person's goods or services that are other than money transmitter services;</u>	902
<u>(8) A licensed securities, insurance, mortgage, or real estate broker or agent acting within the scope of its license;</u>	903
<u>(9) A person the only money transmitter activity of which is receiving money or its equivalent as an intermediary facilitating</u>	904

the closing of a sale of property or a loan; 924

(10) A retail seller of goods and services the only money 925
transmitter activities of which are receipt of money or its 926
equivalent from and to be delivered at the direction of an obligor 927
on a credit card account for a credit card to be used solely for 928
purchases from that retail seller or branded with the name of that 929
retail seller or an affiliate of that retail seller; 930

(11) A person, the regulation of money transmitter activities 931
under sections 1315.01 to 1315.18 of the Revised Code of which, 932
the superintendent of financial institutions determines would not 933
serve the intended purposes of the regulation. 934

(B) No authorized delegate of a licensee also shall do 935
accounting, verification, or reconciliation of transmissions 936
completed or bank statements for a licensee, unless the authorized 937
delegate also is a licensee. 938

Sec. 1315.03. (A) Each application for a money transmitter 939
license shall be in the form prescribed by the superintendent of 940
financial institutions and accompanied by an application fee 941
established in section 1315.13 of the Revised Code. 942

(B)(1) The superintendent shall approve or deny every 943
application for a license under this section within one hundred 944
eighty days after the date that the superintendent accepts the 945
application as complete, unless the applicant has, by written 946
consent, agreed to a longer time for the superintendent to make a 947
determination on the application. 948

(2) Subject to division (D) of this section, an application 949
is not complete and the superintendent shall not accept it for 950
processing until the applicant pays the application fee described 951
in division (A) of this section. The time described in division 952
(B)(1) of this section in which the superintendent must make a 953

determination on an application does not begin until the 954
superintendent has determined that the application is complete and 955
has accepted it for processing. 956

(3) A determination by the superintendent that an application 957
is complete and is accepted for processing means only that the 958
application, on its face, appears to include all of the items and 959
to address all of the matters that are required, and is not an 960
assessment of the substance of the application or of the 961
sufficiency of the information provided. 962

(C)(1) The superintendent may grant confidential treatment 963
for information in or related to an application described in 964
division (A) of this section, if confidential treatment is 965
requested by the applicant in compliance with division (C)(2) of 966
this section and any of the following applies: 967

(a) The information is of a commercial or financial nature, 968
disclosure of which likely would result in substantial harm to the 969
competitive position of the applicant or its affiliates or to any 970
party to the transaction or its affiliates. 971

(b) The information is of a personal, medical, financial, or 972
similar nature, disclosure of which would result in a clearly 973
unwarranted invasion of personal privacy. 974

(c) The information is contained in, related to, or derived 975
from examinations, operating or condition reports, agreements, 976
orders, or actions prepared by, on behalf of, or for the use of a 977
governmental agency or authority. 978

(d) The information has been filed with a governmental agency 979
or authority and has not been approved for disclosure by that 980
agency or authority. 981

(e) The information specifically is excepted from disclosure 982
by statute. 983

(2)(a) An applicant requesting confidential treatment under 984
division (C) of this section shall do so in writing at the time 985
that the application containing the information, or additional 986
information related to an application, is submitted. 987

(b) The request described in division (C)(2)(a) of this 988
section separately shall address each item of information for 989
which confidential treatment is requested, explaining the 990
applicability of the asserted justification for confidential 991
treatment and either specifically demonstrating the harm that 992
would result from public disclosure of the item of information or 993
setting forth the reason that the applicant cannot authorize 994
public disclosure of the item of information. 995

(c) The applicant separately shall bind and identify all 996
items of information for which confidential treatment is requested 997
under division (C) of this section and shall make specific 998
reference to those items in the remainder of the application or 999
additional information related to the application. 1000

(3)(a) The superintendent shall review a request for 1001
confidential treatment under division (C) of this section and 1002
provide the applicant with written notice of the superintendent's 1003
decision on granting confidential treatment for each item of 1004
information for which it is requested. 1005

(b) If the superintendent's decision provided pursuant to 1006
division (C)(3)(a) of this section is not to grant confidential 1007
treatment to an item of information, the applicant may withdraw 1008
the item of information by written notice within ten days after 1009
the applicant's receipt of the superintendent's decision. If the 1010
applicant fails to withdraw the item of information within the 1011
ten-day period, the applicant is deemed to have waived the right 1012
to withdraw, and the item of information is a part of the 1013
application available to the public. 1014

(4)(a) An item of information submitted with a request for confidential treatment under division (C) of this section is not deemed filed with the superintendent until the superintendent grants confidential treatment or the applicant is deemed to have waived the right to withdraw the item of information. 1015
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(b) Until the item of information submitted with a request for confidential treatment is filed in accordance with division (C)(4)(a) of this section, no person shall copy or inspect the item of information or anything derived from the item of information, except as necessary to assist the superintendent in deciding whether to grant confidential treatment to the item of information in accordance with division (C) of this section. 1020
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(5) When an item of information is filed following the superintendent's decision to grant it confidential treatment pursuant to division (C)(3)(a) of this section, the item of information is not a public record as defined in section 149.43 of the Revised Code and only the superintendent shall use it in connection with the performance of the duties and exercise of the powers of the superintendent. Without prior notice to the applicant, the superintendent may disclose or comment on any of the contents of the application in an order, statement, or opinion issued by the superintendent in connection with a decision on the application. 1027
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(D) Division (B)(2) of this section does not prohibit either of the following: 1038
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(1) The superintendent denying an application described in division (A) of this section prior to the superintendent's acceptance of the application for processing, on the basis that the applicant failed to include all of the items and address all of the issues required for the application, if both of the following apply: 1040
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(a) The superintendent advised the applicant that the application was incomplete. 1046
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(b) After being advised by the superintendent pursuant to division (D)(1)(a) of this section that the application was incomplete, the applicant did not, within a reasonable period of time, complete the application. 1048
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(2) The superintendent denying an application described in division (A) of this section on the basis that the applicant failed to provide the information necessary for the superintendent to consider the application adequately after the superintendent's acceptance of the application for processing, if both of the following apply: 1052
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(a) After beginning to process the application, the superintendent determined and advised the applicant additional information was necessary to consider the application adequately. 1058
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(b) After the superintendent advised the applicant pursuant to division (D)(2)(a) of this section that additional information was necessary to consider the application adequately, the applicant did not, within a reasonable period of time, provide that information. 1061
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Sec. 1315.04. (A)(1) After accepting an application for a money transmitter license described in section 1315.03 of the Revised Code, the superintendent of financial institutions shall examine all the facts and circumstances relating to the application. 1066
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(2) At the applicant's expense, the superintendent may conduct an on-site examination of the applicant's books, records, and operations. If the superintendent requests, the applicant shall advance to the superintendent the superintendent's estimate of the cost of the on-site examination, with any unconsumed 1071
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<u>portion to be returned to the applicant.</u>	1076
<u>(3) The applicant shall pay the cost of its examination</u>	1077
<u>described in division (A) of this section, or any balance of the</u>	1078
<u>cost of its examination in the case of an applicant that advanced</u>	1079
<u>the estimated cost of its examination, within fourteen days after</u>	1080
<u>receiving an invoice for payment.</u>	1081
<u>(B) In making a determination on an application described in</u>	1082
<u>division (A)(1) of this section, the superintendent shall consider</u>	1083
<u>all of the following:</u>	1084
<u>(1) The applicant's financial condition;</u>	1085
<u>(2) The applicant's business practices;</u>	1086
<u>(3) The applicant's and its directors', executive officers',</u>	1087
<u>and controlling persons' experience, competence, character, and</u>	1088
<u>history of compliance with applicable laws.</u>	1089
<u>(C) The superintendent shall not approve an application</u>	1090
<u>described in division (A)(1) of this section if the applicant does</u>	1091
<u>not meet both of the following requirements:</u>	1092
<u>(1) The applicant is a legally established business entity</u>	1093
<u>that is capitalized separately and distinctly from every other</u>	1094
<u>legal entity and is qualified to do business in this state.</u>	1095
<u>(2) The applicant has a minimum net worth of not less than</u>	1096
<u>five hundred thousand dollars, calculated according to generally</u>	1097
<u>accepted accounting principles, but excluding any assets that the</u>	1098
<u>superintendent disqualifies and including any off-balance sheet</u>	1099
<u>liabilities that the superintendent requires.</u>	1100
<u>(D)(1) In approving an application for a money transmitter</u>	1101
<u>license, the superintendent may impose any condition the</u>	1102
<u>superintendent determines to be appropriate.</u>	1103
<u>(2) When an applicant has satisfied all prior conditions</u>	1104
<u>imposed by the superintendent in approving the applicant's</u>	1105

application for a money transmitter license and has provided a 1106
security device as required by section 1315.07 of the Revised 1107
Code, the superintendent shall issue the applicant a money 1108
transmitter license. A license issued pursuant to this section 1109
remains in force and effect until surrendered by the licensee 1110
pursuant to section 1315.18 of the Revised Code or suspended or 1111
revoked by the superintendent pursuant to section 1315.151 of the 1112
Revised Code. 1113

(E) On or before the first day of July of each year, each 1114
licensee shall pay to the superintendent an annual fee for 1115
carrying on the business as a money transmitter, which fee is 1116
established by the superintendent pursuant to division (B) of 1117
section 1315.13 of the Revised Code. 1118

Sec. 1315.05. Each licensee, at all times, shall meet both of 1119
the following requirements: 1120

(A) Be a legally established business entity that is 1121
capitalized separately and distinctly from every other legal 1122
entity and qualified to do business in this state; 1123

(B) Have a minimum net worth of not less than five hundred 1124
thousand dollars, calculated according to generally accepted 1125
accounting principles, but excluding any assets that the 1126
superintendent of financial institutions disqualifies and 1127
including any off-balance sheet liabilities that the 1128
superintendent requires. 1129

(C) No licensee shall fail to comply with this section. 1130

Sec. 1315.06. (A)(1)(a) Subject to division (A)(2) of this 1131
section, each licensee shall maintain permissible investments 1132
described in division (B) of this section having an aggregate 1133
market value of not less than the aggregate amount of all of the 1134
licensee's outstandings received from persons in the United 1135

States, directly and through authorized delegates, to the extent 1136
reported to the licensee. 1137

(b) For purposes of division (A)(1)(a) of this section, a 1138
licensee's permissible investments, even if commingled with other 1139
assets of the licensee, and a licensee's other assets to the 1140
extent necessary to equal the licensee's outstandings, are, by 1141
operation of law, impressed with a trust and held for the benefit 1142
of persons the money of which the licensee holds for transmission, 1143
and these permissible investments are not available to satisfy any 1144
other of the licensee's creditors. 1145

(2) The superintendent of financial institutions may waive 1146
the requirement described in division (A)(1)(a) of this section if 1147
the volume of a licensee's outstandings does not exceed the 1148
licensee's security device provided pursuant to section 1315.07 of 1149
the Revised Code. 1150

(B) All of the following are permissible investments by a 1151
licensee: 1152

(1) Cash; 1153

(2) Certificates of deposit or other debt obligations of a 1154
depository institution, either domestic or foreign; 1155

(3) Bills of exchange or time drafts drawn on and accepted by 1156
a commercial bank, otherwise known as bankers' acceptances, that 1157
are eligible for purchase by member banks of the federal reserve 1158
system; 1159

(4) Any investment bearing a rating of one of the three 1160
highest grades as defined by a nationally recognized organization 1161
that rates securities; 1162

(5) Investment securities that are obligations of the United 1163
States or its agencies or instrumentalities; obligations that are 1164
guaranteed fully as to principal and interest by the United 1165

States; or any obligations of any state, municipality, or 1166
political subdivision of a state; 1167

(6) Shares in a money market mutual fund; interest-bearing 1168
bills, notes, bonds, debentures, or preferred stock traded on any 1169
national securities exchange or on a national over-the-counter 1170
market; or mutual funds primarily composed of such securities or a 1171
fund composed of one or more permissible investments described in 1172
division (B) of this section; 1173

(7) Any demand borrowing agreement or agreements made to a 1174
corporation or a subsidiary of a corporation the capital stock of 1175
which is listed on a national exchange, provided that the total 1176
borrowing agreements with any one borrower do not exceed ten per 1177
cent of the licensee's outstandings; 1178

(8) To the extent permitted by the superintendent, 1179
receivables that are due to a licensee from its authorized 1180
delegates and are not past due or doubtful of collection; 1181

(9) Any other investments approved by the superintendent. 1182

(C) No licensee shall fail to comply with this section. 1183

Sec. 1315.07. (A)(1) In a form satisfactory to the 1184
superintendent of financial institutions, each licensee shall 1185
provide and maintain a security device of one or more of the types 1186
described in division (B) of this section of not less than three 1187
hundred thousand dollars or such greater amount as the 1188
superintendent finds appropriate but, except pursuant to a 1189
supervisory action, not exceeding two million dollars. 1190

(2) By control agreement or terms of the bond, the security 1191
device described in division (A)(1) of this section shall run to 1192
the superintendent for the benefit of any claimants against the 1193
licensee, to secure the faithful performance of the obligations of 1194
the licensee with respect to its receipt of money from persons in 1195

this state for transmission. In the case of a bond, the 1196
superintendent may bring suit on behalf of claimants, either in 1197
one action or in successive actions, or may authorize claimants to 1198
bring their own actions on the bond. 1199

(B) The security device required by division (A) of this 1200
section shall be one or more of the following: 1201

