**Section 401.60 Reporting and Accounting of Indebtedness**

a) The Director shall be notified immediately, in writing, upon the execution of any such certificate, as to the amount thereof and to whom payable.

b) The company shall furnish a copy of the deposit slip evidencing that the funds derived from the execution of such certificate have been deposited into the company's account.

c) All outstanding guaranty funds or guaranty capital and interest accrued thereon shall be reported separately in the Annual Statement on Page 3 and in any other financial statements of the company as special surplus funds.

d) The issuance and repayment of the guaranty fund or guaranty capital, as well as the payment of the interest thereon, shall be reflected as direct debits or credits to the Capital and Surplus Account of the company's financial statement.

e) The interest expense incurred on the guaranty fund or guaranty capital during the current period shall be reflected on the Statement of Income of the company's financial statement.

(Source: Amended at 13 Ill. Reg. 14048, effective September 11, 1989)