

**Course Outline:**

**Ethical Standard for Ohio Insurance Agents: Learning from  
Disciplinary Actions Taken Against Ohio Agents in 2014 and 2015**

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|------------|-------------|--|
| 20 minutes | 9:00-9:20   | <b>I. The Legal Framework for Ethics and Discipline</b> <ul style="list-style-type: none"><li>A. Licensure Requirements</li><li>B. Enforcement of Ethical and Legal Standards</li><li>C. Investigations as to Misconduct</li><li>D. Discipline and Penalties</li><li>E. Grounds for Agent Discipline</li></ul>   |
| 30 minutes | 9:20-9:50   | <b>II. Examining Ethical Standards By Reviewing<br/>Disciplinary Actions Against Ohio Agents</b> <ul style="list-style-type: none"><li>A. Standards of Agent Conduct (R.C. 3905.14(B))<ul style="list-style-type: none"><li>a. Violating any insurance law, rule, subpoena,<br/>consent agreement, or order of ODI<ul style="list-style-type: none"><li>i. Not responding to an ODI request</li><li>ii. Misconduct related to CE</li><li>iii. Unlicensed activities</li><li>iv. Aiding and abetting</li></ul></li><li>b. Using fraudulent, coercive, or dishonest<br/>practices in the conduct of <u>business</u>, or<br/>incompetence, untrustworthiness, or financial<br/>irresponsibility<ul style="list-style-type: none"><li>i. Forging insurance documents or<br/>knowingly using forged documents</li><li>ii. Misappropriation and failure to remit<br/>premium</li><li>iii. Dishonest behavior in other business</li></ul></li><li>c. Providing incorrect, misleading, incomplete, or<br/>materially untrue information in a license or<br/>appointment application;</li></ul></li></ul> |
| 15 minutes | 9:50-10:05  | <b>BREAK</b>   |
| 50 minutes | 10:05-10:55 | <b>II. Compensation, Incentives and Client Relations</b> <ul style="list-style-type: none"><li>A. Standards of Agent Conduct (R.C. 3905.14(B))<br/>(continued)<ul style="list-style-type: none"><li>d. Intentionally misrepresenting the terms,<br/>benefits, value, cost, or effective dates of any<br/>coverage<ul style="list-style-type: none"><li>i. Misrepresentations regarding business</li></ul></li><li>e. Failure to report a criminal prosecution, or<br/>having been convicted of or pleaded guilty or no<br/>contest to a felony or misdemeanor;</li><li>f. Failure to report administrative actions;</li></ul></li></ul>  |

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- i. Having an insurance agent license, or its equivalent, denied, suspended, or revoked in any other state or jurisdiction;
- ii. Failure with respect to other professional licenses
- iii. Failing to pay taxes or assessments including workers comp premium;

- B. CE Requirements (O.A.C. 3901-5-05(D))
- C. Unfair/Deceptive Acts (R.C. 3901.21)
- D. Agent Compensation – General Rules
- E. Splitting Commissions and Referral Fees (3905.18; 3901-5-10(N)(2))
- F. Rebates and Inducements (R.C. Chapter 3933)
- G. Client Confidentiality (R.C. 3904.14; Bulletin)
  - a. RC 1349.19 (cybersecurity/breach law)
  - b. Disposal of Records
- H. Military Sales (O.A.C. 3901-1-08)15 Minutes

10:55-11:10 **BREAK**

- 10 Minutes 11:10-11:25 **III. Duty to Report Ethical Lapses**
- A. Agency/Principal Agent Oversight of Personnel (O.A.C. 3901-1-40(C))
  - B. Insurer reporting at termination of an appointment (R.C. 3905.21(B))
  - C. Notifying ODI of administrative actions (R.C. 3905.22(A))
  - D. Notifying ODI of criminal prosecutions (R.C. 3905.22(B))

- 20 minutes 11:25-11:45 **IV. The Disciplinary Process**
- A. ODI Requests for Information (R.C. 3901.04)
  - B. Notice and Hearing (R.C. 3905.14 (C))
  - C. Penalties (R.C. 3905.14(D) and (H))
  - D. Mitigating Factors related to Penalties (R.C. 3905.14 (E))
  - E. Surrender of a License by Consent (R.C. 3905.16)
  - F. Modifications of Administrative Actions (R.C. 3905.15).

- 10 minutes 11:45-12:00 **VI. Closing Exercise: Scenarios to Test Ethical Knowledge**