

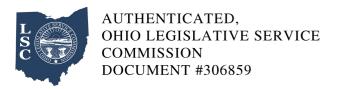
Ohio Administrative Code

Rule 113-40-02 Requirements for a financial institution.

Effective: August 10, 2023

All financial institutions (FIs) participating in OPCP shall:

- (A) Transmit the required files to OPCS every day the federal reserve is open for business.
- (B) Report any public unit (PU) negotiated collateral requirement at an account level.
- (C) Pledge sufficient collateral when uninsured public deposits are received.
- (1) The treasurer of state will estimate the federal deposit insurance corporation insurance (FDIC) coverage amount, which may deviate from the actual FDIC limits.
- (2) A FI must address collateral deficiencies in accordance with the operating policies.
- (D) Pledge eligible collateral to the treasurer of state with a qualified trustee to secure the FI's public deposits.
- (1) The trustee shall identify and hold collateral pledged to the treasurer for the benefit of public units (PUs) with deposits in the respective FI.
- (2) The trustee shall hold all collateral pledged to the treasurer in one or more identifiable pooled collateral accounts for each FI, as specified by the treasurer.
- (3) A FI will pledge collateral to the treasurer with a trustee as required, and the trustee will inform the treasurer of all new pledges.
- (a) The treasurer will not accept any statement, communication, or notice from a FI as evidence of pledged collateral.



- (b) The treasurer will only update OPCS records on receipt of documentation submitted by the trustee.
- (E) Monitor pledged collateral and submit a collateral release request to the treasurer in advance of the maturity date of the pledged collateral.
- (F) Submit a collateral release request to the treasurer in order to have pledged collateral released by the trustee.
- (1) A trustee will only release collateral on the instruction of the treasurer, and will not accept requests directly from a FI.
- (2) Acceptance or denial of a release of collateral request will occur as determined by the treasurer.
- (G) Not pledge, combine, cross-collateralize, or aggregate pledged collateral in one pool in OPCP for either another pool in OPCP or for the benefit of any other party.
- (H) Be subject to ongoing monitoring for compliance of collateral sufficiency requirements and file submission requirements.
- (1) If the treasurer determines a FI is not in compliance with the operating policies, collateral sufficiency requirements, or file submission requirements, then the treasurer may impose a cushion collateral requirement.
- (2) Upon entrance into OPCS, the cushion collateral requirement will have a default value of zero.