



## Ohio Revised Code

### Section 3906.07 Classes of investment for purposes of minimum asset requirement.

Effective: September 4, 2014

Legislation: Senate Bill 140 - 130th General Assembly

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All of the following classes of investments may be counted for the purposes specified in section 3906.11 of the Revised Code, whether they are made directly or as a participant in a partnership, joint venture, or limited liability company:

- (A) Cash, and cash equivalents, in the direct possession of the insurer or on deposit with a financial institution regulated by any federal or state agency of the United States;
- (B) Bonds, debt-like preferred stock, and other evidences of indebtedness of governmental units in the United States or Canada, or the instrumentalities of the governmental units, or private business entities domiciled in the United States or Canada, including asset-backed securities, securities valuation office listed mutual funds, and securities valuation office listed exchange traded funds;
- (C) Loans with a loan to value ratio of no greater than eighty per cent that are secured by mortgages, trust deeds, or other security interests in real property located in the United States or Canada, or secured by insurance against default issued by a government insurance corporation of the United States or Canada or by an insurer authorized to do business in this state;
- (D) Unaffiliated common stock, or equity-like preferred stock, or equity interests in any business entity organized under the United States, any state thereof, the District of Columbia, the Commonwealth of Puerto Rico, Canada, or any province or territory of Canada, or shares of mutual funds or exchange traded funds registered with the securities and exchange commission of the United States under the "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-64, other than securities valuation office listed mutual funds and securities valuation office listed exchange traded funds;
- (E) Real property necessary for the convenient transaction of the insurer's business;



(F) Real property, together with the fixtures, furniture, furnishings, and equipment pertaining thereto in the United States or Canada, which produces, or after suitable improvement can reasonably be expected to produce, substantial income;

(G) Loans, securities, or other investments of the types described in divisions (A) to (F) of this section in countries other than the United States and Canada;

(H) Bonds or other evidences of indebtedness of international development organizations of which the United States is a member;

(I) Loans upon the security of the insurer's own policies in amounts that are adequately secured by the policies and that in no case exceed the surrender values of the policies;

(J) Subsidiary or affiliate equity investments, including common stock, equity-like preferred stock, limited liability partnerships, or limited liability membership interests, of entities that are engaged exclusively in insurance, finance, or investments, and investment management companies that are registered with the securities and exchange commission under the "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-64, as amended;

(K) Investments not otherwise permitted by this section, not specifically prohibited by statute, to which both of the following apply:

(1) The assets do not exceed five per cent of the first five hundred million dollars of the insurer's admitted assets plus ten per cent of the insurer's admitted assets exceeding five hundred million dollars.

(2) The assets qualified to meet the minimum asset requirement at the time they were acquired.