(1) A pledge, with a holder acceptable to the superintendent 1202
and subject to a control agreement with the superintendent, of any 1203
of the following: 1204

(a) Cash; 1205

(b) Interest-bearing stocks, bonds, notes, debentures, or 1206
other obligations of the United States or any agency or 1207
instrumentality of the United States, or guaranteed by the United 1208
States; 1209

(c) Interest bearing stocks, bonds, notes, debentures, or 1210
other obligations of this state, or of a city, county, town, 1211
village, school district, or instrumentality of this state, or 1212
guaranteed by this state. 1213

(2) A surety bond; 1214

(3) Any other security device approved by the superintendent. 1215

(C)(1)(a) In the case of a security device provided in the 1216
form of a pledge of securities, the securities pledged shall be 1217
valued at the lower of principal amount or market value. 1218

(b) The licensee is entitled to receive all interest and 1219
dividends on cash or securities pledged and, with the approval of 1220
the superintendent, may substitute pledged securities, which 1221
substitution also may be ordered by the superintendent pursuant to 1222
a written order. 1223

(2) In the case of a security device provided in the form of 1224
a surety bond, both of the following apply: 1225

(a) The surety bond shall remain in effect until canceled, 1226
which may occur only after thirty days' written notice to the 1227
superintendent. 1228

(b) Cancellation of a surety bond does not affect any 1229
liability incurred or accrued during the bond's effective period. 1230

(D) A licensee shall maintain the security device required by 1231
division (A) of this section after the licensee ceases money 1232
transmission operations in this state, until the licensee's 1233
outstandings in this state all have been satisfied or properly 1234
reported to the division of unclaimed funds. However, the 1235
superintendent may permit the security device to be reduced to the 1236
extent that the amount of the licensee's outstandings in this 1237
state are reduced. 1238

(E) No licensee shall fail to comply with this section. 1239

Sec. 1315.08. (A) Within forty-five days after the end of 1240
each calendar quarter, each licensee shall submit to the 1241
superintendent of financial institutions all of the following in 1242
the form prescribed by the superintendent: 1243

(1) The licensee's unaudited, unconsolidated financial 1244
statements as of the end of the calendar quarter, including a 1245
balance sheet, income statement, statement of changes in 1246
shareholder's equity, and statement of cash flows; 1247

(2) A statement for the calendar quarter of the number of 1248
money transmission transactions undertaken by the licensee in this 1249
state and in the United States in total, the dollar amount of 1250
those transactions, and the number and dollar amount of those 1251
transactions currently outstanding; 1252

(3) A schedule of the licensee's permissible investments and 1253
their market values as of the end of the calendar quarter; 1254

(4) A schedule of the locations, if any, within this state at 1255

<u>which the licensee is conducting business directly or through its</u>	1256
<u>authorized delegates;</u>	1257
<u>(5) Any other information that the superintendent requires.</u>	1258
<u>(B) Annually, not more than one hundred twenty days after the</u>	1259
<u>end of its fiscal year, each licensee shall submit to the</u>	1260
<u>superintendent its audited unconsolidated financial statements for</u>	1261
<u>the fiscal year, including a balance sheet, income statement,</u>	1262
<u>statement of changes in shareholder equity, and statement of cash</u>	1263
<u>flows. If the licensee is a subsidiary of another company, the</u>	1264
<u>licensee also shall submit the audited consolidated financial</u>	1265
<u>statements of its parent company.</u>	1266
<u>(C) No licensee shall fail to comply with this section.</u>	1267
Sec. 1315.081. <u>(A) Within fifteen business days after the</u>	1268
<u>occurrence of any of the events listed below, a licensee shall</u>	1269
<u>file a written report with the superintendent describing the event</u>	1270
<u>and its expected impact on the licensee's activities in the state:</u>	1271
<u>(1) Any material changes in information provided in a</u>	1272
<u>licensee's application or any report submitted to the</u>	1273
<u>superintendent under sections 1315.01 to 1315.18 of the Revised</u>	1274
<u>Code;</u>	1275
<u>(2) The licensee's filing for bankruptcy or reorganization;</u>	1276
<u>(3) The institution of revocation or suspension proceedings</u>	1277
<u>against the licensee by any state or governmental authority with</u>	1278
<u>regard to the licensee's money transmission activities;</u>	1279
<u>(4) Any felony indictment of the licensee, or any of its</u>	1280
<u>controlling persons, directors, officers, or employees, related to</u>	1281
<u>money transmission activities;</u>	1282
<u>(5) Any felony conviction of the licensee, or any of its</u>	1283
<u>controlling persons, directors, officers, or employees, related to</u>	1284

<u>money transmission activities;</u>	1285
<u>(6) Any proposed change of control of the licensee;</u>	1286
<u>(7) The licensee's decision to voluntarily surrender or not</u>	1287
<u>to renew a money transmitter license it holds in another</u>	1288
<u>jurisdiction.</u>	1289
<u>(B)(1) No person shall make a false statement,</u>	1290
<u>misrepresentation, or false certification to the division of</u>	1291
<u>financial institutions or in a record filed or required to be</u>	1292
<u>maintained under sections 1315.01 to 1315.18 of the Revised Code</u>	1293
<u>or make a false entry or omit a material entry in a record filed</u>	1294
<u>or required to be maintained under sections 1315.01 to 1315.18 of</u>	1295
<u>the Revised Code or made available to the division.</u>	1296
<u>(2) No licensee shall fail to comply with this section.</u>	1297
<u>Sec. 1315.09. (A) Each licensee shall make, keep, and</u>	1298
<u>preserve with respect to the licensee the following books,</u>	1299
<u>accounts, and other records for a period of five years to be open</u>	1300
<u>to inspection by the superintendent of financial institutions:</u>	1301
<u>(1) A record or records of each money transmission</u>	1302
<u>transaction;</u>	1303
<u>(2) A general ledger containing all assets, liabilities,</u>	1304
<u>capital, income, and expense accounts, posted at least monthly;</u>	1305
<u>(3) All bank statements and bank reconciliation records;</u>	1306
<u>(4) A record of all outstandings;</u>	1307
<u>(5) A record of all payments made;</u>	1308
<u>(6) The names and addresses of all authorized delegates of</u>	1309
<u>the licensee;</u>	1310
<u>(7) Any other records that the superintendent requires.</u>	1311
<u>(B) For purposes of this section, a licensee may retain a</u>	1312

document, paper, or other instrument or record by use of a process 1313
to record, copy, photograph, or store a representation of the 1314
original document, paper, or other instrument or record, if all of 1315
the following apply: 1316

(1) The process correctly and accurately copies or 1317
reproduces, or provides a means for correctly and accurately 1318
copying or reproducing, the original document, paper, or other 1319
instrument or record with regard to both its substance and 1320
appearance, except that the copy or reproduction need not reflect 1321
the original paper or other medium, size, or color, unless the 1322
medium, size, or color is necessary to establish the authenticity 1323
of the original. 1324

(2) The process does not permit the recording, copy, 1325
photographic image, or stored representation of the original 1326
document, paper, or other instrument or record to be altered or 1327
manipulated. 1328

(3) The medium the process uses to record, copy, photograph, 1329
or store a representation of an original document, paper, or other 1330
instrument or record is a durable medium for retaining and 1331
reproducing records. 1332

(C) A licensee may maintain its records described in division 1333
(A) of this section at a location other than within this state, so 1334
long as the licensee makes its records accessible to the 1335
superintendent on seven business days written notice. 1336

(D) No licensee shall fail to comply with this section. 1337

Sec. 1315.10. (A) Subject to division (F) of this section, no 1338
person, alone or acting in concert with other persons, shall, 1339
directly or indirectly, acquire control of a licensee without the 1340
prior approval of the superintendent of financial institutions. 1341

(B) A person or group of persons proposing to acquire control 1342

of a licensee shall submit an application for the superintendent's 1343
approval in the form prescribed by the superintendent. 1344

(C)(1) The superintendent may grant confidential treatment 1345
for information in or related to an application described in 1346
division (B) of this section, if confidential treatment is 1347
requested by the applicant in compliance with division (C)(2) of 1348
this section and any of the following applies: 1349

(a) The information is of a commercial or financial nature, 1350
disclosure of which likely would result in substantial harm to the 1351
competitive position of the applicant or its affiliates or to any 1352
party to the transaction or its affiliates. 1353

(b) The information is of a personal, medical, financial, or 1354
similar nature, disclosure of which would result in a clearly 1355
unwarranted invasion of personal privacy. 1356

(c) The information is contained in, related to, or derived 1357
from examinations, operating or condition reports, agreements, 1358
orders, or actions prepared by, on behalf of, or for the use of a 1359
governmental agency or authority. 1360

(d) The information has been filed with a governmental agency 1361
or authority and has not been approved for disclosure by that 1362
agency or authority. 1363

(e) The information specifically is excepted from disclosure 1364
by statute. 1365

(2)(a) An applicant requesting confidential treatment under 1366
division (C) of this section shall do so in writing at the time 1367
the application containing the information, or additional 1368
information related to an application, is submitted. 1369

(b) The request described in division (C)(2)(a) of this 1370
section separately shall address each item of information for 1371
which confidential treatment is requested, explaining the 1372

applicability of the asserted justification for confidential 1373
treatment and either specifically demonstrating the harm that 1374
would result from public disclosure of the item of information or 1375
setting forth the reason that the applicant cannot authorize 1376
public disclosure of the item of information. 1377

(c) The applicant separately shall bind and identify all 1378
items of information for which confidential treatment is requested 1379
under division (C) of this section and make specific reference to 1380
those items in the remainder of the application or additional 1381
information related to the application. 1382

(3)(a) The superintendent shall review a request for 1383
confidential treatment under division (C) of this section and 1384
provide the applicant with written notice of the superintendent's 1385
decision on granting confidential treatment for each item of 1386
information for which it is requested. 1387

(b) If the superintendent's decision provided pursuant to 1388
division (C)(3)(a) of this section is not to grant confidential 1389
treatment to an item of information, the applicant may withdraw 1390
the item of information by written notice within ten days after 1391
the applicant's receipt of the superintendent's decision. If the 1392
applicant fails to withdraw the item of information within the 1393
ten-day period, the applicant is deemed to have waived the right 1394
to withdraw, and the item of information is deemed a part of the 1395
application available to the public. 1396

(4)(a) An item of information submitted with a request for 1397
confidential treatment under division (C) of this section is not 1398
deemed filed with the superintendent until the superintendent 1399
grants confidential treatment, or the applicant is deemed to have 1400
waived the right to withdraw the item of information. 1401

(b) Until the item of information submitted with a request 1402
for confidential treatment is filed in accordance with division 1403

(C)(4)(a) of this section, no person shall copy or inspect the
item of information or anything derived from the item of
information, except as is necessary to assist the superintendent
in deciding whether to grant confidential treatment to the item of
information in accordance with division (C) of this section.

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

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

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

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

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(1) Deny an application described in division (B) of this
section prior to the superintendent's acceptance of the

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application for processing, on the basis that the applicant failed 1435
to include all of the items and address all of the issues required 1436
for the application, if both of the following apply: 1437

(a) The superintendent advised the person that the 1438
application was incomplete. 1439

(b) After being advised by the superintendent pursuant to 1440
division (E)(1)(a) of this section that the application was 1441
incomplete, the person, within a reasonable period of time, did 1442
not complete the application. 1443

(2) Deny an application described in division (B) of this 1444
section on the basis that the applicant failed to provide the 1445
information necessary for the superintendent to consider the 1446
application adequately after the superintendent's acceptance of 1447
the application for processing, if both of the following apply: 1448

(a) After beginning to process the application, the 1449
superintendent determined and advised the applicant that 1450
additional information was necessary to consider the application 1451
adequately. 1452

(b) After being advised by the superintendent pursuant to 1453
division (E)(2)(a) of this section that additional information was 1454
necessary to consider the application adequately, the applicant, 1455
within a reasonable period of time, did not provide that 1456
information. 1457

(F)(1) Division (A) of this section requiring prior approval 1458
to obtain control, directly or indirectly, of a licensee does not 1459
apply to any of the following persons, but these persons shall 1460
notify the superintendent of a change of control: 1461

(a) A person that acts as a proxy for the sole purpose of 1462
voting at a designated meeting of the shareholders or holders of 1463
voting interests of a licensee or person in control of a licensee; 1464

(b) A person that acquires control of a licensee by devise or descent; 1465
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(c) A person that acquires control as a personal representative, custodian, guardian, conservator, or trustee, or as an officer appointed by a court of competent jurisdiction or by operation of law; 1467
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(d) A person that the superintendent by rule or order determines is not subject to division (A) of this section based on the public interest. 1471
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(2) Division (A) of this section does not apply to public offerings of securities. 1474
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(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. 1476
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(G) No person shall fail to comply with this section. 1484

