**Section 904.20 Custody, Care and Disposition of Securities**

a) Transfer, sale, assignment or disposition of any security belonging to any company, other than upon the surrender of the security for payment at maturity or under an option of the maker of the security to repay the security, shall be authorized or ratified by the Board of Directors, or by a committee of the Board charged with the duty of supervising investments and loans.

b) Any instrument for the assignment, sale, transfer or disposition of any securities, and all checks or other orders for disbursement of funds of the company in connection with the purchase of any securities, shall:

1) require the signature of at least two officers or employees who shall have been so authorized by the Board of Directors, or by a committee of the Board charged with the duty of supervising investments and loans; or

2) be executed pursuant to policies, procedures and controls the company has put in place for the authorization of transactions and appropriate segregation of duties relative to these types of transactions. The policies, procedures and controls must be approved by the Board of Directors of the company and a copy must be kept on file and made available for review by the Department in an examination. These policies, procedures and controls must require the company to:

A) segregate duties among individuals related to authorization, recording and reconciling of the transactions so that no individual performs more than one of these duties; and

B) maintain written documentation of:

i) the individuals, by name or job title, who have authority to

approve the transactions covered in this Section; and

ii) the limits or ranges of each individual's authorization to approve the transactions.

c) Access to any and all vaults or other repositories on the premises of any company containing securities of the company and access to any safe deposit boxes containing the securities shall be limited to officers and employees designated by the Board of Directors. This designation shall require that at least two of the persons so designated shall be present at the time of entry and during the access to the vault, repository or safe deposit box.

(Source: Amended at 43 Ill. Reg. 1388, effective January 11, 2019)