



Department of Commerce

Division of Financial Institutions
John R. Kasich, Governor
Jacqueline T. Williams, Director

July 21, 2016 (Revised)

OHIO LICENSED MONEY TRANSMITTERS

Re: Ohio Security Device Levels Policy

The Division of Financial Institutions has completed a review of the security device required by the Ohio Money Transmitter Act (Ohio Revised Code section 1315.07) which requires licensed money transmitters to provide and maintain a security device in the minimum amount of \$300,000 and a maximum amount of \$2,000,000. As result of this review, the Division issues this revised policy that is outlined below.

(1) Each licensee shall provide and maintain a security device, according to the following scale:

Annual Ohio Volume Range	Minimum Security Device Amount*	Additional Security Device Amounts
\$0.00 - \$49,999,999	\$300,000	If the dollar amount of Ohio customer outstanding liabilities are in excess of \$300,000, then the security device shall be \$300,000 plus the dollar amount of Ohio customer outstanding liabilities in excess of \$300,000 in the nearest \$10,000 increment.
\$50,000,000 - \$179,999,999	\$500,000	If the dollar amount of Ohio customer outstanding liabilities are in excess of \$500,000, then the security device shall be \$500,000 plus the dollar amount of Ohio customer outstanding liabilities in excess of \$500,000 in the nearest \$10,000 increment.

Annual Ohio Volume Range	Minimum Security Device Amount*	Additional Security Device Amounts
\$180,000,000 - \$299,999,999	\$750,000	If the dollar amount of Ohio customer outstanding liabilities are in excess of \$750,000, then the security device shall be \$750,000 plus the dollar amount of Ohio customer outstanding liabilities in excess of \$750,000 in the nearest \$10,000 increment.
\$300,000,000 - \$419,999,999	\$1,000,000	If the dollar amount of Ohio customer outstanding liabilities are in excess of \$1,000,000, then the security device shall be \$1,000,000 plus the dollar amount of Ohio customer outstanding liabilities in excess of \$1,000,000 in the nearest \$10,000 increment.
\$420,000,000 - \$539,999,999	\$1,250,000	If the dollar amount of Ohio customer outstanding liabilities are in excess of \$1,250,000, then the security device shall be \$1,250,000 plus the dollar amount of Ohio customer outstanding liabilities in excess of \$1,250,000 in the nearest \$10,000 increment.
\$540,000,000 - \$659,999,999	\$1,500,000	If the dollar amount of Ohio customer outstanding liabilities are in excess of \$1,500,000, then the security device shall be \$1,500,000 plus the dollar amount of Ohio customer outstanding liabilities in excess of \$1,500,000 in the nearest \$10,000 increment.

Annual Ohio Volume Range	Minimum Security Device Amount*	Additional Security Device Amounts
\$660,000,000 - \$799,999,999	\$1,750,000	If the dollar amount of Ohio customer outstanding liabilities are in excess of \$1,750,000, then the security device shall be \$1,750,000 plus the dollar amount of Ohio customer outstanding liabilities in excess of \$1,750,000 in the nearest \$10,000 increment.
\$800,000,000 and above	\$2,000,000	None

* If licensee's Ohio customer outstanding liabilities are greater than \$2,000,000 then, regardless of the Ohio volumes, licensee is required to maintain a \$2,000,000 security device.

(2) After review of a licensee's submitted quarterly financial, the Superintendent may require that the licensee adjust the amount of the security device. Upon notice, the licensee shall provide an adjusted or additional security device to the Superintendent of Financial Institutions within 30 days from the date of the notice.

(3) If a licensee chooses a surety bond as its security device, the licensee shall provide a continuous surety bond.