



Rep. JoAnn D. Osmond

Filed: 2/17/2011

09700HB1129ham001

LRB097 06759 RPM 50445 a

1 AMENDMENT TO HOUSE BILL 1129

2 AMENDMENT NO. _____. Amend House Bill 1129 on page 1,
3 immediately below line 3, by inserting the following:

4 "Section 3. The Illinois Insurance Code is amended by
5 changing Sections 136 and 408 as follows:

6 (215 ILCS 5/136) (from Ch. 73, par. 748)

7 Sec. 136. Annual statement.

8 (1) Every company authorized to do business in this State
9 or accredited by this State shall submit to ~~file with~~ the
10 Director by March 1st in each year ~~2 copies of~~ its financial
11 statement for the year ending December 31st immediately
12 preceding in such manner and in such form as ~~on forms~~
13 prescribed by the Director, which shall conform substantially
14 to the form of statement adopted by the National Association of
15 Insurance Commissioners. Unless the Director provides
16 otherwise, the annual statement is to be prepared in accordance

1 with the annual statement instructions and the Accounting
2 Practices and Procedures Manual adopted by the National
3 Association of Insurance Commissioners. The Director shall
4 have power to make such modifications and additions in this
5 form as he may deem desirable or necessary to ascertain the
6 condition and affairs of the company. The Director shall have
7 authority to extend the time for filing any statement by any
8 company for reasons which he considers good and sufficient. In
9 every statement the admitted assets shall be shown at the
10 actual values as of the last day of the preceding year, in
11 accordance with Section 126.7. The statement shall be verified
12 by oaths of the president and secretary of the company or, in
13 their absence, by 2 other principal officers. In addition, any
14 company may be required by the Director, when he considers that
15 action to be necessary and appropriate for the protection of
16 policyholders, creditors, shareholders, or claimants, to file,
17 within 60 days after mailing to the company a notice that such
18 is required, a supplemental summary statement as of the last
19 day of any calendar month occurring during the 100 days next
20 preceding the mailing of such notice designated by him on forms
21 prescribed and furnished by the Director. The Director may
22 require supplemental summary statements to be certified by an
23 independent actuary deemed competent by the Director or by an
24 independent certified public accountant.

25 (2) The statement of an alien company shall embrace only
26 its condition and transactions in the United States and shall

1 be verified by the oaths of its resident manager or principal
2 representative in the United States, except that in the case of
3 any life company organized under the laws of Canada or any
4 province thereof, the statement may be verified by the oaths of
5 any of its principal officers designated for that purpose by
6 its board of directors.

7 (3) For the information of the public generally the
8 Director shall cause an abstract of the information contained
9 in the annual statement to be made available to the public as
10 soon as practicable after filing with the Department, by
11 printing those abstracts in pamphlet tabular form for free
12 general distribution by the Department, or by such other
13 publication in the city of Springfield or in the city of
14 Chicago as may be reasonably necessary more fully to inform the
15 public of the financial condition of companies transacting
16 business in this State.

17 (4) Each domestic, foreign, and alien insurer authorized to
18 do business in this State or accredited by this State shall
19 participate in the National Association of Insurance
20 Commissioners' Insurance Regulatory Information System,
21 including the payment of all fees and charges of the system.
22 Each company shall, on or before March 1 of each year, file
23 with the National Association of Insurance Commissioners a copy
24 of its annual financial statement along with any additional
25 filings prescribed by the Director for the preceding year. The
26 statement filed with the National Association of Insurance

1 Commissioners shall be in the same format and scope as that
2 required by this Code and shall include a signed jurat page and
3 actuarial certification. Any amendments and addendums to the
4 annual statement shall also be filed with the National
5 Association of Insurance Commissioners. Each company shall
6 also file with the National Association of Insurance
7 Commissioners annual and quarterly financial statement
8 information in computer readable format as required by the
9 Insurance Regulatory Information System. Failure of a company
10 to file financial statement information in computer readable
11 format shall subject the company to the provisions of Section
12 139.

