



Ohio Revised Code

Section 3955.12 Subrogation of association - recovery against insolvent insurers.

Effective: March 30, 2007

Legislation: Senate Bill 279 - 126th General Assembly

(A) The Ohio insurance guaranty association shall be subrogated to the rights of any person recovering under sections 3955.01 to 3955.19 of the Revised Code to the extent of the person's recovery from the association. Every insured or claimant seeking the protection of sections 3955.01 to 3955.19 of the Revised Code shall cooperate with the association to the same extent as such person would have been required to cooperate with the insolvent insurer. Except as provided in division (B) of this section, the association shall have no cause of action against the insured of the insolvent insurer for any sums the association has paid out.

(B)(1) The association has the right to recover from the following insureds or persons the amount of any covered claim paid to or on behalf of those insureds or persons:

(a) Any insured who is not a resident of this state at the time of the insured event, except for first-party claims for property damage to an insured's property that is permanently located in this state;

(b) Any person that is an affiliate of the insolvent insurer.

(2) The association has the right to recover from any insured of an insolvent insurer for any sums the association has paid out as the result of an error.

(C) The receiver, liquidator, or statutory successor of an insolvent insurer shall be bound by settlements of covered claims by the association or a similar organization in another state. The court having jurisdiction shall grant such claim priority equal to that which the claimant would have been entitled in the absence of sections 3955.01 to 3955.19 of the Revised Code against the assets of the insolvent insurer. The expenses of the association or similar organization in handling claims shall be accorded the same priority as the liquidator's expenses.

(D) The association periodically shall file with the receiver or liquidator of an insolvent insurer reports of the covered claims paid by the association and estimates of anticipated claims on the



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association, which shall preserve the right to the association against the assets of the insolvent insurer.