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. 1485
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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: 1489
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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 1492
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<u>licensee or person in control of the licensee in a lawful and</u>	1495
<u>proper manner are acceptable.</u>	1496
<u>(2) The interests of the public are not jeopardized by the</u>	1497
<u>change of control.</u>	1498
<u>Sec. 1315.11.</u> (A) <u>A licensee that chooses to conduct money</u>	1499
<u>transmission activities in this state through an authorized</u>	1500
<u>delegate shall execute an express written contract with the</u>	1501
<u>authorized delegate that, at a minimum, sets forth all of the</u>	1502
<u>following:</u>	1503
<u>(1) The duties and responsibilities of the authorized</u>	1504
<u>delegate regarding money or its equivalent received from persons</u>	1505
<u>located in this state for transmission by the licensee;</u>	1506
<u>(2) The duties and responsibilities of the authorized</u>	1507
<u>delegate regarding instruments, devices, or processes used by the</u>	1508
<u>licensee to transmit money;</u>	1509
<u>(3) The duties and responsibilities of the authorized</u>	1510
<u>delegate with regard to compliance with laws regulating money</u>	1511
<u>transmission activities.</u>	1512
<u>(B) A licensee shall monitor the activities of its authorized</u>	1513
<u>delegate with regard to money or its equivalent received from</u>	1514
<u>persons in this state for transmission by the licensee and for</u>	1515
<u>compliance with all of the following:</u>	1516
<u>(1) The written contract between the licensee and the</u>	1517
<u>authorized delegate;</u>	1518
<u>(2) Sections 1315.01 to 1315.18 of the Revised Code;</u>	1519
<u>(3) Other laws applicable to the business of transmitting</u>	1520
<u>money.</u>	1521
<u>(C) As part of the examination of a licensee authorized by</u>	1522
<u>section 1315.12 of the Revised Code, the superintendent of</u>	1523

financial institutions may examine the books and records and 1524
policies and procedures of the licensee's authorized delegate. 1525

(D)(1) An authorized delegate or other person that receives 1526
money or its equivalent for transmission by a licensee shall keep 1527
it separate and shall not commingle it with other money or 1528
receipts. All money or its equivalent, less fees, that is received 1529
by an authorized delegate or by any other person for transmission 1530
by a licensee, from the time received until remitted to the 1531
licensee, shall constitute funds owned by and belonging to the 1532
licensee and shall be impressed with a trust for the benefit of 1533
the person from which the money or its equivalent is received. 1534

(2) If an authorized delegate or other person fails to comply 1535
with division (D)(1) of this section and commingles any money or 1536
its equivalent received for transmission by a licensee with any 1537
other funds or property owned or controlled by the authorized 1538
delegate or other person, all commingled proceeds and other 1539
property shall be impressed with a trust in favor of the licensee 1540
in an amount equal to the amount due the licensee. 1541

(E) No licensee shall fail to comply with division (A) or (B) 1542
of this section, and no authorized delegate or other person that 1543
receives money or its equivalent for transmission by a licensee 1544
shall fail to comply with division (D) of this section. 1545

Sec. 1315.12. (A) As often as the superintendent of financial 1546
institutions considers necessary, the superintendent, or any 1547
deputy or examiner appointed or any contractor engaged by the 1548
superintendent for that purpose, thoroughly shall examine the 1549
records and affairs of each licensee. The examination shall 1550
include a review of all of the following: 1551

(1) Compliance with law; 1552

(2) Safety and soundness; 1553

<u>(3) Other matters that the superintendent determines.</u>	1554
<u>(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.</u>	1555 1556 1557 1558
<u>(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.</u>	1559 1560 1561 1562 1563
<u>(2) A licensee shall pay the cost of its examination conducted pursuant to this section, or any balance of the cost of its examination in the case of a licensee that advanced the estimated cost of its examination, within fourteen days of receiving an invoice for payment.</u>	1564 1565 1566 1567 1568
<u>(D) The superintendent shall preserve the report of each examination conducted pursuant to this section, including related correspondence received and copies of related correspondence sent, for twenty years after the examination date.</u>	1569 1570 1571 1572
Sec. 1315.121. <u>(A) In administering sections 1315.01 to 1315.18 of the Revised Code and fulfilling the duties imposed by those sections, including the duty imposed by section 1315.12 of the Revised Code, the superintendent of financial institutions may do any of the following:</u>	1573 1574 1575 1576 1577
<u>(1) Participate with financial institution regulatory authorities of this and other states, the United States, and other countries in any of the following:</u>	1578 1579 1580
<u>(a) Programs for alternate examinations of the records and affairs of licensees and other money transmitters over which they have concurrent jurisdiction;</u>	1581 1582 1583

(b) Joint or concurrent examinations of the records and 1584
affairs of licensees and other money transmitters over which they 1585
have concurrent jurisdiction; 1586

(c) Coordinated examinations of the records and affairs of 1587
licensees and other money transmitters over which they have 1588
collective jurisdiction. 1589

(2) Conduct, participate in, or coordinate independent, 1590
concurrent, joint, or coordinated examinations of the records and 1591
affairs of licensees and other money transmitters and otherwise 1592
act on behalf of financial institution regulatory authorities of 1593
this and other states, the United States, and other countries 1594
having jurisdiction over the licensees and other money 1595
transmitters; 1596

(3) Rely on information leading to, arising from, or obtained 1597
in the course of examinations conducted by financial institution 1598
regulatory authorities of this and other states, the United 1599
States, and other countries when both of the following apply: 1600

(a) Pursuant to agreement and applicable law, the 1601
superintendent may receive and use the information leading to, 1602
arising from, or obtained in the course of the other regulatory 1603
authorities' examinations in administering sections 1315.01 to 1604
1315.18 of the Revised Code and acting under the authority of 1605
those sections; 1606

(b) In the superintendent's judgment the other regulatory 1607
authorities' personnel, practices, and authority warrant the 1608
superintendent's reliance. 1609

(4) Authorize financial institution regulatory authorities of 1610
this and other states, the United States, and other countries to 1611
receive and use information leading to, arising from, or obtained 1612
in the course of examinations conducted by the division of 1613
financial institutions in the same manner and for the purposes 1614

they could use information leading to, arising from, or obtained 1615
in the course of their own examinations when both of the following 1616
apply: 1617

(a) Pursuant to applicable law, information leading to, 1618
arising from, or obtained in the course of examinations the other 1619
regulatory authorities conduct is protected from general 1620
disclosure and may only be disclosed for purposes similar to those 1621
provided in section 1315.122 of the Revised Code, which are 1622
principally regulatory in nature, for disclosure of information 1623
leading to, arising from, or obtained in the course of 1624
examinations conducted by the division; 1625

(b) Pursuant to agreement and applicable law, information 1626
leading to, arising from, or obtained in the course of 1627
examinations conducted by the division will, in the other 1628
regulatory authorities' possession or the possession of any 1629
persons to whom the other regulatory authorities disclosed the 1630
information as a part of examinations of those persons, be 1631
protected from disclosure to the same extent as information 1632
leading to, arising from, or obtained in the course of those 1633
regulatory authorities' examinations. 1634

(5) Rely on the actions of financial institution regulatory 1635
authorities of this and other states, the United States, or other 1636
countries, or participate with them jointly, in responding to 1637
violations of law, unsafe or unsound practices, breaches of 1638
fiduciary duty, or other regulatory concerns affecting licensees 1639
and other money transmitters over which they have concurrent 1640
jurisdiction when the other regulatory authorities have adequate 1641
personnel, practices, and authority to warrant the reliance; 1642

(6) Implement other cooperative arrangements with financial 1643
institution regulatory authorities of this and other states, the 1644
United States, and other countries consistent with safety and 1645

soundness. 1646

(B) No person shall use any reliance by the superintendent, 1647
in whole or in part, on financial institution regulatory 1648
authorities of this or other states, the United States, or other 1649
countries in accordance with division (A) of this section to 1650
support any assertion of either of the following: 1651

(1) Failure of the superintendent or division to properly 1652
administer sections 1315.01 to 1315.18 of the Revised Code or 1653
fulfill the duties imposed by those sections; 1654

(2) Disagreement by the superintendent or division with any 1655
action taken by financial institution regulatory authorities of 1656
this or other states, the United States, or other countries. 1657

(C) In conducting, participating in, or coordinating 1658
independent, concurrent, joint, or coordinated examinations of the 1659
records and affairs of licensees and other money transmitters, the 1660
superintendent may purchase services from financial institution 1661
regulatory authorities of this and other states, the United 1662
States, and other countries, including services provided by 1663
employees of other financial institution regulatory authorities in 1664
their capacities as employees of other financial institution 1665
regulatory authorities. The purchase of services from one or more 1666
financial institution regulatory authorities of this and other 1667
states, the United States, or other countries is the purchase of 1668
services from a sole source provider and is not the employment of 1669
any financial institution regulatory authority or any of its 1670
employees. 1671

The authority to purchase services pursuant to this division 1672
does not impair the superintendent's authority to purchase 1673
services from any other source. 1674

Sec. 1315.122. (A) Information leading to, arising from, or 1675

obtained in the course of the examination of a licensee or other person conducted pursuant to the authority of sections 1315.01 to 1315.18 of the Revised Code is privileged and confidential. No person, including any person to whom the information is disclosed under the authority of this section, shall disclose information leading to, arising from, or obtained in the course of an examination, except as specifically provided in this section.

(B) The superintendent of financial institutions and the superintendent's agents and employees may disclose information leading to, arising from, or obtained in the course of an examination conducted pursuant to section 1315.12 or 1315.121 of the Revised Code as follows:

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

(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;

(3) To financial institution regulatory authorities of this and other states, the United States, and other countries to assist them in their regulatory duties;

(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 the law;

(5) To law enforcement authorities conducting criminal investigations.

(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 1706
discoverable from any source. The information shall not be 1707
introduced into evidence, except in the following circumstances: 1708

(1) In connection with criminal proceedings; 1709

(2) When, in the opinion of the superintendent, it is 1710
appropriate with regard to enforcement actions taken and decisions 1711
made by the superintendent under the authority of sections 1315.01 1712
to 1315.18 of the Revised Code regarding a licensee or other 1713
person; 1714

(3) When litigation has been initiated by the superintendent 1715
in furtherance of the powers, duties, and obligations imposed upon 1716
the superintendent by sections 1315.01 to 1315.18 of the Revised 1717
Code; 1718

(4) When authorized by agreements between the superintendent 1719
and financial institution regulatory authorities of this and other 1720
states, the United States, and other countries authorized by 1721
section 1315.121 of the Revised Code; 1722

(5) When and in the manner authorized in section 1181.25 of 1723
the Revised Code. 1724

(D) A report of an examination conducted pursuant to section 1725
1315.12 or 1315.121 of the Revised Code is the property of the 1726
division of financial institutions. Under no circumstances may the 1727
licensee or other money transmitter examined, its directors, 1728
officers, employees, agents, regulated persons, or contractors, or 1729
any person having knowledge or possession of a report of 1730
examination, or any of its contents, disclose or make public in 1731
any manner the report of examination or its contents. The 1732
authority provided in division (B)(4) of this section for use of 1733
examination information to assist in conducting the business of 1734
the licensee or other money transmitter examined in a safe and 1735
sound manner and in compliance with law shall not be construed to 1736

authorize disclosure of a report of examination or any of its 1737
contents in conducting business with the examined licensee's or 1738
other money transmitter's customers, creditors, or shareholders, 1739
or with other persons. 1740

(E) Whoever violates this section shall be removed from 1741
office, shall be liable, with the violator's bond in damages to 1742
the person injured by the disclosure of information, and is guilty 1743
of a felony of the fourth degree. 1744

Sec. 1315.13. Annually, the superintendent shall establish 1745
both of the following: 1746

(A) The application fee for an application for a license to 1747
transmit money under section 1315.03 of the Revised Code; 1748

(B) An annual fee described in division (E) of section 1749
1315.04 of the Revised Code for each licensee to carry on the 1750
business of a money transmitter. When establishing the annual fee 1751
for each licensee, the superintendent may consider the number of 1752
offices and authorized delegates the licensee has and the volume 1753
of business the licensee does in this state. 1754

Sec. 1315.14. The superintendent of financial institutions 1755
may adopt rules that, in the superintendent's judgment, are 1756
necessary or appropriate to carry out the purposes of sections 1757
1315.01 to 1315.18 of the Revised Code. 1758

Sec. 1315.15. (A) The superintendent of financial 1759
institutions may issue and serve a notice of charges and intent to 1760
issue a cease and desist order upon a licensee or other person if, 1761
in the opinion of the superintendent, either of the following 1762
applies to the licensee or other person: 1763

(1) The licensee or other person is engaging, has engaged, 1764
or, the superintendent has reasonable cause to believe, is about 1765

<u>to engage in an unsafe or unsound practice in conducting the</u>	1766
<u>business of transmitting money.</u>	1767
<u>(2) The licensee or other person is violating, has violated,</u>	1768
<u>or, the superintendent has reasonable cause to believe, is about</u>	1769
<u>to violate any of the following:</u>	1770
<u>(a) A law or rule;</u>	1771
<u>(b) A condition imposed in writing by the superintendent in</u>	1772
<u>connection with granting an application or other request by the</u>	1773
<u>licensee or other person;</u>	1774
<u>(c) A written agreement entered into with the superintendent.</u>	1775
<u>(B) The notice of charges and intent to issue a cease and</u>	1776
<u>desist order described in division (A) of this section shall</u>	1777
<u>include all of the following:</u>	1778
<u>(1) A statement of the violation or violations or unsafe or</u>	1779
<u>unsound practice or practices alleged;</u>	1780
<u>(2) A statement of the facts constituting the violation or</u>	1781
<u>violations or unsafe or unsound practice or practices alleged;</u>	1782
<u>(3) Notice that the licensee or other person is entitled to a</u>	1783
<u>hearing, in accordance with section 1315.17 of the Revised Code,</u>	1784
<u>to determine whether a cease and desist order should be issued</u>	1785
<u>against the licensee or other person, if the licensee or other</u>	1786
<u>person requests the hearing within thirty days of service of the</u>	1787
<u>notice;</u>	1788
<u>(4) Notice that, if the licensee or other person makes a</u>	1789
<u>timely request for a hearing, the licensee or other person may</u>	1790
<u>appear at the hearing in person or by attorney or by presenting</u>	1791
<u>positions, arguments, and contentions in writing, and at the</u>	1792
<u>hearing may present evidence and examine witnesses for and against</u>	1793
<u>the licensee or other person.</u>	1794
<u>(5) Notice that failure of the licensee or other person to</u>	1795

make a timely request for a hearing to determine whether a cease and desist order should be issued or to appear at the hearing, in person, by attorney, or by writing, is consent by the licensee or other person to the issuance of the cease and desist order. 1796
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(C) The superintendent may issue a cease and desist order against the licensee or other person if any of the following applies: 1800
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(1) The licensee or other person consents to the issuance of the cease and desist order. 1803
1804

