**Section 1075.450 Excess Insurance**

a) Section 1005 of the Act allows savings banks to secure deposit insurance in excess of the amounts available under federally sponsored programs. The excess insurance may be obtained only through an entity authorized to do business in this State and which is under the regulation of the Division. Providers of excess insurance must be preapproved by the Director. Each approved insurer shall be found to be financially sound and to employ approved actuarial practices.

b) Before entering into an agreement to obtain excess insurance a savings bank must notify the Director of its intent. The notice shall include a copy of the proposed contract and sufficient information regarding the proposed insurer to allow the Director to determine as to the financial stability of the proposed insurer. The Director shall have 30 days in which to notify the savings bank of any objections that the Director may have. Any request for additional information that the Director may make shall be made within 20 days after receipt of the notice. Failure of the Director to notify the savings bank within the 30 days as prescribed in this subsection shall constitute a finding of no objection.

c) To obtain approval from the Director, any prospective provider of excess insurance shall agree to provide the Director with any information he or she considers necessary to determine as to the current and continuing financial condition of the proposed insurer. This information shall include but not be limited to the following:

1) quarterly financial reports;

2) report of audit conducted by an independent certified public accountant;

3) copies of minutes of board of directors' meetings; and

4) copies of examination reports made by examiners for any regulatory agency.

d) Any insurer shall agree as a condition of approval to submit to examination by the Director. The cost of any such examination shall be paid by the insurer. The cost of the examination shall be based on the same fee schedule that applies to savings banks.

(Source: Amended at 30 Ill. Reg. 19068, effective December 1, 2006)