



INSURANCE COMMISSIONER
STATE OF OKLAHOMA

REQUIREMENTS FOR SECURITY DEPOSITS

Pursuant to Oklahoma Statute Title 36, Chapter 1, § 613, Oklahoma requires that all insurers licensed in Oklahoma maintain a deposit with the Oklahoma Insurance Department. Foreign insurers may, upon approval, satisfy this requirement with an equal or greater deposit with their state of domicile.

O.S. Title 36, Chapter 1, § 613 requires a deposit of \$300,000.00 in "cash or securities eligible for the investment of capital funds of domestic insurers.". Pursuant to Oklahoma Statute Title 36, Chapter 1, § 1703, et. Seq., we accept:

1. Certificates of deposit in solvent insured banks, savings and loan associations and trust companies located in Oklahoma;
2. United States government obligations;
3. State, county, and municipal general obligations (no revenue obligations accepted).

Any securities deposited by insurers shall be issued to the Insurance Commissioner and the insurer, and shall not be released by any financial institution holding such securities without the endorsement of each.

We will accept the above securities in the following forms only:

1. Original security, copies will not be accepted;
2. Safekeeping receipts, which must contain the wording "**Insurance Company's Name' AND the Oklahoma Insurance Commissioner.**" Safekeeping financial institutions must be in Oklahoma and permission must be received by the Oklahoma State Treasurer's office (sample letter attached). We will accept securities in Federal book entry form as long as an approved safekeeping financial institution issues a safekeeping receipt.
3. Coupon bonds will not be accepted due to the procedural and security problems involved in the clipping of the coupons.
4. Certificates of Deposit that are negotiable and transferable. Any security that contains the wording "non-transferable" will not be accepted.

These guidelines will ensure the protection of the Insurance Commissioner's deposit and protect the Insurance Department from having deposits released without our permission or knowledge. Following these procedures will guarantee that your deposit and withdrawal is not delayed.

This requirement notice is to be used for information purposes only.

If you have any questions, please feel free to contact Corinne Sherman, Accounting Assistant, at (405) 521-3966. We appreciate your cooperation with the Oklahoma Insurance Department in this matter.

SAMPLE – TO BE SUBMITTED BY THE INSURANCE COMPANY

Scott Meacham
State Treasurer
217 State Capitol Building
Oklahoma City, OK 73105

RE: Request for Safekeeping Depository

Dear Mr. Meacham:

Request is hereby made pursuant to Oklahoma Statute Title 36 §1740, that you designate:

(Name of Bank)
(Bank Address)

as State Treasurer's Depository to receive funds owned by:

(Name of Insurance Company)

to be held in trust for and pledged to the State of Oklahoma, for the Oklahoma Insurance Commissioner.

It is our understanding that the funds deposited or held by (Name of Bank) will be at the sole expense of (Name of Insurance Company) and the State of Oklahoma will in no way be liable for any charges or other expense incurred in granting this request.

Please respond in writing to the bank as soon as possible.

SECURITIES NOTICE TO BANKING INSTITUTIONS
SECURITIES HELD FOR INSURANCE COMPANIES
PLEGGED TO OKLAHOMA INSURANCE DEPARTMENT

The undersigned officer of _____ (Bank Name), hereinafter referred to as "the Bank", acknowledges that _____ (IC Name) Insurance Company has opened a joint account in both the Oklahoma Insurance Department and _____ (IC Name) in the amount of \$_____ (Amount of Security) in the form of a _____ (Description of Security). The bank further acknowledges that it has read the following and abides by the same:

"Oklahoma Insurance Code Title 36 1991 §613.C. Any securities deposited by insurers shall be issued to the Insurance Commissioner and the insurer and shall not be released by any company holding such security without the signatures of the Insurance Commissioner and authorized insurance company personnel. Failure of any company holding such security to comply with this subsection may result, after hearing by the proper licensing authority, in a fine of not more than Twenty-five Thousand Dollars (\$25,000.00) per occurrence."

TERMS

THE Bank, has accepted the above described securities for safe-keeping only, subject to the following conditions:

- (a) No compensation has been paid to the bailee for the safekeeping of said securities and said bailment shall at all time be considered a gratuitous one.
- (b) Property left in the custody of The Bank will be given the same care as is given the bank's own property, but beyond that no responsibility will be assumed.
- (c) The Bank has made no attempt to investigate the validity of the securities or documents herein described, and no recital contained in this receipt shall constitute a representation of the genuineness of said securities or accompanying documents.
- (d) This receipt is negotiable, transferable, and the return of this receipt will be required upon delivery of the securities, otherwise proof of loss thereof, satisfactory to the bailee, must be made.
- (e) Acceptance of this receipt by the bailor herein named shall constitute an agreement by the said bailor to be bound by the terms and conditions herein set forth.
- (f) Proceeds of matured coupons, when collected, will be credited to the account of the above named bank unless otherwise instructed.
- (g) The bailee shall not be responsible for failure of paying agent to pay interest on past due bonds or coupons.

Bank's Name _____.

BY _____.

Official Signature of the President

The Bank is held liable for any unauthorized release of said securities and acknowledges such by signing and returning this affidavit.

Acknowledgement of Affidavit Notice

Dated this ____ day of _____, 20____ by _____,

President () Secretary () Treasurer () of _____,

Signature/Title

Printed Name of Bank President/Secretary/Treasurer

TO: HONORABLE KIM HOLLAND
INSURANCE COMMISSIONER
State of Oklahoma

We transmit the hereinafter appearing resolution of _____

_____ Insurance Company, granting authority to the designated Company Officers to act with respect to the securities deposited, and to be deposited or withdrawn from said Company's account with the Oklahoma State Treasurer or authorized Depository.

Resolved that the typed name, title and approved signature of said officers are as follows:

Type Full Name	Title	Approved Signature
_____	President	_____
_____	Vice-President	_____
_____	Secretary	_____
_____	Treasurer	_____

be and they are severally authorized and empowered to make deposits or withdrawals of securities of all classes, including withdrawal of interest coupons, through the office of the Oklahoma State Insurance Commissioner for and on behalf of the:

Full Name and Address of Insurance Company

All deposits, withdrawals or other acts with respect to said company's securities, whether heretofore or hereafter made by any one or more of said officers, are expressly made the acts of the said insurance company for all purposes. This authority shall supersede all prior authorizations, which are hereby cancelled, and shall continue until expressly revoked in writing delivered and acknowledged by the Oklahoma State Insurance Commissioner.

I hereby certify that the foregoing is a full, true and correct copy of the resolution adopted by the Board of Directors of _____, and that the same is in full force; That the foregoing signatures are the genuine signatures of the respective officers of said corporation as herein above designated.

WITNESS my hand and seal of said corporation this _____ day of _____, 20_____.

[Company Seal]

Signature and Title

City, State and Zip Code