(2) Upon the record of the hearing described in division (B) of this section, the superintendent finds that a violation or unsafe or unsound practice has been established. 1805
1806
1807

(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. 1808
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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: 1815
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(a) The licensee's or other person's insolvency; 1819

(b) Significant dissipation of the licensee's or other person's earnings or assets; 1820
1821

(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. 1822
1823
1824

(D) A cease and desist order may require the licensee or 1825

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: 1826
1827
1828
1829

(1) Make restitution or provide reimbursement,
indemnification, or guarantee against loss, if either of the
following applies: 1830
1831
1832

(a) The licensee or other person was or will be unjustly
enriched in connection with the violation or practice. 1833
1834

(b) The violation or practice involved a reckless disregard
for the law or any applicable rule or prior order of the
superintendent. 1835
1836
1837

(2) Restrict the licensee's or other person's growth; 1838

(3) Dispose of any loan or asset involved; 1839

(4) Rescind agreements or contracts; 1840

(5) Employ qualified officers or employees, who may be
subject to approval by the superintendent; 1841
1842

(6) Take any other action that the superintendent determines
appropriate. 1843
1844

(E) A cease and desist order issued by the superintendent
pursuant to division (C) of this section is effective at the time
specified in the order, which shall be as follows: 1845
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(1) In the case of a cease and desist order issued pursuant
to division (C)(2) of this section, not less than thirty days
after service of the order upon the licensee or other person; 1848
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1850

(2) In the case of a cease and desist order issued pursuant
to division (C)(1), (3), or (4) of this section, immediately upon
service of the order on the licensee or other person. 1851
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(F) A cease and desist order shall remain effective and 1854

enforceable as provided in the order except to the extent it is 1855
stayed, modified, terminated, or set aside by action of the 1856
superintendent or a reviewing court. If, upon the record of a 1857
hearing, the superintendent determines not to issue a cease and 1858
desist order, any cease and desist order issued pursuant to 1859
division (C)(3) or (4) of this section is terminated. 1860

(G) Within ten days after being served a cease and desist 1861
order issued pursuant to division (C)(3) or (4) of this section, a 1862
licensee or other person may apply to the court of common pleas of 1863
the county in which the principal place of business of the 1864
licensee or other person is located, or to the court of common 1865
pleas of Franklin county, for an injunction setting aside, 1866
limiting, or suspending the enforcement, operation, or 1867
effectiveness of the cease and desist order pending completion of 1868
the hearing to determine whether a cease and desist order should 1869
be issued against the licensee or other person pursuant to 1870
division (C)(2) of this section, and the court has jurisdiction to 1871
issue the injunction. 1872

Sec. 1315.151. (A) The superintendent of financial 1873
institutions may issue and serve a notice of charges and intent to 1874
suspend or revoke a licensee's license, if the superintendent 1875
finds that any of the following applies: 1876

(1) Any fact or condition exists that, if it had existed at 1877
the time when the licensee applied for its license, would have 1878
been grounds for denying the application. 1879

(2) The licensee's net worth becomes inadequate and the 1880
licensee, after ten days' written notice from the superintendent, 1881
fails to take steps that the superintendent considers necessary to 1882
remedy the deficiency. 1883

(3) The licensee knowingly violates any material provision of 1884

<u>sections 1315.01 to 1315.18 of the Revised Code or any rule or</u>	1885
<u>order adopted by the superintendent.</u>	1886
<u>(4) The licensee is conducting its business in an unsafe or</u>	1887
<u>unsound manner.</u>	1888
<u>(5) The licensee is insolvent.</u>	1889
<u>(6) The licensee has suspended payment of its obligations,</u>	1890
<u>has made an assignment for the benefit of its creditors, or has</u>	1891
<u>admitted in writing its inability to pay its debts as they become</u>	1892
<u>due.</u>	1893
<u>(7) The licensee has applied for an adjudication of</u>	1894
<u>bankruptcy, reorganization, arrangement, or other relief relating</u>	1895
<u>to bankruptcy.</u>	1896
<u>(8) The licensee refuses to permit the superintendent to make</u>	1897
<u>any examination authorized by sections 1315.01 to 1315.18 of the</u>	1898
<u>Revised Code.</u>	1899
<u>(9) The licensee willfully fails to make any report required</u>	1900
<u>by sections 1315.01 to 1315.18 of the Revised Code.</u>	1901
<u>(10) The competence, experience, character, or general</u>	1902
<u>fitness of the licensee indicates that it is not in the public</u>	1903
<u>interest to permit the licensee to continue to transmit money in</u>	1904
<u>this state.</u>	1905
<u>(B) The notice of charges and intent to suspend or revoke a</u>	1906
<u>license described in division (A) of this section shall include</u>	1907
<u>all of the following:</u>	1908
<u>(1) A statement of the grounds alleged;</u>	1909
<u>(2) A statement of the facts constituting the grounds</u>	1910
<u>alleged;</u>	1911
<u>(3) Notice that the licensee is entitled to a hearing, in</u>	1912
<u>accordance with section 1315.17 of the Revised Code, to determine</u>	1913

whether a license should be suspended or revoked, if the licensee requests the hearing within thirty days of service of the notice; 1914
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(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. 1916
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(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. 1921
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(C) The superintendent may order a license suspended or revoked, if any of the following applies: 1926
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(1) The licensee consents to the suspension or revocation. 1928

(2) Upon the record of the hearing described in division (B) of this section, the superintendent finds that one or more grounds alleged pursuant to that division have been established. 1929
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(3) The superintendent determines that the licensee'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 the details or purpose of one or more transactions that may have a material effect on the financial condition of the licensee. 1932
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(4) The superintendent finds that one or more of the grounds alleged pursuant to division (B) of this section are likely, prior to completion of the hearing described in that division, to cause any of the following: 1938
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1941

(a) The licensee's insolvency; 1942

(b) Significant dissipation of the licensee's earnings or 1943

<u>assets;</u>	1944
<u>(c) Weakening of the licensee's condition or other prejudice to the interests of the licensee's customers.</u>	1945
	1946
<u>(D) A suspension or revocation of a license order issued by the superintendent pursuant to division (C) of this section is effective at the time specified in the order, which shall be as follows:</u>	1947
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<u>(1) In the case of a suspension or revocation order issued pursuant to division (C)(2) of this section, not less than thirty days after service of the order upon the licensee;</u>	1951
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<u>(2) In the case of a suspension or revocation order issued pursuant to division (C)(1), (3), or (4) of this section, immediately upon service of the order on the licensee.</u>	1954
	1955
	1956
<u>(E) A suspension or revocation of a license order shall remain effective and enforceable as provided in the order except to the extent it is stayed, modified, terminated, or set aside by action of the superintendent or a reviewing court. If, upon the record of a hearing, the superintendent determines not to suspend or revoke a license, any suspension or revocation order issued pursuant to division (C)(3) or (4) of this section is terminated.</u>	1957
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<u>(F) Within ten days after being served a suspension or revocation of a license order issued pursuant to division (C)(3) or (4) of this section, a licensee may apply to the court of common pleas of the county in which the principal place of business of the licensee is located, or to the court of common pleas of Franklin county, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of the suspension or revocation order pending completion of the hearing to determine whether a suspension or revocation order should be issued against the licensee pursuant to division (C)(2) of this section, and the court has jurisdiction to</u>	1964
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<u>issue the injunction.</u>	1975
<u>Sec. 1315.152. (A) The superintendent of financial</u>	1976
<u>institutions may assess civil penalties against a licensee or</u>	1977
<u>other person for each day a violation, unsafe or unsound practice,</u>	1978
<u>or breach continues as follows:</u>	1979
<u>(1) The superintendent may assess a civil penalty of not more</u>	1980
<u>than five hundred dollars per day if the licensee or other person</u>	1981
<u>violates any of the following:</u>	1982
<u>(a) Any law or rule;</u>	1983
<u>(b) Any order issued pursuant to section 1315.15 or 1315.151</u>	1984
<u>of the Revised Code;</u>	1985
<u>(c) Any condition imposed in writing by the superintendent in</u>	1986
<u>connection with granting any application by the licensee or other</u>	1987
<u>person;</u>	1988
<u>(d) A written agreement between the licensee or other person</u>	1989
<u>and the superintendent.</u>	1990
<u>(2) The superintendent may assess a civil penalty of not more</u>	1991
<u>than one thousand dollars per day if both of the following apply:</u>	1992
<u>(a) The licensee or other person does any of the following:</u>	1993
<u>(i) Commits any violation listed in division (A)(1) of this</u>	1994
<u>section;</u>	1995
<u>(ii) Recklessly engages in an unsafe or unsound practice;</u>	1996
<u>(iii) Breaches any fiduciary duty.</u>	1997
<u>(b) The violation, unsafe or unsound practice, or breach is</u>	1998
<u>part of a pattern of misconduct or causes or is likely to cause</u>	1999
<u>more than a minimal loss to the licensee or other person.</u>	2000
<u>(B) A notice of assessment of a civil penalty shall include</u>	2001
<u>all of the following:</u>	2002

<u>(1) A statement of the violation or violations or unsafe or</u>	2003
<u>unsound practice or practices or breach or breaches alleged;</u>	2004
<u>(2) A statement of the facts supporting the assessment of the</u>	2005
<u>civil penalty;</u>	2006
<u>(3) Notice that the licensee or other person is entitled to a</u>	2007
<u>hearing, in accordance with section 1315.17 of the Revised Code to</u>	2008
<u>determine whether a civil penalty should be assessed against the</u>	2009
<u>licensee or other person, if the licensee or other person requests</u>	2010
<u>the hearing within thirty days of service of the notice of</u>	2011
<u>assessment of a civil penalty;</u>	2012
<u>(4) Notice that, if the licensee or other person makes a</u>	2013
<u>timely request for a hearing, the licensee or other person may</u>	2014
<u>appear at the hearing in person, by attorney, or by presenting</u>	2015
<u>positions, arguments, and contentions in writing, and at the</u>	2016
<u>hearing may present evidence and examine witnesses for and against</u>	2017
<u>the licensee or other person;</u>	2018
<u>(5) Notice that failure of the licensee or other person to</u>	2019
<u>make a timely request for a hearing to determine whether a civil</u>	2020
<u>penalty should be assessed against the licensee or other person,</u>	2021
<u>or to appear at the hearing, in person, by attorney, or by</u>	2022
<u>writing, is consent by the licensee or other person to the</u>	2023
<u>assessment of the civil penalty.</u>	2024
<u>(C) The superintendent may assess a civil penalty if either</u>	2025
<u>of the following applies:</u>	2026
<u>(1) The licensee or other person consents to the assessment</u>	2027
<u>of the civil penalty.</u>	2028
<u>(2) Upon the record of the hearing described in division (B)</u>	2029
<u>of this section the superintendent finds a violation, unsafe or</u>	2030
<u>unsound practice, or breach has been established.</u>	2031
<u>(D) In determining the amount of the civil penalty to be</u>	2032

assessed pursuant to this section, the superintendent shall 2033
consider all of the following: 2034

(1) The seriousness of and the risk posed by the violation, 2035
unsafe or unsound practice, or breach; 2036

(2) The licensee's or other person's good faith efforts to 2037
prevent the violation, unsafe or unsound practice, or breach; 2038

(3) The licensee's or other person's history regarding 2039
violations, unsafe or unsound practices, and breaches; 2040

(4) The licensee's or other person's financial resources; 2041

(5) Any other matters justice may require. 2042

(E) Any licensee's or other person assessed a civil penalty 2043
pursuant to this section shall pay the civil penalty to the 2044
superintendent, and the superintendent shall deposit any civil 2045
penalty paid into the state treasury to the credit of the general 2046
revenue fund. 2047

Sec. 1315.153. If the superintendent of financial 2048
institutions has reason to believe that a person has violated or 2049
is violating section 1315.02 of the Revised Code, the 2050
superintendent may petition the court of common pleas of the 2051
county where the person's principal place of business or residence 2052
is located or, if the person's principal place of business or 2053
residence is not in this state, the court of common pleas of 2054
Franklin county for the issuance of a temporary restraining order 2055
or an injunction. 2056

Sec. 1315.16. (A) The superintendent of financial 2057
institutions may do both of the following: 2058

(1) Summon and compel, by order or subpoena, witnesses to 2059
appear before the superintendent, deputy superintendent, examiner, 2060
or attorney examiner, and testify under oath regarding the affairs 2061

