

\*\*\* DRAFT - NOT YET FILED \*\*\*

1301:8-2-16

**Policy or certificate of insurance; disclosure of credit life and credit accident and health insurance cancellation rights; Ohio insurance law.**

- (A) When, in connection with a loan, a small loan licensee furnishes or places insurance written on behalf of the borrower at the borrower's expense, a policy or certificate of insurance properly executed shall be furnished to the borrower within thirty days of the closing date of the loan. The policy or certificate shall state the name of the insurance company, the nature of the insurance, the extent of the coverage, the amount of the premium, and the effective and expiration dates of the policy.
- (B) If a small loan licensee furnishes or places credit life insurance, or credit accident and health insurance, or unemployment insurance on behalf of the borrower at the borrower's expense, the small loan licensee shall give written notice to the borrower at the time the loan is made. The notice shall disclose the borrower's right to cancel the insurance within twenty-five days of the purchase of insurance with a full refund of the premium or identifiable charge for the insurance. The notice shall further disclose that the cancellation may be effected upon the written request of the borrower together with the return of the policy or certificate of insurance to the small loan licensee.
- (C) All insurance sold or obtained in connection with the making of a loan shall be governed by Title 39 of the Revised Code.
- (D) In any transaction in which the small loan licensee furnishes or places insurance on behalf of the borrower at the borrower's expense, the small loan licensee shall, prior to furnishing or placing insurance, provide written disclosure to the borrower of the business relationship, beneficial ownership or affiliation, whether direct or indirect, between the small loan licensee and the insurer.

Five Year Review (FYR) Dates:

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Certification

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Date

Promulgated Under: 119.03  
Statutory Authority: 1321.10  
Rule Amplifies: 1321.13  
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