13 (5) All financial analysis ratios and examination synopsis
14 concerning insurance companies that are submitted to the
15 Director by the National Association of Insurance
16 Commissioners' Insurance Regulatory Information System are
17 confidential and may not be disclosed by the Director.

18 (6) Every property and casualty insurance company doing
19 business in this State, unless otherwise exempted by the
20 Director, shall annually submit the opinion of an appointed
21 actuary entitled "Statement of Actuarial Opinion". This
22 opinion shall be filed in accordance with the appropriate
23 National Association of Insurance Commissioners Property and
24 Casualty Annual Statement Instructions.

25 (a) Every property and casualty insurance company
26 domiciled in this State that is required to submit a

1 Statement of Actuarial Opinion shall annually submit an
2 Actuarial Opinion Summary, written by the company's
3 appointed actuary. This Actuarial Opinion Summary shall be
4 filed in accordance with the appropriate National
5 Association of Insurance Commissioners Property and
6 Casualty Annual Statement Instructions and shall be
7 considered as a document supporting the Actuarial Opinion
8 required in this subsection (6). Each foreign and alien
9 property and casualty company authorized to do business in
10 this State shall provide the Actuarial Opinion Summary upon
11 request.

12 (b) An Actuarial Report and underlying workpapers as
13 required by the appropriate National Association of
14 Insurance Commissioners Property and Casualty Annual
15 Statement Instructions shall be prepared to support each
16 Actuarial Opinion. If the insurance company fails to
17 provide a supporting Actuarial Report or workpapers at the
18 request of the Director or the Director determines that the
19 supporting Actuarial Report or workpapers provided by the
20 insurance company is otherwise unacceptable to the
21 Director, the Director may engage a qualified actuary at
22 the expense of the company to review the opinion and the
23 basis for the opinion and prepare the supporting Actuarial
24 Report or workpapers.

25 (c) The appointed actuary shall not be liable for
26 damages to any person (other than the insurance company and

1 the Director) for any act, error, omission, decision, or
2 conduct with respect to the actuary's opinion, except in
3 cases of fraud or willful misconduct on the part of the
4 appointed actuary.

5 (d) The Statement of Actuarial Opinion shall be
6 provided with the Annual Statement in accordance with the
7 appropriate National Association of Insurance
8 Commissioners Property and Casualty Annual Statement
9 Instructions and shall be treated as a public document.

10 Documents, materials, or other information in the
11 possession or control of the Director that are considered
12 an Actuarial Report, workpapers, or Actuarial Opinion
13 Summary provided in support of the opinion, and any other
14 material provided by the company to the Director in
15 connection with the Actuarial Report, workpapers or
16 Actuarial Opinion Summary, must be given confidential
17 treatment, are not subject to subpoena, and may not be made
18 public by the Director or any other persons. This paragraph

19 (d) shall not be construed to limit the Director's
20 authority to release the documents to the Actuarial Board
21 for Counseling and Discipline (ABCD), so long as the
22 material is required for the purpose of professional
23 disciplinary proceedings and that the ABCD establishes
24 procedures satisfactory to the Director for preserving the
25 confidentiality of the documents, nor shall this paragraph
26 (d) be construed to limit the Director's authority to use

1 the documents, materials or other information in
2 furtherance of any regulatory or legal action brought as
3 part of the Director's official duties. Neither the
4 Director nor any person who received documents, materials,
5 or other information while acting under the authority of
6 the Director shall be permitted or required to testify in
7 any private civil action concerning any confidential
8 documents, materials, or information subject to this
9 subsection (6). Except where another provision of this Code
10 expressly prohibits a disclosure of confidential
11 information to the specific officials or organizations
12 described in this subsection, the Director may:

13 (i) share documents, materials, or other
14 information, including the confidential and privileged
15 documents, materials or information subject to this
16 paragraph (d) with the insurance department of any
17 other state or country or with law enforcement
18 officials of this or any other state or agency of the
19 federal government at any time, as long as the agency
20 or office receiving the document, material, or other
21 information agrees in writing to hold it confidential
22 and in a manner consistent with this Code;