<u>of a licensee or other person;</u>	2062
<u>(2) Compel, by order or subpoena, the production of any</u>	2063
<u>record, book, paper, document, item, or other thing pertaining to</u>	2064
<u>a licensee or other person.</u>	2065
<u>(B) The superintendent shall serve an order or subpoena</u>	2066
<u>issued pursuant to division (A) of this section in any manner</u>	2067
<u>provided by section 1315.161 of the Revised Code.</u>	2068
<u>(C) If a person fails to comply with an order or subpoena of</u>	2069
<u>the superintendent or refuses to testify to any matter regarding</u>	2070
<u>which the person is lawfully interrogated before the</u>	2071
<u>superintendent, on application of the superintendent, the court of</u>	2072
<u>common pleas of the county in which the person resides or in which</u>	2073
<u>the principal place of business of the person is located, or a</u>	2074
<u>judge of the court, shall compel compliance by attachment</u>	2075
<u>proceedings as for contempt in the case of noncompliance with a</u>	2076
<u>subpoena issued from the court or refusal to testify in the court.</u>	2077
<u>Sec. 1315.161.</u> (A) <u>The superintendent of financial</u>	2078
<u>institutions may serve any notice that the superintendent is</u>	2079
<u>required or authorized to give and any subpoena or order that the</u>	2080
<u>superintendent is required or authorized to issue pursuant to</u>	2081
<u>sections 1315.01 to 1315.18 of the Revised Code, at the sole</u>	2082
<u>discretion of the superintendent, by any of the following means:</u>	2083
<u>(1) In person by the superintendent or an employee or agent</u>	2084
<u>of the division of financial institutions;</u>	2085
<u>(2) By regular mail;</u>	2086
<u>(3) By registered or certified mail;</u>	2087
<u>(4) By private carrier;</u>	2088
<u>(5) By any other means permitted by the Rules of Civil</u>	2089
<u>Procedure for service of process;</u>	2090

(6) By any other manner the superintendent provides, by rule 2091
or otherwise, that is reasonably calculated to give notice, 2092
including by publication. 2093

(B) A notice, subpoena, or order served by the superintendent 2094
in accordance with this section is effective upon delivery with 2095
respect to divisions (A)(1) and (4) of this section, upon placing 2096
in the regular mail with respect to divisions (A)(2) and (3) of 2097
this section, and upon publication or completion of the act 2098
reasonably calculated to give notice with respect to division 2099
(A)(6) of this section. 2100

(C) Fees for service of a notice, subpoena, or order 2101
described in division (A) of this section shall be paid from 2102
amounts appropriated to the division of financial institutions for 2103
that purpose. 2104

Sec. 1315.17. (A)(1) Upon a licensee's or other person's 2105
request for an administrative hearing authorized in section 2106
1315.15, 1315.151, or 1315.152 of the Revised Code, the division 2107
of financial institutions shall set a reasonable time, date, and 2108
place in this state for the hearing and notify the licensee or 2109
other person requesting the hearing. Within ninety days after the 2110
hearing, the superintendent of financial institutions shall render 2111
a decision, which shall include findings of fact upon which the 2112
decision is predicated, and shall issue and serve on the licensee 2113
or other person the decision and an order consistent with the 2114
decision. Judicial review of the order exclusively is as provided 2115
in division (B) of this section. Unless a notice of appeal is 2116
filed within thirty days after service of the superintendent's 2117
order as provided in division (B) of this section, and until the 2118
record of the administrative hearing has been filed, the 2119
superintendent may, at anytime, upon the notice and in the manner 2120
that the superintendent considers proper, modify, terminate, or 2121

set aside the superintendent's order. After filing the record, the 2122
superintendent may modify, terminate, or set aside the 2123
superintendent's order with permission of the court. 2124

(2) In the course of, or in connection with, an 2125
administrative hearing governed by this section, the 2126
superintendent, or a person designated by the superintendent to 2127
conduct the hearing, may administer oaths and affirmations; take 2128
or cause depositions to be taken; and issue, revoke, quash, or 2129
modify subpoenas and subpoenas duces tecum. The superintendent may 2130
adopt rules regarding these hearings. The attendance of witnesses 2131
and the production of documents provided for in this section may 2132
be required from any place within or outside the state. A party to 2133
a hearing governed by this section may apply to the court of 2134
common pleas of Franklin county, or the court of common pleas of 2135
the county in which the hearing is being conducted or the witness 2136
resides or carries on business, for enforcement of a subpoena or 2137
subpoena duces tecum issued pursuant to this section, and the 2138
courts have jurisdiction and power to order and require compliance 2139
with the subpoena. Witnesses subpoenaed under this section shall 2140
be paid the same fees and mileage that are paid witnesses in the 2141
courts of common pleas in civil cases. 2142

(B)(1) A licensee or other person against whom the 2143
superintendent issues an order upon the record of a hearing under 2144
the authority of section 1315.15, 1315.151, or 1315.152 of the 2145
Revised Code may obtain a review of the order by filing a notice 2146
of appeal in the court of common pleas in the county in which the 2147
principal place of business of the licensee or other person, or 2148
the residence of the other person, is located, or in the court of 2149
common pleas of Franklin county, within thirty days after the date 2150
of service of the superintendent's order. The clerk of the court 2151
promptly shall transmit a copy of the notice of appeal to the 2152
superintendent, and the superintendent shall file the record of 2153

the administrative hearing. Upon the filing of the notice of 2154
appeal, the court has jurisdiction, which upon the filing of the 2155
record of the administrative hearing is exclusive, to affirm, 2156
modify, terminate, or set aside, in whole or in part, the 2157
superintendent's order. 2158

(2) The commencement of proceedings for judicial review 2159
pursuant to division (B) of this section does not, unless 2160
specifically ordered by the court, operate as a stay of any order 2161
issued by the superintendent. If it appears to the court an 2162
unusual hardship to the appellant will result from the execution 2163
of the superintendent's order pending determination of the appeal, 2164
and the interests of the public will not be threatened by a stay 2165
of the order, the court may grant a stay and fix its terms. 2166

(C) The superintendent may, in the sole discretion of the 2167
superintendent, apply to the court of common pleas of the county 2168
in which the principal place of business of the licensee or other 2169
person, or the residence of the other person, is located, or the 2170
court of common pleas of Franklin county, for the enforcement of 2171
an effective and outstanding superintendent's order issued under 2172
section 1315.15, 1315.151, or 1315.152 of the Revised Code, and 2173
the court has jurisdiction and power to order and require 2174
compliance with the superintendent's order. In an action by the 2175
superintendent pursuant to this division to enforce an order 2176
assessing a civil penalty issued under section 1315.152 of the 2177
Revised Code, the validity and appropriateness of the civil 2178
penalty is not subject to review. 2179

(D) No court has jurisdiction to affect, by injunction or 2180
otherwise, the issuance or enforcement of an order issued under 2181
section 1315.15, 1315.151, or 1315.152 of the Revised Code or to 2182
review, modify, suspend, terminate, or set aside an order issued 2183
under section 1315.15, 1315.151, or 1315.152 of the Revised Code, 2184
except as provided in this section, in division (G) of section 2185

1315.15 of the Revised Code for an order issued pursuant to 2186
division (C)(3) or (4) of section 1315.15 of the Revised Code, or 2187
in division (F) of section 1315.151 of the Revised Code for an 2188
order issued pursuant to division (C)(3) or (4) of section 2189
1315.151 of the Revised Code. 2190

(E) Nothing in this section or in any other section of the 2191
Revised Code or rules implementing this or any other section of 2192
the Revised Code shall prohibit or limit the superintendent from 2193
doing any of the following: 2194

(1) Issuing orders pursuant to section 1315.15, 1315.151, or 2195
1315.152 of the Revised Code; 2196

(2) Individually or contemporaneously taking any other action 2197
provided by law or rule with respect to a licensee or other 2198
person; 2199

(3) Taking any action provided by law or rule, whether alone 2200
or in conjunction with another regulatory agency or authority, 2201
with respect to a licensee or other person. 2202

Sec. 1315.18. (A) A licensee that ceases to do business in 2203
this state shall do so in accordance with a plan approved by the 2204
superintendent of financial institutions or pursuant to directions 2205
issued by the superintendent in connection with the revocation or 2206
suspension of the licensee's license pursuant to section 1315.151 2207
of the Revised Code. 2208

(B) When a licensee ceases to do business in this state, if 2209
the superintendent considers it necessary to protect the interests 2210
of the licensee's customers, the superintendent may do either of 2211
the following: 2212

(1) Take control of permissible investments or other assets 2213
owned by the licensee equal in value to the licensee's 2214
outstandings in this state; 2215

(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. 2216
2217
2218
2219

(C) No licensee shall fail to comply with this section. 2220

Sec. 1315.21. As used in sections 1315.21 to 1315.30 of the Revised Code: 2221
2222

(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. 2223
2224
2225

(B) "Check-cashing business" means any person ~~who~~ that engages in the business of cashing checks for a fee. 2226
2227
"Check-cashing business" does not include any of the following: 2228

(1) A licensee as defined in section 1321.01 of the Revised Code; 2229
2230

(2) A registrant as defined in section 1321.51 of the Revised Code; 2231
2232

(3) A financial institution; 2233

(4) A person ~~who~~ that 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 ~~his~~ the person's gross income from the cashing of checks; 2234
2235
2236
2237

(5) A person licensed under sections 1315.01 to ~~1315.11~~ 1315.18 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. 2238
2239
2240
2241

(C) "Financial institution" means any bank, trust company, savings bank, savings and loan association, or credit union, ~~which~~ that is incorporated or organized under the laws of the United 2242
2243
2244

States or of any state thereof, or of Canada or any province 2245
thereof, and subject to regulation or supervision by such country, 2246
state, or province. 2247

(D) "Superintendent of financial institutions" includes the 2248
deputy superintendent for consumer finance as provided in section 2249
1181.21 of the Revised Code. 2250

Sec. 1315.99. (A) Whoever violates ~~section 1315.11, section~~ 2251
~~1315.17,~~ division (A) or (B) of section 1315.28, section 1315.41, 2252
or division (E)(2) of section 1315.53 of the Revised Code is 2253
guilty of a misdemeanor of the first degree. 2254

(B) Whoever violates division (F)(1) of section 1315.53 or 2255
division (B) of section 1315.54 of the Revised Code is guilty of a 2256
felony of the fourth degree. 2257

(C) Whoever violates division (A) of section 1315.55 of the 2258
Revised Code is guilty of money laundering. A violation of 2259
division (A)(1), (2), (3), (4), or (5) of that section is a felony 2260
of the third degree, and, in addition, the court may impose a fine 2261
of seven thousand five hundred dollars or twice the value of the 2262
property involved, whichever is greater. 2263

(D) Whoever knowingly violates division (A) of section 2264
1315.02, or intentionally violates division (B)(1) of section 2265
1315.081, of the Revised Code is guilty of a felony of the fourth 2266
degree. 2267

Sec. 1733.25. (A) A credit union may make loans or other 2268
extensions of credit to members for provident and productive 2269
purposes as authorized by law, including rules adopted by the 2270
superintendent of credit unions; the articles; and the 2271
regulations; and subject to policies adopted by the credit 2272
committee and approved by the board of directors. 2273

(B) Upon the approval of the board of directors, a credit 2274

union may make loans or other extensions of credit to other credit 2275
unions, provided that loans or other extensions of credit made to 2276
other credit unions need not have the approval of the board of 2277
directors on a per case basis. The total of all such loans or 2278
other extensions of credit, including the aggregate of all money 2279
paid into any trust established by one or more credit unions for 2280
the purpose of making loans or other extensions of credit to other 2281
credit unions, shall not exceed twenty-five per cent of the shares 2282
and undivided earnings of the lending credit union, except that 2283
this percentage limitation does not apply to corporate credit 2284
unions. 2285

(C) The interest on any loan or other extension of credit 2286
made by a credit union shall not exceed one and one-half per cent 2287
per month on unpaid balances. Such interest may accrue and be 2288
chargeable upon a monthly basis, and may be computed upon the 2289
unpaid balance of the loan or other extension of credit as of the 2290
end of the previous calendar month. 2291

Such interest may be accrued and charged by any technique 2292
approved by the superintendent so long as the effective interest 2293
rate on any loan or other extension of credit does not exceed the 2294
amount permitted to be charged by the computation authorized in 2295
this division. 2296

(D) A credit union may accept security in such form and under 2297
rules as shall be set forth in the articles, the regulations, or 2298
established by the credit committee and approved by the board of 2299
directors. 2300

(E)(1) The credit union shall have a lien on the membership 2301
share, shares, deposits, and accumulated dividends and interest of 2302
a member in an individual, joint, trust, or payable on death 2303
account for any obligation owed to the credit union by that member 2304
or for any loan co-signed or guaranteed by the member or account 2305

holder; provided, however, that a credit union shall not have a
lien upon the funds in an individual retirement account or an
account established pursuant to the Internal Revenue Code of the
United States.

(2) A credit union may refuse to allow withdrawals from any
share or deposit account by a member while the member has any
outstanding obligation to the credit union.

(F) Notwithstanding any limitation provided in any other
provision of this chapter or Chapter 1343. of the Revised Code, a
credit union may enter into a loan agreement with a member in
accordance with all of the following:

(1) The loan is for any amount up to one thousand dollars.

(2) The term of the loan is thirty days or less.

(3) The credit union may charge a fee in addition to any
interest authorized by law in connection with the loan, which fee
is not to be included in the computation of interest for any
provision of the Revised Code, including division (C) of this
section, that prescribes, regulates, or limits interest charged,
collected, or received in connection with a transaction.

(4) The total interest, fees, and other costs of the loan
does not exceed ten per cent of the principal amount.

(5) A member shall not have more than one loan under division
(F) of this section outstanding at any one time with the credit
union.

