



ODI

Ohio Department
of Insurance

John R. Kasich, Governor

Jillian Froment, Director

Prohibition On Rebates & Inducements



The Role Of The Ohio Department of Insurance

The mission of the Ohio Department of Insurance is to provide consumer protection and promote a stable and competitive environment for insurers and agents.



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The Role Of The ODI Fraud & Enforcement Division

- In order to ensure all Ohio insurance laws are abided by and enforced, the Fraud & Enforcement Division was established.
- The Division is responsible for conducting administrative and criminal investigations related to unauthorized insurance transactions, agent misconduct and insurance fraud.



Rebates & Inducements

The Department would like to remind title agents that Ohio Revised Codes 3933.01 and 3953.26 prohibit giving valuable consideration for the inducement of business.



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Rebates & Inducements

Ohio Revised Code 3953.26 applies to both residential and commercial title insurance.



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Ohio Revised Code 3933.01

No corporation, association, or partnership engaged in this state in the guaranty, bonding, surety, or insurance business, other than life insurance, nor any officer, agent, solicitor, employee, or representative thereof, shall pay, allow, or give, or offer to pay, allow, or give, directly or indirectly, as inducements to insurance, and no person shall knowingly receive as an inducement to insurance, any rebate of premium payable on the policy, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any paid employment or contract for services of any kind, or any special advantage in the date of the policy or date of its issue, or any valuable consideration or inducement not plainly specified in the policy or contract of insurance or agreement of indemnity, or give, receive, sell, or purchase, or offer to give, receive, sell, or purchase, as inducements to insurance or in connection therewith, any stock, bonds, or other obligations of an insurance company or other corporation, association, partnership, or individual.



Ohio Revised Code 3953.26

No title insurance company and no title insurance agent shall pay or give [to] any applicant for insurance, or to any person, firm, or corporation who is acting as agent, representative, attorney, or employee of the owner, lessee, mortgagee, or of the prospective owner, lessee, or mortgagee of the real property or any interest therein, either directly or indirectly, any commission or any part of its fees or charges, or any other consideration or valuable thing, as an inducement for, or as compensation for, any title insurance business.



Ohio Revised Code 3953.26

Nothing in this section shall preclude the payment by a title insurance company of a commission to any attorney, if said attorney is also a licensed title insurance agent of such title insurance company, or the payment by such title insurance company or its agent of a fee to an attorney for services rendered in the examination of title or certification thereof.




Additional Department Resources

Consumer Affairs | Medicare Services | Agent/Agency Services | ODI Services | Newsroom | Policy & Legislation

Turning 65 this year?

Welcome to Medicare!



Click the image above to find a Welcome to Medicare event near you.



News Releases

- 03/31/2017 Kasich Names Froment to Serve as Director of the Department of Insurance
- 03/16/2017 Lt. Governor Taylor Urges Ohioans to Attend "Welcome to Medicare" Events
- 03/15/2017 Ohio Man Sentenced for \$25,000 Insurance Fraud
- 03/14/2017 Severe Spring Weather: 5 Ways to Financially Protect Yourself



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[InHealth Mutual](#)

[► Consumers - How do I...](#)

[► Agents/Agencies - How do I...](#)



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Additional Department Resources

Bulletin Number
95-3



Bulletin Number
2009-13

Frequently Asked
Questions



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How To Report Potential Violations

Ohio Department Of Insurance
Fraud & Enforcement Division
50 W. Town Street, Suite 300
Columbus, Ohio 43215

Fraud Hotline: 1-800-686-1527

www.insurance.ohio.gov

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How To Report Potential Violations

The screenshot displays the Ohio Department of Insurance website. The browser address bar shows the URL <https://secured.insur...>. The website header includes the Ohio.gov logo and the Department of Insurance name. A navigation menu at the top lists: Consumer Affairs, Medicare Services, Agent/Agency Services, ODI Services, Communications, and Policy & Legislation. A dropdown menu is open under 'Agent/Agency Services', listing: Resident Agent, Non-Resident Agent, Business Entity, Agent Education, Service Requests, Appointments, **Fraud and Enforcement** (highlighted with a red arrow), and Agent Related Links. The main content area features the 'Online Enforcement Complaint Form' with the following fields:

- Name of Suspect / Agent
- Address 1
- Address 2
- City
- State: OH
- Zip
- Type of Claim
- Date of Loss
- Briefly Describe Your Complaint
- What is your loss?
- Where did your loss occur?

The browser's taskbar at the bottom shows various application icons and the system clock indicating 4:22 PM on 3/24/2014.



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Possible Consequences Of A Law / Rule Violation

- Refuse to Issue/Renew License
- Suspension / Revocation Of License
- Surrender For Cause
- Assessment Of A Civil Penalty
- Assessment Of Administrative Costs
- Corrective Action In Lieu Of Other Penalties



Questions



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