23 (ii) receive documents, materials, or information,
24 including otherwise confidential and privileged
25 documents, materials, or information, from the
26 National Association of Insurance Commissioners and

1 its affiliates and subsidiaries, and from regulatory
2 and law enforcement officials of other foreign or
3 domestic jurisdictions, and shall maintain as
4 confidential or privileged any document, material, or
5 information received with notice or the understanding
6 that it is confidential or privileged under the laws of
7 the jurisdiction that is the source of the document,
8 material, or information; and

9 (iii) enter into agreements governing sharing and
10 use of information consistent with paragraph (d).

11 (e) No waiver of any applicable privilege or claim of
12 confidentiality in the documents, materials or information
13 shall occur as a result of disclosure to the Director under
14 this Section or as a result of sharing as authorized in
15 subparagraphs (i), (ii), and (iii) of paragraph (d) of
16 subsection (6) of this Section. All 2008 Annual Statements,
17 which are filed in 2009, and all subsequent Annual
18 Statement filings shall be done in accordance with
19 subsection (6) of this Section.

20 (Source: P.A. 96-145, eff. 8-7-09.)

21 (215 ILCS 5/408) (from Ch. 73, par. 1020)

22 Sec. 408. Fees and charges.

23 (1) The Director shall charge, collect and give proper
24 acquittances for the payment of the following fees and charges:

25 (a) For filing all documents submitted for the

1 incorporation or organization or certification of a
2 domestic company, except for a fraternal benefit society,
3 \$2,000.

4 (b) For filing all documents submitted for the
5 incorporation or organization of a fraternal benefit
6 society, \$500.

7 (c) For filing amendments to articles of incorporation
8 and amendments to declaration of organization, except for a
9 fraternal benefit society, a mutual benefit association, a
10 burial society or a farm mutual, \$200.

11 (d) For filing amendments to articles of incorporation
12 of a fraternal benefit society, a mutual benefit
13 association or a burial society, \$100.

14 (e) For filing amendments to articles of incorporation
15 of a farm mutual, \$50.

16 (f) For filing bylaws or amendments thereto, \$50.

17 (g) For filing agreement of merger or consolidation:

18 (i) for a domestic company, except for a fraternal
19 benefit society, a mutual benefit association, a
20 burial society, or a farm mutual, \$2,000.

21 (ii) for a foreign or alien company, except for a
22 fraternal benefit society, \$600.

23 (iii) for a fraternal benefit society, a mutual
24 benefit association, a burial society, or a farm
25 mutual, \$200.

26 (h) For filing agreements of reinsurance by a domestic

1 company, \$200.

2 (i) For filing all documents submitted by a foreign or
3 alien company to be admitted to transact business or
4 accredited as a reinsurer in this State, except for a
5 fraternal benefit society, \$5,000.

6 (j) For filing all documents submitted by a foreign or
7 alien fraternal benefit society to be admitted to transact
8 business in this State, \$500.

9 (k) For filing declaration of withdrawal of a foreign
10 or alien company, \$50.

11 (l) For filing annual statement by a domestic company,
12 except a fraternal benefit society, a mutual benefit
13 association, a burial society, or a farm mutual, \$200.

14 (m) For filing annual statement by a domestic fraternal
15 benefit society, \$100.

16 (n) For filing annual statement by a farm mutual, a
17 mutual benefit association, or a burial society, \$50.

18 (o) For issuing a certificate of authority or renewal
19 thereof except to a foreign fraternal benefit society, \$400
20 ~~\$200~~.

21 (p) For issuing a certificate of authority or renewal
22 thereof to a foreign fraternal benefit society, \$200 ~~\$100~~.

23 (q) For issuing an amended certificate of authority,
24 \$50.

25 (r) For each certified copy of certificate of
26 authority, \$20.

1 (s) For each certificate of deposit, or valuation, or
2 compliance or surety certificate, \$20.