(6) The loan is not being made to a member for purposes of
retiring an existing loan between the credit union and that
member, which existing loan was made pursuant to division (F) of
this section.

(G)(1) Subject to division (G)(2) of this section and any
restrictions or requirements established by the superintendent, in

connection with any loan or extension of credit, a credit union 2336
may enter into a debt suspension agreement or debt cancellation 2337
contract with the borrower or borrowers. 2338

(2) A credit union shall not offer or finance, directly or 2339
indirectly, a debt suspension agreement or debt cancellation 2340
contract requiring a lump sum, single payment for the agreement or 2341
contract payable at the outset of the agreement or contract, if 2342
the debt subject to the agreement or contract is secured by one to 2343
four family, residential real property. 2344

(3) For purposes of division (G) of this section, "debt 2345
cancellation contract" and "debt suspension agreement" have the 2346
same meanings as in 12 C.F.R part 37. 2347

Sec. 3953.30. (A) As used in this section: 2348

(1) "Residential mortgage loan" means an obligation to pay a 2349
sum of money evidenced by a note and secured by a lien upon real 2350
property located within this state containing two or fewer 2351
residential units or on which two or fewer residential units are 2352
to be constructed and includes such an obligation on a residential 2353
condominium or cooperative unit. 2354

(2) "Residential mortgage lender" means any person, 2355
including, but not limited to, banks, savings and loan 2356
associations, mortgage brokers, credit unions, or savings banks, 2357
that lends money or extends or grants credit and obtains a 2358
residential mortgage to assure payment of the debt. 2359

(B) A title insurance agent issuing a lender's title 2360
insurance policy in conjunction with a residential mortgage loan 2361
made simultaneously with the purchase of all or part of the real 2362
property securing the loan, where no owner's title insurance 2363
policy has been requested, shall give written notice, on a form 2364
prescribed or approved by the superintendent of insurance, to the 2365

mortgagor at the time the commitment is prepared. The notice shall
explain that a lender's title insurance policy is to be issued
protecting the residential mortgage lender, and that the policy
does not provide title insurance protection to the mortgagor as
the owner of the property being purchased. The notice shall
explain what an owner's title insurance policy insures against and
what possible exposures exist for the mortgagor that could be
insured against through the purchase of an owner's title insurance
policy. The notice shall state that the mortgagor may obtain an
owner's title insurance policy protecting the mortgagor as the
owner of the property, either at a specified cost or at an
approximate cost if the proposed coverages or amount of insurance
is not then known. The title insurance agent shall maintain a copy
of the notice, signed by the mortgagor, ~~in the relevant~~
~~underwriting file~~ for at least ten years after the effective date
of the lender's title insurance policy.

Sec. 3953.32. (A) At the time ~~of close~~ an order is placed
with a title insurance company for issuance of a title insurance
policy, the title insurance company or the title insurance agent
shall offer closing or settlement protection to the lender,
borrower, and seller of the property, and to any applicant for
title insurance.

(B) The closing or settlement protection offered pursuant to
this section shall indemnify any lender, borrower, seller, and
applicant that has requested the protection, both individually and
collectively, against the loss of settlement funds resulting from
any of the following acts of the title insurance company's named
title insurance agent or anyone acting on the agent's behalf:

(1) Theft, misappropriation, fraud, or any other failure to
properly disburse settlement, closing, or escrow funds;

(2) Failure to comply with any applicable written closing

instructions, when agreed to by the title insurance agent. 2397

(C) The issuance of closing or settlement protection by a 2398
title insurance company pursuant to division (A) of this section 2399
is part of the business of title insurance for purposes of Chapter 2400
3953. of the Revised Code. 2401

(D) Except as provided in division (A) of this section, a 2402
title insurance company shall not offer or issue any coverage 2403
purporting to indemnify against a person's improper acts or 2404
omissions in connection with escrow, settlement, or closing 2405
services. 2406

(E) The superintendent of insurance may adopt rules in 2407
accordance with Chapter 119. of the Revised Code as the 2408
superintendent considers necessary to carry out the purposes of 2409
this section, including, but not limited to, rules that detail the 2410
specific language that must be included in the written document 2411
offering closing or settlement protection as provided for in 2412
division (A) of this section. 2413

Sec. 3953.33. (A) Every title insurance agent or agency that 2414
handles escrow, settlement, closing, or security deposit accounts 2415
shall have an annual independent review made of its escrow, 2416
settlement, closing, and security deposit accounts on a 2417
~~calendar-year~~ fiscal-year basis within ninety days after the close 2418
of the previous fiscal year. The title insurance agent or agency 2419
shall provide proof of the annual review to each title insurance 2420
company that it represents. The superintendent of insurance shall 2421
promulgate rules under Chapter 119. of the Revised Code setting 2422
forth the minimum threshold level at which a review is required, 2423
the standards of the review, the minimum qualifications of the 2424
independent party conducting the review, and the form of the 2425
report that is required. The superintendent may also require title 2426
insurance agents or agencies to provide a copy of their annual 2427

review reports to the superintendent. The annual review required 2428
by this division does not apply to interest on lawyer's trust 2429
accounts established and maintained by an attorney pursuant to 2430
sections 4705.09 and 4705.10 of the Revised Code. 2431

(B) Title insurance agents and agencies shall allow the 2432
superintendent and each and every title insurer that they 2433
represent reasonable access to all of their escrow, settlement, 2434
closing, and security deposit accounts and any and all supporting 2435
account information in order to ascertain the safety and security 2436
of the funds held by the title insurance agent or agency. 2437

(C) Title insurance agents and agencies shall maintain 2438
sufficient records of their affairs, including their escrow 2439
operations and escrow trust accounts, so that the superintendent 2440
may adequately ensure that the title insurance agent or agency is 2441
in compliance of this chapter. Records kept pursuant to this 2442
section shall be kept for a period of not less than ten years 2443
following the transactions to which the records relate. The 2444
superintendent may prescribe the specific records and documents to 2445
be kept. 2446

Sec. 4719.01. (A) As used in sections 4719.01 to 4719.18 of 2447
the Revised Code: 2448

(1) "Affiliate" means a business entity that is owned by, 2449
operated by, controlled by, or under common control with another 2450
business entity. 2451

(2) "Communication" means a written or oral notification or 2452
advertisement that meets both of the following criteria, as 2453
applicable: 2454

(a) The notification or advertisement is transmitted by or on 2455
behalf of the seller of goods or services and by or through any 2456
printed, audio, video, cinematic, telephonic, or electronic means. 2457

(b) In the case of a notification or advertisement other than 2458
by telephone, either of the following conditions is met: 2459

(i) The notification or advertisement is followed by a 2460
telephone call from a telephone solicitor or salesperson. 2461

(ii) The notification or advertisement invites a response by 2462
telephone, and, during the course of that response, a telephone 2463
solicitor or salesperson attempts to make or makes a sale of goods 2464
or services. As used in division (A)(2)(b)(ii) of this section, 2465
"invites a response by telephone" excludes the mere listing or 2466
inclusion of a telephone number in a notification or 2467
advertisement. 2468

(3) "Gift, award, or prize" means anything of value that is 2469
offered or purportedly offered, or given or purportedly given by 2470
chance, at no cost to the receiver and with no obligation to 2471
purchase goods or services. As used in this division, "chance" 2472
includes a situation in which a person is guaranteed to receive an 2473
item and, at the time of the offer or purported offer, the 2474
telephone solicitor does not identify the specific item that the 2475
person will receive. 2476

(4) "Goods or services" means any real property or any 2477
tangible or intangible personal property, or services of any kind 2478
provided or offered to a person. "Goods or services" includes, but 2479
is not limited to, advertising; labor performed for the benefit of 2480
a person; personal property intended to be attached to or 2481
installed in any real property, regardless of whether it is so 2482
attached or installed; timeshare estates or licenses; and extended 2483
service contracts. 2484

(5) "Purchaser" means a person that is solicited to become or 2485
does become financially obligated as a result of a telephone 2486
solicitation. 2487

(6) "Salesperson" means an individual who is employed, 2488

appointed, or authorized by a telephone solicitor to make	2489
telephone solicitations but does not mean any of the following:	2490
(a) An individual who comes within one of the exemptions in	2491
division (B) of this section;	2492
(b) An individual employed, appointed, or authorized by a	2493
person who comes within one of the exemptions in division (B) of	2494
this section;	2495
(c) An individual under a written contract with a person who	2496
comes within one of the exemptions in division (B) of this	2497
section, if liability for all transactions with purchasers is	2498
assumed by the person so exempted.	2499
(7) "Telephone solicitation" means a communication to a	2500
person that meets both of the following criteria:	2501
(a) The communication is initiated by or on behalf of a	2502
telephone solicitor or by a salesperson.	2503
(b) The communication either represents a price or the	2504
quality or availability of goods or services or is used to induce	2505
the person to purchase goods or services, including, but not	2506
limited to, inducement through the offering of a gift, award, or	2507
prize.	2508
(8) "Telephone solicitor" means a person that engages in	2509
telephone solicitation directly or through one or more	2510
salespersons either from a location in this state, or from a	2511
location outside this state to persons in this state. "Telephone	2512
solicitor" includes, but is not limited to, any such person that	2513
is an owner, operator, officer, or director of, partner in, or	2514
other individual engaged in the management activities of, a	2515
business.	2516
(B) A telephone solicitor is exempt from the provisions of	2517
sections 4719.02 to 4719.18 and section 4719.99 of the Revised	2518

Code if the telephone solicitor is any one of the following: 2519

(1) A person engaging in a telephone solicitation that is a 2520
one-time or infrequent transaction not done in the course of a 2521
pattern of repeated transactions of a like nature; 2522

(2) A person engaged in telephone solicitation solely for 2523
religious or political purposes; a charitable organization, 2524
fund-raising counsel, or professional solicitor in compliance with 2525
the registration and reporting requirements of Chapter 1716. of 2526
the Revised Code; or any person or other entity exempt under 2527
section 1716.03 of the Revised Code from filing a registration 2528
statement under section 1716.02 of the Revised Code; 2529

(3) A person, making a telephone solicitation involving a 2530
home solicitation sale as defined in section 1345.21 of the 2531
Revised Code, that makes the sales presentation and completes the 2532
sale at a later, face-to-face meeting between the seller and the 2533
purchaser rather than during the telephone solicitation. However, 2534
if the person, following the telephone solicitation, causes 2535
another person to collect the payment of any money, this exemption 2536
does not apply. 2537

(4) A licensed securities, commodities, or investment broker, 2538
dealer, investment advisor, or associated person when making a 2539
telephone solicitation within the scope of the person's license. 2540
As used in division (B)(4) of this section, "licensed securities, 2541
commodities, or investment broker, dealer, investment advisor, or 2542
associated person" means a person subject to licensure or 2543
registration as such by the securities and exchange commission; 2544
the National Association of Securities Dealers or other 2545
self-regulatory organization, as defined by 15 U.S.C.A. 78c; by 2546
the division of securities under Chapter 1707. of the Revised 2547
Code; or by an official or agency of any other state of the United 2548
States. 2549

(5)(a) A person primarily engaged in soliciting the sale of a newspaper of general circulation; 2550
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(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: 2552
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(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; 2555
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(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. 2558
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(6)(a) An issuer, or its subsidiary, that has a class of securities to which all of the following apply: 2563
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(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); 2565
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(ii) The class of securities is listed on the New York stock exchange, the American stock exchange, or the NASDAQ national market system; 2569
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(iii) The class of securities is a reported security as defined in 17 C.F.R. 240.11Aa3-1(a)(4). 2572
2573

(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 2574
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since it had a class of securities that met the criteria in 2580
division (B)(6)(a) of this section. As used in division (B)(6)(b) 2581
of this section, "issuer" and "subsidiary" include the successor 2582
to an issuer or subsidiary. 2583

(7) A person soliciting a transaction regulated by the 2584
commodity futures trading commission, if the person is registered 2585
or temporarily registered for that activity with the commission 2586
under 7 U.S.C.A. 1 et. seq. and the registration or temporary 2587
registration has not expired or been suspended or revoked; 2588

(8) A person soliciting the sale of any book, record, audio 2589
tape, compact disc, or video, if the person allows the purchaser 2590
to review the merchandise for at least seven days and provides a 2591
full refund within thirty days to a purchaser who returns the 2592
merchandise or if the person solicits the sale on behalf of a 2593
membership club operating in compliance with regulations adopted 2594
by the federal trade commission in 16 C.F.R. 425; 2595

(9) A supervised financial institution or its subsidiary. As 2596
used in division (B)(9) of this section, "supervised financial 2597
institution" means a bank, trust company, savings and loan 2598
association, savings bank, credit union, industrial loan company, 2599
consumer finance lender, commercial finance lender, or institution 2600
described in section 2(c)(2)(F) of the "Bank Holding Company Act 2601
of 1956," 12 U.S.C.A. 1841(c)(2)(F), as amended, supervised by an 2602
official or agency of the United States, this state, or any other 2603
state of the United States; or a licensee or registrant under 2604
sections 1321.01 to 1321.19, 1321.51 to 1321.60, or 1321.71 to 2605
1321.83 of the Revised Code. 2606

(10)(a) An insurance company, association, or other 2607
organization that is licensed or authorized to conduct business in 2608
this state by the superintendent of insurance pursuant to Title 2609
XXXIX of the Revised Code or Chapter 1751. of the Revised Code, 2610

when soliciting within the scope of its license or authorization. 2611

(b) A licensed insurance broker, agent, or solicitor when 2612
soliciting within the scope of the person's license. As used in 2613
division (B)(10)(b) of this section, "licensed insurance broker, 2614
agent, or solicitor" means any person licensed as an insurance 2615
broker, agent, or solicitor by the superintendent of insurance 2616
pursuant to Title XXXIX of the Revised Code. 2617

