

Ohio Department of Insurance

John R. Kasich – Governor
Mary Taylor – Lt. Governor/Director



Guaranty Form

This Guaranty is made on the _____ day of _____, 20____ by _____
(hereafter "Guarantor") a corporation formed under the laws of (name of domiciliary
jurisdiction) _____

Whereas, Guarantor is or will be a control person of _____
(hereafter "Applicant") as those terms are defined in Ohio

Revised Code Section 3901.32;

Whereas, Guarantor desires to give legal assurances to the Superintendent of Insurance, State of Ohio, that at all times its control, as that term is defined in Ohio Revised Code Section 3901.32, of Applicant will be or will have been exercised so that Applicant's capital and surplus is \$ _____ (as required by Ohio Revised Code 1751.28) or Company Action Level RBC as defined in Ohio Revised Code 1753.31 (C), whichever is greater, and that Applicant's surplus as regards enrollees is reasonable as determined by the Superintendent of Insurance, State of Ohio, in relation to Applicant's outstanding liabilities and adequate to the financial needs of applicant.

Wherefore, Guarantor absolutely and unconditionally guarantees as follows:

1. Applicant shall have and maintain capital and surplus in the minimum amount of \$ _____ or Company Action Level RBC as defined in Ohio Revised Code 1753.31 (C), whichever is greater, as required by law and such additional surplus as the Superintendent of Insurance, State of Ohio, requires so that its surplus as regards enrollees is reasonable in relation to Applicant's outstanding liabilities and financial needs as to all of its obligations and including Ohio enrollees.
2. Applicant shall have and maintain capital and surplus as herein-stated in funds and investments which are admitted assets under the investment laws governing health insuring corporations in State of Ohio.
3. Applicant shall have and maintain capital and all of its surplus as herein-contemplated so long as Applicant has any health insuring corporation obligations to enrollees in the State of Ohio.
4. This guaranty is effective upon the initial grant by the Superintendent of Insurance, State of Ohio, of a Certificate of Authority to Applicant to do the business of a health insuring corporation in the State of Ohio and shall continue until such time as the Superintendent of Insurance, State of Ohio, may release Guarantor in writing.
5. So long as Applicant is authorized to do the business of a health insuring corporation in the State of Ohio, the Superintendent of Insurance, State of Ohio, shall consider this Guaranty as relevant evidence for his consideration of the fairness and reasonableness of any material transaction between Applicant and Guarantor under Ohio Revised Code Section 3901.34, if applicable.
6. This Guaranty is made in addition to all other requirements and obligations imposed on Guarantor and Applicant by Ohio law.
7. The Superintendent of Insurance, State of Ohio, or any designee of the Superintendent of Insurance, State of Ohio, who is an insurance regulatory official in another jurisdiction, may enforce this Guaranty as an alternative to or in addition to any other regulatory authorities, supervisory authorities or remedies provided by Ohio law, including its retaliatory and choice-of-law provisions.

- 8. The Superintendent of Insurance, State of Ohio, or any designee of the Superintendent of Insurance, State of Ohio, who is an insurance regulatory official in another jurisdiction may enforce this Guaranty in his capacity as Superintendent of Insurance or in any other capacity provided by law whether as Supervisor, Rehabilitator, Liquidator, Ancillary Receiver, Conservator, or any other capacity.
- 9. Guarantor consents to the non-exclusive jurisdiction and venue of the Franklin County Court of Common Pleas, State of Ohio, for enforcement of this Guaranty and all other purposes related to this Guaranty.
- 10. Guarantor waives all defenses related to the capacity or authority of any person concerning the making of this Guaranty whether the defense is based on the law of its domicile, Ohio, or any other jurisdiction.
- 11. This Guaranty may be amended only with the written approval of the Superintendent of Insurance, State of Ohio.
- 12. Except as herein stated, this Guaranty cannot be enforced by any third party.
- 13. Guarantor warrants that it has the capacity to and is authorized to make this Guaranty. Attached hereto and made a part hereof is a Certified Resolution of the Board of Directors of Guarantor authorizing the making of this Guaranty.
- 14. Guarantor authorizes the Superintendent of Insurance, State of Ohio, to hold this Guaranty in the records of the Ohio Department of Insurance as a public document not subject to any requirement, now or hereafter pertaining, that it is or be treated as confidential.
- 15. Guarantor agrees that upon written demand of the Superintendent of Insurance, State of Ohio, Guarantor will deliver to a depository or custodian located in Ohio sufficient funds or other assets satisfactory to the Superintendent of Insurance, State of Ohio, to meet its obligations under this Guaranty. Further, Guarantor shall notify issuer or maker of any such assets which are investment securities that it has so-delivered such assets under this Guaranty.

Guarantor’s contract with any such depository or custodian shall refer to this Guaranty and shall permit withdrawal of such funds or other assets only upon written approval or written demand of the Superintendent of Insurance, State of Ohio, and any such withdrawal shall be made only for purposes of meeting the obligations of this Guaranty or for such other purpose as the Superintendent of Insurance may permit in writing.

Guarantor agrees that the delivery of such funds or other assets to a depository or custodian under this Guaranty constitutes, for all purposes of law, possession of such funds or other assets by the Superintendent of Insurance, State of Ohio, whether title to such funds or other assets remains in Guarantor or otherwise as required by the Superintendent of Insurance, State of Ohio.

- 16. Demand and notice of obligations under this Guaranty are hereby waived by Guarantor, and Guarantor acknowledges that Guarantor’s liability is absolute and unconditional and not dependent on the exercise of diligence by the Superintendent of Insurance, State of Ohio, or on the pursuit of any remedies or in the exercise of any authority against the Applicant or any other person.
- 17. Other than the obligations stated in this Guaranty, there are no oral or written prior or contemporaneous agreements between Guarantor and the Superintendent of Insurance, State of Ohio, or Applicant and the Superintendent of Insurance, State of Ohio.

Signed at _____ on the _____ day of _____, 20_____

Guarantor: _____
 By: _____
 Its: _____

Attachments Required: Board Resolution