3 (t) For copies of papers or records per page, \$1.

4 (u) For each certification to copies of papers or
5 records, \$10.

6 (v) For multiple copies of documents or certificates
7 listed in subparagraphs (r), (s), and (u) of paragraph (1)
8 of this Section, \$10 for the first copy of a certificate of
9 any type and \$5 for each additional copy of the same
10 certificate requested at the same time, unless, pursuant to
11 paragraph (2) of this Section, the Director finds these
12 additional fees excessive.

13 (w) For issuing a permit to sell shares or increase
14 paid-up capital:

15 (i) in connection with a public stock offering,
16 \$300;

17 (ii) in any other case, \$100.

18 (x) For issuing any other certificate required or
19 permissible under the law, \$50.

20 (y) For filing a plan of exchange of the stock of a
21 domestic stock insurance company, a plan of
22 demutualization of a domestic mutual company, or a plan of
23 reorganization under Article XII, \$2,000.

24 (z) For filing a statement of acquisition of a domestic
25 company as defined in Section 131.4 of this Code, \$2,000.

26 (aa) For filing an agreement to purchase the business

1 of an organization authorized under the Dental Service Plan
2 Act or the Voluntary Health Services Plans Act or of a
3 health maintenance organization or a limited health
4 service organization, \$2,000.

5 (bb) For filing a statement of acquisition of a foreign
6 or alien insurance company as defined in Section 131.12a of
7 this Code, \$1,000.

8 (cc) For filing a registration statement as required in
9 Sections 131.13 and 131.14, the notification as required by
10 Sections 131.16, 131.20a, or 141.4, or an agreement or
11 transaction required by Sections 124.2(2), 141, 141a, or
12 141.1, \$200.

13 (dd) For filing an application for licensing of:

14 (i) a religious or charitable risk pooling trust or
15 a workers' compensation pool, \$1,000;

16 (ii) a workers' compensation service company,
17 \$500;

18 (iii) a self-insured automobile fleet, \$200; or

19 (iv) a renewal of or amendment of any license
20 issued pursuant to (i), (ii), or (iii) above, \$100.

21 (ee) For filing articles of incorporation for a
22 syndicate to engage in the business of insurance through
23 the Illinois Insurance Exchange, \$2,000.

24 (ff) For filing amended articles of incorporation for a
25 syndicate engaged in the business of insurance through the
26 Illinois Insurance Exchange, \$100.

1 (gg) For filing articles of incorporation for a limited
2 syndicate to join with other subscribers or limited
3 syndicates to do business through the Illinois Insurance
4 Exchange, \$1,000.

5 (hh) For filing amended articles of incorporation for a
6 limited syndicate to do business through the Illinois
7 Insurance Exchange, \$100.

8 (ii) For a permit to solicit subscriptions to a
9 syndicate or limited syndicate, \$100.

10 (jj) For the filing of each form as required in Section
11 143 of this Code, \$50 per form. The fee for advisory and
12 rating organizations shall be \$200 per form.

13 (i) For the purposes of the form filing fee,
14 filings made on insert page basis will be considered
15 one form at the time of its original submission.
16 Changes made to a form subsequent to its approval shall
17 be considered a new filing.

18 (ii) Only one fee shall be charged for a form,
19 regardless of the number of other forms or policies
20 with which it will be used.

21 (iii) (Blank).

22 (iv) The Director may by rule exempt forms from
23 such fees.

24 (kk) For filing an application for licensing of a
25 reinsurance intermediary, \$500.

26 (ll) For filing an application for renewal of a license

1 of a reinsurance intermediary, \$200.

2 (2) When printed copies or numerous copies of the same
3 paper or records are furnished or certified, the Director may
4 reduce such fees for copies if he finds them excessive. He may,
5 when he considers it in the public interest, furnish without
6 charge to state insurance departments and persons other than
7 companies, copies or certified copies of reports of
8 examinations and of other papers and records.