(11) A person soliciting the sale of services provided by a 2618
cable television system operating under authority of a 2619
governmental franchise or permit; 2620

(12) A person soliciting a business-to-business sale under 2621
which any of the following conditions are met: 2622

(a) The telephone solicitor has been operating continuously 2623
for at least three years under the same business name under which 2624
it solicits purchasers, and at least fifty-one per cent of its 2625
gross dollar volume of sales consists of repeat sales to existing 2626
customers to whom it has made sales under the same business name. 2627

(b) The purchaser business intends to resell the goods 2628
purchased. 2629

(c) The purchaser business intends to use the goods or 2630
services purchased in a recycling, reuse, manufacturing, or 2631
remanufacturing process. 2632

(d) The telephone solicitor is a publisher of a periodical or 2633
of magazines distributed as controlled circulation publications as 2634
defined in division (CC) of section 5739.01 of the Revised Code 2635
and is soliciting sales of advertising, subscriptions, reprints, 2636
lists, information databases, conference participation or 2637
sponsorships, trade shows or media products related to the 2638
periodical or magazine, or other publishing services provided by 2639
the controlled circulation publication. 2640

(13) A person that, not less often than once each year,	2641
publishes and delivers to potential purchasers a catalog that	2642
complies with both of the following:	2643
(a) It includes all of the following:	2644
(i) The business address of the seller;	2645
(ii) A written description or illustration of each good or	2646
service offered for sale;	2647
(iii) A clear and conspicuous disclosure of the sale price of	2648
each good or service; shipping, handling, and other charges; and	2649
return policy;	2650
(b) One of the following applies:	2651
(i) The catalog includes at least twenty-four pages of	2652
written material and illustrations, is distributed in more than	2653
one state, and has an annual postage-paid mail circulation of not	2654
less than two hundred fifty thousand households;	2655
(ii) The catalog includes at least ten pages of written	2656
material or an equivalent amount of material in electronic form on	2657
the internet or an on-line computer service, the person does not	2658
solicit customers by telephone but solely receives telephone calls	2659
made in response to the catalog, and during the calls the person	2660
takes orders but does not engage in further solicitation of the	2661
purchaser. As used in division (B)(13)(b)(ii) of this section,	2662
"further solicitation" does not include providing the purchaser	2663
with information about, or attempting to sell, any other item in	2664
the catalog that prompted the purchaser's call or in a	2665
substantially similar catalog issued by the seller.	2666
(14) A political subdivision or instrumentality of the United	2667
States, this state, or any state of the United States;	2668
(15) A college or university or any other public or private	2669
institution of higher education in this state;	2670

(16) A public utility as defined in section 4905.02 of the Revised Code or a retail natural gas supplier as defined in section 4929.01 of the Revised Code, if the utility or supplier is subject to regulation by the public utilities commission, or the affiliate of the utility or supplier;

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

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

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

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

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

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

(ii) The affiliate either displays goods and offers them for retail sale at the affiliate's business premises or offers

services for sale and provides them at the affiliate's business premises; 2701
2702

(iii) At least fifty-one per cent of the affiliate's gross dollar volume of retail sales involves purchases of goods or services at the affiliate's business premises. 2703
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(c) A person that, for a period of less than one year, has been operating a retail business in this state under the same name as that used in connection with telephone solicitation, as long as all of the following requirements are met: 2706
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(i) The person either displays goods and offers them for retail sale at the person's business premises or offers services for sale and provides them at the person's business premises; 2710
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(ii) The goods or services that are the subject of telephone solicitation are sold at the person's business premises, and at least sixty-five per cent of the person's gross dollar volume of retail sales involves purchases of goods or services at the person's business premises; 2713
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(iii) The person conducts all telephone solicitation activities according to sections 310.3, 310.4, and 310.5 of the telemarketing sales rule adopted by the federal trade commission in 16 C.F.R. part 310. 2718
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(19) A person who performs telephone solicitation sales services on behalf of other persons and to whom one of the following applies: 2722
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(a) The person has operated under the same ownership, control, and business name for at least five years, and the person receives at least seventy-five per cent of its gross revenues from written telephone solicitation contracts with persons who come within one of the exemptions in division (B) of this section. 2725
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(b) The person is an affiliate of one or more exempt persons 2730

and makes telephone solicitations on behalf of only the exempt persons of which it is an affiliate. 2731
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(c) The person makes telephone solicitations on behalf of only exempt persons, the person and each exempt person on whose behalf telephone solicitations are made have entered into a written contract that specifies the manner in which the telephone solicitations are to be conducted and that at a minimum requires compliance with the telemarketing sales rule adopted by the federal trade commission in 16 C.F.R. part 310, and the person conducts the telephone solicitations in the manner specified in the written contract. 2733
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(d) The person performs telephone solicitation for religious or political purposes, a charitable organization, a fund-raising council, or a professional solicitor in compliance with the registration and reporting requirements of Chapter 1716. of the Revised Code; and meets all of the following requirements: 2742
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(i) The person has operated under the same ownership, control, and business name for at least five years, and the person receives at least fifty-one per cent of its gross revenues from written telephone solicitation contracts with persons who come within the exemption in division (B)(2) of this section; 2747
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(ii) The person does not conduct a prize promotion or offer the sale of an investment opportunity; ~~and~~ 2752
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(iii) The person conducts all telephone solicitation activities according to sections 310.3, 310.4, and 310.5 of the telemarketing sales rules adopted by the federal trade commission in 16 C.F.R. part 310. 2754
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(20) A person that is a licensed real estate salesperson or broker under Chapter 4735. of the Revised Code when soliciting within the scope of the person's license; 2758
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(21)(a) Either of the following:	2761
(i) A publisher that solicits the sale of the publisher's periodical or magazine of general, paid circulation, or a person that solicits a sale of that nature on behalf of a publisher under a written agreement directly between the publisher and the person.	2762 2763 2764 2765
(ii) A publisher that solicits the sale of the publisher's periodical or magazine of general, paid circulation, or a person that solicits a sale of that nature as authorized by a publisher under a written agreement directly with a publisher's clearinghouse provided the person is a resident of Ohio for more than three years and initiates all telephone solicitations from Ohio and the person conducts the solicitation and sale in compliance with 16 C.F.R. Part <u>part</u> 310, as adopted by the federal trade commission.	2766 2767 2768 2769 2770 2771 2772 2773 2774
(b) As used in division (B)(21) of this section, "periodical or magazine of general, paid circulation" excludes a periodical or magazine circulated only as part of a membership package or given as a free gift or prize from the publisher or person.	2775 2776 2777 2778
(22) A person that solicits the sale of food, as defined in section 3715.01 of the Revised Code, or the sale of products of horticulture, as defined in section 5739.01 of the Revised Code, if the person does not intend the solicitation to result in, or the solicitation actually does not result in, a sale that costs the purchaser an amount greater than five hundred dollars.	2779 2780 2781 2782 2783 2784
(23) A funeral director licensed pursuant to Chapter 4717. of the Revised Code when soliciting within the scope of that license, if both of the following apply:	2785 2786 2787
(a) The solicitation and sale are conducted in compliance with 16 C.F.R. part 453, as adopted by the federal trade commission, and with sections 1107.33 and 1345.21 to 1345.28 of the Revised Code;	2788 2789 2790 2791

(b) The person provides to the purchaser of any preneed funeral contract a notice that clearly and conspicuously sets forth the cancellation rights specified in division (G) of section 1107.33 of the Revised Code, and retains a copy of the notice signed by the purchaser.

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

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

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

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

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

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

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

(f) Neither the person nor any of its principals has had entered against them an injunction or a final judgment or order, including an agreed judgment or order, an assurance of voluntary

compliance, or any similar instrument, in any civil or 2822
administrative action involving engaging in a pattern of corrupt 2823
practices, fraud, theft, embezzlement, fraudulent conversion, or 2824
misappropriation of property; the use of any untrue, deceptive, or 2825
misleading representation; or the use of any unfair, unlawful, 2826
deceptive, or unconscionable trade act or practice. 2827

(26) An institution defined as a home health agency in 2828
section 3701.881 of the Revised Code, that conducts all telephone 2829
solicitation activities according to sections 310.3, 310.4, and 2830
310.5 of the telemarketing sales rules adopted by the federal 2831
trade commission in 16 C.F.R. part 310, and engages in telephone 2832
solicitation only within the scope of the institution's 2833
certification, accreditation, contract with the department of 2834
aging, or status as a home health agency; and that meets one of 2835
the following requirements: 2836

(a) The institution is certified as a provider of home health 2837
services under Title XVIII of the Social Security Act, 49 Stat. 2838
620, 42 U.S.C. 301, as amended; 2839

(b) The institution is accredited by either the joint 2840
commission on accreditation of health care organizations or the 2841
community health accreditation program; 2842

(c) The institution is providing passport services under the 2843
direction of the Ohio department of aging under section 173.40 of 2844
the Revised Code; 2845

(d) An affiliate of an institution that meets the 2846
requirements of division (B)(26)(a), (b), or (c) of this section 2847
when offering for sale substantially the same goods and services 2848
as those that are offered by the institution that meets the 2849
requirements of division (B)(26)(a), (b), or (c) of this section. 2850

(27) A person licensed to provide a hospice care program by 2851
the department of health pursuant to section 3712.04 of the 2852

Revised Code when conducting telephone solicitations within the
scope of the person's license and according to sections 310.3,
310.4, and 310.5 of the telemarketing sales rules adopted by the
federal trade commission in 16 C.F.R. part 310.

Sec. 4973.17. (A)(1) Upon the application of any bank;
savings and loan association; savings bank; credit union; or
association of banks, savings and loan associations, savings
banks, or credit unions in this state, the secretary of state may
appoint and commission any persons that the bank; savings and loan
association; savings bank; credit union; or association of banks,
savings and loan associations, savings banks, or credit unions
designates, or as many of those persons as the secretary of state
considers proper, to act as police officers for and on the
premises of that bank; savings and loan association; savings bank;
credit union; or association of banks, savings and loan
associations, savings banks, or credit unions; or elsewhere, when
directly in the discharge of their duties. Police officers so
appointed shall be citizens of this state and of good character
~~and~~. Police officers so appointed who start to perform their
duties on or after April 14, 2006, shall have successfully
completed complete a training program approved by the Ohio peace
officer training commission described in section 109.71 of the
Revised Code and be certified by the commission within six months
after starting to perform their duties. ~~They~~ Police officers so
appointed shall hold office for three years, unless, for good
cause shown, their commission is revoked by the secretary of
state, or by the bank; savings and loan association; savings bank;
credit union; or association of banks, savings and loan
associations, savings banks, or credit unions, as provided by law.

(2) Persons commissioned as police officers pursuant to
division (A) of this section prior to April 14, 2006, who have not

successfully completed a training program approved by the Ohio 2884
peace officer training commission, and who have not been certified 2885
by the commission, may be reappointed and re-commissioned by the 2886
secretary of state only during the person's continuous employment 2887
as a police officer by the institution for which the person was 2888
employed on April 14, 2006, or by a successor institution to the 2889
institution for which the person was employed on April 14, 2006. 2890
The secretary of state shall note on such appointments and 2891
commissions that the person is not a peace officer as defined in 2892
section 109.71 of the Revised Code. 2893

(3) For the exclusive purpose of assigning break in service 2894
update training as prescribed in rule 109:2-1-12 (D) of the 2895
Administrative Code, a police officer appointed under division (A) 2896
of this section, who began performing police officer duties on or 2897
before April 14, 2006, shall be credited as holding a valid peace 2898
officer appointment retroactive to the date on which the officer 2899
began performing these duties. 2900

(B) Upon the application of a company owning or using a 2901
railroad in this state and subject to section 4973.171 of the 2902
Revised Code, the secretary of state may appoint and commission 2903
any persons that the railroad company designates, or as many of 2904
those persons as the secretary of state considers proper, to act 2905
as police officers for and on the premises of the railroad 2906
company, its affiliates or subsidiaries, or elsewhere, when 2907
directly in the discharge of their duties. Police officers so 2908
appointed, within the time set by the Ohio peace officer training 2909
commission, shall successfully complete a commission approved 2910
training program and be certified by the commission. They shall 2911
hold office for three years, unless, for good cause shown, their 2912
commission is revoked by the secretary of state, or railroad 2913
company, as provided by law. 2914

Any person holding a similar commission in another state may 2915

be commissioned and may hold office in this state without 2916
completing the approved training program required by this division 2917
provided that the person has completed a substantially equivalent 2918
training program in the other state. The Ohio peace officer 2919
training commission shall determine whether a training program in 2920
another state meets the requirements of this division. 2921

(C) Upon the application of any company under contract with 2922
the United States atomic energy commission for the construction or 2923
operation of a plant at a site owned by the commission, the 2924
secretary of state may appoint and commission persons the company 2925
designates, not to exceed one hundred fifty, to act as police 2926
officers for the company at the plant or site owned by the 2927
commission. Police officers so appointed shall be citizens of this 2928
state and of good character. They shall hold office for three 2929
years, unless, for good cause shown, their commission is revoked 2930
by the secretary of state or by the company, as provided by law. 2931

