

1301:8-4-03

Record keeping requirements.

- (A) In connection with section 1321.76 of the Revised Code, each active licensee shall maintain required records for all premium finance agreements made pursuant to sections 1321.71 to 1321.83 of the Revised Code at either the licensed office or any other location approved in writing by the division of financial institutions.
- (B) Required records shall be maintained current and shall be available at regular business hours and promptly upon demand for review by the division. The required records shall be maintained for at least two years from the final entry date on the loan account. For purposes of recordkeeping, "current" means within thirty days from the date of the occurrence of the event required to be recorded. Required records include:
- (1) A copy of each premium finance agreement entered into by the licensee which shall be kept in one file by consecutive account number or contract number.
 - (2) A ledger record or payment history which shall be kept for each open, canceled and prepaid premium finance agreement. The ledger record or payment history shall disclose the following information:
 - (a) Account or contract number;
 - (b) Insured's name and address;
 - (c) Type and effective date of insurance policy;
 - (d) Date finance charges begin to accrue;
 - (e) Annual percentage rate calculated pursuant to division (A) of section 1321.71 of the Revised Code;
 - (f) The disclosed federal annual percentage rate as disclosed to the insured or potential insured;
 - (g) Acquisition charge;
 - (h) Amount financed;
 - (i) Dollar amount of finance charge;
 - (j) Total of payments;
 - (k) Terms of repayment;

- (l) Delinquency charge;
 - (m) Cancellation charge;
 - (n) Check collection charge;
 - (o) A chronological entry of all credits, debits, payments and charges received or assessed in connection with the premium finance agreement, recorded thereon in an identifiable manner, in order to show the actual date of receipt, assessment or disbursement and the running balance due on the account after each payment.
- (3) All premium finance agreements, intent notices, cancellation notices, and other notices or documents given or used in connection with such agreements, shall be identified by the account or contract number.
- (4) A daily cash receipt and disbursement record, which shall include the account or contract number and the name of the insured parties, and shall document all transactions involving either the receipt or disbursement of money on the account of insured parties, as well as the actual date of any such transaction.
- (5) An alphabetical index of all insured parties identified by account or contract number.
- (6) A copy of due bills, receipts, invoices or other evidence relating to any check collection charge incurred during the past two years in excess of ten dollars paid by or on behalf of the insured to or through the licensee for any dishonored check, negotiable order of withdrawal, share draft or any other negotiable instrument.
- (C) Other methods of recording data, keeping records and keeping books, such as electronic or computerized methods, may be used in lieu of the methods described in this rule, provided written printouts or hard copies of the required data are readily available at each licensed location in a form approved, in advance, by the division.
- (D) In order to reduce the risk of consumer fraud and related harms, including identity theft, licensees shall be required to comply with section 216 of the "Fair and Accurate Credit Transactions Act of 2003," 117 Stat. 1952 (amended 2010), 15 U.S.C. 1681w as in effect on April 1, 2014, section 501 of the "Gramm-Leach-Bliley Act," 113 Stat. 1338 (1999) (amended 2010), 15 U.S.C. 6801 as in effect on April 1, 2014, and the rules promulgated pursuant to those federal acts, including 16 C.F.R. Part 314 and 16 C.F.R. Part 682, as in effect on April 1, 2014, pertaining to the maintenance, security, and disposal of consumer information and records.

- (E) Before ceasing to conduct or discontinuing business as a licensee, the licensee shall arrange for and be responsible for the preservation of the books and records required to be maintained and preserved under this rule for the remainder of the period specified by law or in this rule, and shall notify the division in writing of the exact address where the books and records will be maintained during the required period.
- (F) The division of financial institutions may suspend, revoke, or refuse to renew any license issued by the division or bring any other authorized administrative enforcement action against any person for failure to maintain records in accordance with section 1321.76 of the Revised Code or this rule.

Five Year Review (FYR) Dates:

Certification

Date

Promulgated Under:	119.03
Statutory Authority:	null
Rule Amplifies:	null