



Ohio Revised Code Section 3907.12 Reinsurance.

Effective: March 23, 2016

Legislation: Senate Bill 223 - 131st General Assembly

(A) As used in this section:

(1) "Assumption reinsurance" means the transfer of an insurance contract from a domestic life insurance company to a life insurance company authorized to do business in this state.

(2) "Individual risk" includes any policy, annuity, or contract issued pursuant to section 3907.15 of the Revised Code.

(B) Except as provided in division (C) of this section, a domestic life insurance company shall not reinsure, by agreement or modification to an existing agreement, either of the following without the prior approval of the superintendent of insurance:

(1) More than eighty per cent of an individual risk to a company authorized to transact the business of insurance in this state;

(2) Any part of an individual risk to a company that is not authorized to transact the business of insurance in this state.

(C) Division (B) of this section shall not apply to either of the following:

(1) Reinsurance agreements or modifications thereto in which either of the following applies:

(a) The reinsurance premium or the change in the domestic life insurance company's liabilities is less than five per cent of the domestic life insurance company's surplus as regards policy holders as of the thirty-first day of December next preceding.

(b) The projected reinsurance premium or projected change in the domestic life insurance company's liabilities in any of the next three years is less than five per cent of the domestic life insurance



company's surplus as regards policyholders as of the thirty-first day of December next preceding.

(2) Reinsurance agreements, or modifications to an agreement, as the result of a facultative provision with an authorized reinsurer.

(D) Any domestic life insurance company may, with the written consent of the superintendent, enter into a contract of reinsurance by which all of the domestic life insurance company's obligations or risks, or the obligations or risks of a product line or subset thereof, for in-force policies are assumed by another life insurance company with the intent of effecting a novation, commonly referred to as assumption reinsurance.