9 (3) The expenses incurred in any performance examination
10 authorized by law shall be paid by the company or person being
11 examined. The charge shall be reasonably related to the cost of
12 the examination including but not limited to compensation of
13 examiners, electronic data processing costs, supervision and
14 preparation of an examination report and lodging and travel
15 expenses. All lodging and travel expenses shall be in accord
16 with the applicable travel regulations as published by the
17 Department of Central Management Services and approved by the
18 Governor's Travel Control Board, except that out-of-state
19 lodging and travel expenses related to examinations authorized
20 under Section 132 shall be in accordance with travel rates
21 prescribed under paragraph 301-7.2 of the Federal Travel
22 Regulations, 41 C.F.R. 301-7.2, for reimbursement of
23 subsistence expenses incurred during official travel. All
24 lodging and travel expenses may be reimbursed directly upon
25 authorization of the Director. With the exception of the direct
26 reimbursements authorized by the Director, all performance

1 examination charges collected by the Department shall be paid
2 to the Insurance Producers Administration Fund, however, the
3 electronic data processing costs incurred by the Department in
4 the performance of any examination shall be billed directly to
5 the company being examined for payment to the Statistical
6 Services Revolving Fund.

7 (4) At the time of any service of process on the Director
8 as attorney for such service, the Director shall charge and
9 collect the sum of \$20, which may be recovered as taxable costs
10 by the party to the suit or action causing such service to be
11 made if he prevails in such suit or action.

12 (5) (a) The costs incurred by the Department of Insurance
13 in conducting any hearing authorized by law shall be assessed
14 against the parties to the hearing in such proportion as the
15 Director of Insurance may determine upon consideration of all
16 relevant circumstances including: (1) the nature of the
17 hearing; (2) whether the hearing was instigated by, or for the
18 benefit of a particular party or parties; (3) whether there is
19 a successful party on the merits of the proceeding; and (4) the
20 relative levels of participation by the parties.

21 (b) For purposes of this subsection (5) costs incurred
22 shall mean the hearing officer fees, court reporter fees, and
23 travel expenses of Department of Insurance officers and
24 employees; provided however, that costs incurred shall not
25 include hearing officer fees or court reporter fees unless the
26 Department has retained the services of independent

1 contractors or outside experts to perform such functions.

2 (c) The Director shall make the assessment of costs
3 incurred as part of the final order or decision arising out of
4 the proceeding; provided, however, that such order or decision
5 shall include findings and conclusions in support of the
6 assessment of costs. This subsection (5) shall not be construed
7 as permitting the payment of travel expenses unless calculated
8 in accordance with the applicable travel regulations of the
9 Department of Central Management Services, as approved by the
10 Governor's Travel Control Board. The Director as part of such
11 order or decision shall require all assessments for hearing
12 officer fees and court reporter fees, if any, to be paid
13 directly to the hearing officer or court reporter by the
14 party(s) assessed for such costs. The assessments for travel
15 expenses of Department officers and employees shall be
16 reimbursable to the Director of Insurance for deposit to the
17 fund out of which those expenses had been paid.

18 (d) The provisions of this subsection (5) shall apply in
19 the case of any hearing conducted by the Director of Insurance
20 not otherwise specifically provided for by law.

21 (6) The Director shall charge and collect an annual
22 financial regulation fee from every domestic company for
23 examination and analysis of its financial condition and to fund
24 the internal costs and expenses of the Interstate Insurance
25 Receivership Commission as may be allocated to the State of
26 Illinois and companies doing an insurance business in this

1 State pursuant to Article X of the Interstate Insurance
2 Receivership Compact. The fee shall be the greater fixed amount
3 based upon the combination of nationwide direct premium income
4 and nationwide reinsurance assumed premium income or upon
5 admitted assets calculated under this subsection as follows:

6 (a) Combination of nationwide direct premium income
7 and nationwide reinsurance assumed premium.