(D)(1) Upon the application of any hospital that is operated 2932
by a public hospital agency or a nonprofit hospital agency and 2933
that employs and maintains its own proprietary police department 2934
or security department and subject to section 4973.171 of the 2935
Revised Code, the secretary of state may appoint and commission 2936
any persons that the hospital designates, or as many of those 2937
persons as the secretary of state considers proper, to act as 2938
police officers for the hospital. No person who is appointed as a 2939
police officer under this division shall engage in any duties or 2940
activities as a police officer for the hospital or any affiliate 2941
or subsidiary of the hospital unless all of the following apply: 2942

(a) The chief of police of the municipal corporation in which 2943
the hospital is located or, if the hospital is located in the 2944
unincorporated area of a county, the sheriff of that county has 2945
granted approval to the hospital to permit persons appointed as 2946
police officers under this division to engage in those duties and 2947

activities. The approval required by this division is general in 2948
nature and is intended to cover in the aggregate all persons 2949
appointed as police officers for the hospital under this division; 2950
a separate approval is not required for each appointee on an 2951
individual basis. 2952

(b) Subsequent to the grant of approval described in division 2953
(D)(1)(a) of this section, the hospital has entered into a written 2954
agreement with the chief of police of the municipal corporation in 2955
which the hospital is located or, if the hospital is located in 2956
the unincorporated area of a county, with the sheriff of that 2957
county, that sets forth the standards and criteria to govern the 2958
interaction and cooperation between persons appointed as police 2959
officers for the hospital under this division and law enforcement 2960
officers serving the agency represented by the chief of police or 2961
sheriff who signed the agreement in areas of their concurrent 2962
jurisdiction. The written agreement shall be signed by the 2963
appointing authority of the hospital and by the chief of police or 2964
sheriff. The standards and criteria may include, but are not 2965
limited to, provisions governing the reporting of offenses 2966
discovered by hospital police officers to the agency represented 2967
by the chief of police or sheriff, provisions governing 2968
investigatory responsibilities relative to offenses committed on 2969
hospital property, and provisions governing the processing and 2970
confinement of persons arrested for offenses committed on hospital 2971
property. The agreement required by this division is intended to 2972
apply in the aggregate to all persons appointed as police officers 2973
for the hospital under this division; a separate agreement is not 2974
required for each appointee on an individual basis. 2975

(c) The person has successfully completed a training program 2976
approved by the Ohio peace officer training commission and has 2977
been certified by the commission. A person appointed as a police 2978
officer under this division may attend a training program approved 2979

by the commission and be certified by the commission regardless of 2980
whether the appropriate chief of police or sheriff has granted the 2981
approval described in division (D)(1)(a) of this section and 2982
regardless of whether the hospital has entered into the written 2983
agreement described in division (D)(1)(b) of this section with the 2984
appropriate chief of police or sheriff. 2985

(2)(a) A person who is appointed as a police officer under 2986
division (D)(1) of this section is entitled, upon the grant of 2987
approval described in division (D)(1)(a) of this section and upon 2988
the person's and the hospital's compliance with the requirements 2989
of divisions (D)(1)(b) and (c) of this section, to act as a police 2990
officer for the hospital on the premises of the hospital and of 2991
its affiliates and subsidiaries that are within the territory of 2992
the municipal corporation served by the chief of police or the 2993
unincorporated area of the county served by the sheriff who signed 2994
the written agreement described in division (D)(1)(b) of this 2995
section, whichever is applicable, and anywhere else within the 2996
territory of that municipal corporation or within the 2997
unincorporated area of that county. The authority to act as a 2998
police officer as described in this division is granted only if 2999
the person, when engaging in that activity, is directly in the 3000
discharge of the person's duties as a police officer for the 3001
hospital. The authority to act as a police officer as described in 3002
this division shall be exercised in accordance with the standards 3003
and criteria set forth in the written agreement described in 3004
division (D)(1)(b) of this section. 3005

(b) Additionally, a person appointed as a police officer 3006
under division (D)(1) of this section is entitled, upon the grant 3007
of approval described in division (D)(1)(a) of this section and 3008
upon the person's and the hospital's compliance with the 3009
requirements of divisions (D)(1)(b) and (c) of this section, to 3010
act as a police officer elsewhere, within the territory of a 3011

municipal corporation or within the unincorporated area of a 3012
county, if the chief of police of that municipal corporation or 3013
the sheriff of that county, respectively, has granted approval for 3014
that activity to the hospital, police department, or security 3015
department served by the person as a police officer and if the 3016
person, when engaging in that activity, is directly in the 3017
discharge of the person's duties as a police officer for the 3018
hospital. The approval described in this division may be general 3019
in nature or may be limited in scope, duration, or applicability, 3020
as determined by the chief of police or sheriff granting the 3021
approval. 3022

(3) Police officers appointed under division (D)(1) of this 3023
section shall hold office for three years, unless, for good cause 3024
shown, their commission is revoked by the secretary of state or by 3025
the hospital, as provided by law. As used in divisions (D)(1) to 3026
(3) of this section, "public hospital agency" and "nonprofit 3027
hospital agency" have the same meanings as in section 140.01 of 3028
the Revised Code. 3029

(E)(1) Upon the application of any owner or operator of an 3030
amusement park that has an average yearly attendance in excess of 3031
six hundred thousand guests and that employs and maintains its own 3032
proprietary police department or security department and subject 3033
to section 4973.171 of the Revised Code, any judge of the 3034
municipal court or county court that has territorial jurisdiction 3035
over the amusement park may appoint and commission any persons 3036
that the owner or operator designates, or as many of those persons 3037
as the judge considers proper, to act as police officers for the 3038
amusement park. If the amusement park is located in more than one 3039
county, any judge of the municipal court or county court of any of 3040
those counties may make the appointments and commissions as 3041
described in this division. No person who is appointed as a police 3042
officer under this division shall engage in any duties or 3043

activities as a police officer for the amusement park or any 3044
affiliate or subsidiary of the owner or operator of the amusement 3045
park unless all of the following apply: 3046

(a) The appropriate chief or chiefs of police of the 3047
political subdivision or subdivisions in which the amusement park 3048
is located as specified in this division have granted approval to 3049
the owner or operator of the amusement park to permit persons 3050
appointed as police officers under this division to engage in 3051
those duties and activities. If the amusement park is located in a 3052
single municipal corporation or a single township, the chief of 3053
police of that municipal corporation or township is the 3054
appropriate chief of police for the grant of approval under this 3055
division. If the amusement park is located in two or more 3056
townships, two or more municipal corporations, or one or more 3057
townships and one or more municipal corporations, the chiefs of 3058
police of all of the affected townships and municipal corporations 3059
are the appropriate chiefs of police for the grant of approval 3060
under this division, and the approval must be jointly granted by 3061
all of those chiefs of police. The approval required by this 3062
division is general in nature and is intended to cover in the 3063
aggregate all persons appointed as police officers for the 3064
amusement park under this division. A separate approval is not 3065
required for each appointee on an individual basis. 3066

(b) Subsequent to the grant of approval described in division 3067
(E)(1)(a) of this section, the owner or operator has entered into 3068
a written agreement with the appropriate chief or chiefs of police 3069
of the political subdivision or subdivisions in which the 3070
amusement park is located as specified in this division and has 3071
provided the sheriff of the county in which the political 3072
subdivision or subdivisions are located with a copy of the 3073
agreement. If the amusement park is located in a single municipal 3074
corporation or a single township, the chief of police of that 3075

municipal corporation or township is the appropriate chief of 3076
police for entering into the written agreement under this 3077
division. If the amusement park is located in two or more 3078
townships, two or more municipal corporations, or one or more 3079
townships and one or more municipal corporations, the chiefs of 3080
police of all of the affected townships and municipal corporations 3081
are the appropriate chiefs of police for entering into the written 3082
agreement under this division, and the written agreement must be 3083
jointly entered into by all of those chiefs of police. The written 3084
agreement between the owner or operator and the chief or chiefs of 3085
police shall address the scope of activities, the duration of the 3086
agreement, and mutual aid arrangements and shall set forth the 3087
standards and criteria to govern the interaction and cooperation 3088
between persons appointed as police officers for the amusement 3089
park under this division and law enforcement officers serving the 3090
agency represented by the chief of police who signed the 3091
agreement. The written agreement shall be signed by the owner or 3092
operator and by the chief or chiefs of police who enter into it. 3093
The standards and criteria may include, but are not limited to, 3094
provisions governing the reporting of offenses discovered by the 3095
amusement park's police officers to the agency represented by the 3096
chief of police of the municipal corporation or township in which 3097
the offense occurred, provisions governing investigatory 3098
responsibilities relative to offenses committed on amusement park 3099
property, and provisions governing the processing and confinement 3100
of persons arrested for offenses committed on amusement park 3101
property. The agreement required by this division is intended to 3102
apply in the aggregate to all persons appointed as police officers 3103
for the amusement park under this division. A separate agreement 3104
is not required for each appointee on an individual basis. 3105

(c) The person has successfully completed a training program 3106
approved by the Ohio peace officer training commission and has 3107

been certified by the commission. A person appointed as a police officer under this division may attend a training program approved by the commission and be certified by the commission regardless of whether the appropriate chief of police has granted the approval described in division (E)(1)(a) of this section and regardless of whether the owner or operator of the amusement park has entered into the written agreement described in division (E)(1)(b) of this section with the appropriate chief of police.

(2)(a) A person who is appointed as a police officer under division (E)(1) of this section is entitled, upon the grant of approval described in section (E)(1)(a) of this section and upon the person's and the owner or operator's compliance with the requirements of division (E)(1)(b) and (c) of this section, to act as a police officer for the amusement park and its affiliates and subsidiaries that are within the territory of the political subdivision or subdivisions served by the chief of police, or respective chiefs of police, who signed the written agreement described in division (E)(1)(b) of this section, and upon any contiguous real property of the amusement park that is covered by the written agreement, whether within or adjacent to the political subdivision or subdivisions. The authority to act as a police officer as described in this division is granted only if the person, when engaging in that activity, is directly in the discharge of the person's duties as a police officer for the amusement park. The authority to act as a police officer as described in this division shall be exercised in accordance with the standards and criteria set forth in the written agreement described in division (E)(1)(b) of this section.

(b) In addition to the authority granted under division (E)(2)(a) of this section, a person appointed as a police officer under division (E)(1) of this section is entitled, upon the grant of approval described in division (E)(1)(a) of this section and

upon the person's and the owner or operator's compliance with the 3140
requirements of divisions (E)(1)(b) and (c) of this section, to 3141
act as a police officer elsewhere within the territory of a 3142
municipal corporation or township if the chief of police of that 3143
municipal corporation or township has granted approval for that 3144
activity to the owner or operator served by the person as a police 3145
officer and if the person, when engaging in that activity, is 3146
directly in the discharge of the person's duties as a police 3147
officer for the amusement park. The approval described in this 3148
division may be general in nature or may be limited in scope, 3149
duration, or applicability, as determined by the chief of police 3150
granting the approval. 3151

(3) Police officers appointed under division (E)(1) of this 3152
section shall hold office for five years, unless, for good cause 3153
shown, their commission is revoked by the appointing judge or the 3154
judge's successor or by the owner or operator, as provided by law. 3155

(F) A fee of fifteen dollars for each commission applied for 3156
under this section shall be paid at the time the application is 3157
made, and this amount shall be returned if for any reason a 3158
commission is not issued. 3159

Section 2. That existing sections 109.71, 121.07, 1101.15, 3160
1109.15, 1109.43, 1111.02, 1111.04, 1111.06, 1111.07, 1111.08, 3161
1121.30, 1151.14, 1151.321, 1161.18, 1161.51, 1181.06, 1181.25, 3162
1315.21, 1315.99, 1733.25, 3953.30, 3953.32, 3953.33, 4719.01, and 3163
4973.17 and sections 1151.348, 1315.01, 1315.02, 1315.03, 1315.04, 3164
1315.05, 1315.06, 1315.07, 1315.08, 1315.09, 1315.10, 1315.11, 3165
1315,16, 1315.17, and 1315.18 of the Revised Code are hereby 3166
repealed. 3167

Section 3. That section 1125.28 of the Revised Code, as it 3168
results from S.B. 293 of the 121st General Assembly, is hereby 3169

repealed. The version of section 1125.28 of the Revised Code, as 3170
it results from H.B. 538 of the 121st General Assembly, is not 3171
affected by this repeal. 3172

Section 4. A license issued under sections 1315.01 to 1315.11 3173
of the Revised Code that is in effect immediately prior to the 3174
effective date of this act shall remain in force as a license 3175
under sections 1315.01 to 1315.18 of the Revised Code as enacted 3176
by this act until the license's expiration date. Thereafter, the 3177
licensee shall be treated as if it had applied for and had 3178
received a license under sections 1315.01 to 1315.18 of the 3179
Revised Code and shall be required to comply with sections 1315.01 3180
to 1315.18 of the Revised Code. 3181

Section 5. Section 1315.21 of the Revised Code is presented 3182
in this act as a composite of the section as amended by both Am. 3183
Sub. S.B. 293 and Am. Sub. H.B. 538 of the 121st General Assembly. 3184
Section 1315.99 of the Revised Code is presented in this act as a 3185
composite of the section as amended by both Am. Sub. H.B. 333 and 3186
Am. Sub. H.B. 538 of the 121st General Assembly. The General 3187
Assembly, applying the principle stated in division (B) of section 3188
1.52 of the Revised Code that amendments are to be harmonized if 3189
reasonably capable of simultaneous operation, finds that the 3190
composites are the resulting versions of the sections in effect 3191
prior to the effective date of the sections as presented in this 3192
act. 3193