



Ohio Revised Code Section 3964.05 Capital requirements.

Effective: September 17, 2014

Legislation: House Bill 117 - 130th General Assembly

(A) No captive insurance company shall be issued a license unless it possesses and maintains minimum unimpaired, paid-in total capital and surplus as follows:

(1) Not less than two hundred fifty thousand dollars;

(2) In the case of a protected cell captive insurance company, not less than five hundred thousand dollars.

(B) The superintendent may prescribe additional capital and surplus based upon the type, volume, and nature of insurance business transacted.

(C) Capital and surplus may be in the form of any of the following:

(1) Cash;

(2) Marketable securities, as approved by the superintendent;

(3) For a captive insurance company other than a special purpose financial captive insurance company, irrevocable, unconditional, and automatically renewable letters of credit that are issued or confirmed by a qualified United States financial institution.

(D) For purposes of division (C)(3) of this section, a United States financial institution is qualified if all of the following apply:

(1) It is organized under, or, in the case of the United States branch or agency office of a foreign banking organization, is chartered under the laws of the United States or any state thereof.

(2) It is regulated, supervised, and examined by federal or state officials that have regulatory



authority over banks and trust companies.

(3) The superintendent has determined that it meets such standards of financial condition and standing as are necessary and appropriate for purposes of ensuring that its letters of credit will be of a quality that is acceptable to the superintendent, in the superintendent's sole discretion.