8 (i) \$150, if the premium is less than \$500,000 and
9 there is no reinsurance assumed premium;

10 (ii) \$750, if the premium is \$500,000 or more, but
11 less than \$5,000,000 and there is no reinsurance
12 assumed premium; or if the premium is less than
13 \$5,000,000 and the reinsurance assumed premium is less
14 than \$10,000,000;

15 (iii) \$3,750, if the premium is less than
16 \$5,000,000 and the reinsurance assumed premium is
17 \$10,000,000 or more;

18 (iv) \$7,500, if the premium is \$5,000,000 or more,
19 but less than \$10,000,000;

20 (v) \$18,000, if the premium is \$10,000,000 or more,
21 but less than \$25,000,000;

22 (vi) \$22,500, if the premium is \$25,000,000 or
23 more, but less than \$50,000,000;

24 (vii) \$30,000, if the premium is \$50,000,000 or
25 more, but less than \$100,000,000;

26 (viii) \$37,500, if the premium is \$100,000,000 or

1 more.

2 (b) Admitted assets.

3 (i) \$150, if admitted assets are less than
4 \$1,000,000;

5 (ii) \$750, if admitted assets are \$1,000,000 or
6 more, but less than \$5,000,000;

7 (iii) \$3,750, if admitted assets are \$5,000,000 or
8 more, but less than \$25,000,000;

9 (iv) \$7,500, if admitted assets are \$25,000,000 or
10 more, but less than \$50,000,000;

11 (v) \$18,000, if admitted assets are \$50,000,000 or
12 more, but less than \$100,000,000;

13 (vi) \$22,500, if admitted assets are \$100,000,000
14 or more, but less than \$500,000,000;

15 (vii) \$30,000, if admitted assets are \$500,000,000
16 or more, but less than \$1,000,000,000;

17 (viii) \$37,500, if admitted assets are
18 \$1,000,000,000 or more.

19 (c) The sum of financial regulation fees charged to the
20 domestic companies of the same affiliated group shall not
21 exceed \$250,000 in the aggregate in any single year and
22 shall be billed by the Director to the member company
23 designated by the group.

24 (7) The Director shall charge and collect an annual
25 financial regulation fee from every foreign or alien company,
26 except fraternal benefit societies, for the examination and

1 analysis of its financial condition and to fund the internal
2 costs and expenses of the Interstate Insurance Receivership
3 Commission as may be allocated to the State of Illinois and
4 companies doing an insurance business in this State pursuant to
5 Article X of the Interstate Insurance Receivership Compact. The
6 fee shall be a fixed amount based upon Illinois direct premium
7 income and nationwide reinsurance assumed premium income in
8 accordance with the following schedule:

9 (a) \$150, if the premium is less than \$500,000 and
10 there is no reinsurance assumed premium;

11 (b) \$750, if the premium is \$500,000 or more, but less
12 than \$5,000,000 and there is no reinsurance assumed
13 premium; or if the premium is less than \$5,000,000 and the
14 reinsurance assumed premium is less than \$10,000,000;

15 (c) \$3,750, if the premium is less than \$5,000,000 and
16 the reinsurance assumed premium is \$10,000,000 or more;

17 (d) \$7,500, if the premium is \$5,000,000 or more, but
18 less than \$10,000,000;

19 (e) \$18,000, if the premium is \$10,000,000 or more, but
20 less than \$25,000,000;

21 (f) \$22,500, if the premium is \$25,000,000 or more, but
22 less than \$50,000,000;

23 (g) \$30,000, if the premium is \$50,000,000 or more, but
24 less than \$100,000,000;

25 (h) \$37,500, if the premium is \$100,000,000 or more.

26 The sum of financial regulation fees under this subsection

1 (7) charged to the foreign or alien companies within the same
2 affiliated group shall not exceed \$250,000 in the aggregate in
3 any single year and shall be billed by the Director to the
4 member company designated by the group.

5 (8) Beginning January 1, 1992, the financial regulation
6 fees imposed under subsections (6) and (7) of this Section
7 shall be paid by each company or domestic affiliated group
8 annually. After January 1, 1994, the fee shall be billed by
9 Department invoice based upon the company's premium income or
10 admitted assets as shown in its annual statement for the
11 preceding calendar year. The invoice is due upon receipt and
12 must be paid no later than June 30 of each calendar year. All
13 financial regulation fees collected by the Department shall be
14 paid to the Insurance Financial Regulation Fund. The Department
15 may not collect financial examiner per diem charges from
16 companies subject to subsections (6) and (7) of this Section
17 undergoing financial examination after June 30, 1992.

18 (9) In addition to the financial regulation fee required by
19 this Section, a company undergoing any financial examination
20 authorized by law shall pay the following costs and expenses
21 incurred by the Department: electronic data processing costs,
22 the expenses authorized under Section 131.21 and subsection (d)
23 of Section 132.4 of this Code, and lodging and travel expenses.

24 Electronic data processing costs incurred by the
25 Department in the performance of any examination shall be
26 billed directly to the company undergoing examination for

1 payment to the Statistical Services Revolving Fund. Except for
2 direct reimbursements authorized by the Director or direct
3 payments made under Section 131.21 or subsection (d) of Section
4 132.4 of this Code, all financial regulation fees and all
5 financial examination charges collected by the Department
6 shall be paid to the Insurance Financial Regulation Fund.

7 All lodging and travel expenses shall be in accordance with
8 applicable travel regulations published by the Department of
9 Central Management Services and approved by the Governor's
10 Travel Control Board, except that out-of-state lodging and
11 travel expenses related to examinations authorized under
12 Sections 132.1 through 132.7 shall be in accordance with travel
13 rates prescribed under paragraph 301-7.2 of the Federal Travel
14 Regulations, 41 C.F.R. 301-7.2, for reimbursement of
15 subsistence expenses incurred during official travel. All
16 lodging and travel expenses may be reimbursed directly upon the
17 authorization of the Director.

18 In the case of an organization or person not subject to the
19 financial regulation fee, the expenses incurred in any
20 financial examination authorized by law shall be paid by the
21 organization or person being examined. The charge shall be
22 reasonably related to the cost of the examination including,
23 but not limited to, compensation of examiners and other costs
24 described in this subsection.

25 (10) Any company, person, or entity failing to make any
26 payment of \$150 or more as required under this Section shall be

1 subject to the penalty and interest provisions provided for in
2 subsections (4) and (7) of Section 412.

3 (11) Unless otherwise specified, all of the fees collected
4 under this Section shall be paid into the Insurance Financial
5 Regulation Fund.

6 (12) For purposes of this Section:

7 (a) "Domestic company" means a company as defined in
8 Section 2 of this Code which is incorporated or organized
9 under the laws of this State, and in addition includes a
10 not-for-profit corporation authorized under the Dental
11 Service Plan Act or the Voluntary Health Services Plans
12 Act, a health maintenance organization, and a limited
13 health service organization.

14 (b) "Foreign company" means a company as defined in
15 Section 2 of this Code which is incorporated or organized
16 under the laws of any state of the United States other than
17 this State and in addition includes a health maintenance
18 organization and a limited health service organization
19 which is incorporated or organized under the laws of any
20 state of the United States other than this State.

21 (c) "Alien company" means a company as defined in
22 Section 2 of this Code which is incorporated or organized
23 under the laws of any country other than the United States.

24 (d) "Fraternal benefit society" means a corporation,
25 society, order, lodge or voluntary association as defined
26 in Section 282.1 of this Code.

1 (e) "Mutual benefit association" means a company,
2 association or corporation authorized by the Director to do
3 business in this State under the provisions of Article
4 XVIII of this Code.

5 (f) "Burial society" means a person, firm,
6 corporation, society or association of individuals
7 authorized by the Director to do business in this State
8 under the provisions of Article XIX of this Code.

9 (g) "Farm mutual" means a district, county and township
10 mutual insurance company authorized by the Director to do
11 business in this State under the provisions of the Farm
12 Mutual Insurance Company Act of 1986.

13 (Source: P.A. 93-32, eff. 7-1-03; 93-1083, eff. 2-7-05.)".