

1 AN ACT relating to insurance.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 404.1 as follows:

6 (215 ILCS 5/404.1) (from Ch. 73, par. 1016.1)

7 Sec. 404.1. Safekeeping of deposits. The Director may
8 maintain with a corporation qualified to administer trusts in
9 this State under the Corporate Fiduciary Act "~~An Act to~~
10 ~~provide for and regulate the administration of trusts by~~
11 ~~trust companies~~", approved June 15, 1887, as amended, for the
12 securities deposited with the Director, a limited agency,
13 custodial, or depository account, or other type of account
14 for the safekeeping of those securities, and for collecting
15 the income from those securities and providing supportive
16 accounting services relating to such safekeeping and
17 collection. Such a corporation, in safekeeping such
18 securities, shall have all the powers, rights, duties and
19 responsibilities that it has for holding securities in its
20 fiduciary accounts under the Securities in Fiduciary Accounts
21 Act "~~An Act concerning the powers of corporations authorized~~
22 ~~to accept and execute trusts, to register and hold securities~~
23 ~~of fiduciary accounts in bulk and to deposit same with a~~
24 ~~clearing corporation~~", approved September 1, 1972, as
25 amended. The Director shall arrange with its trust bank to
26 provide for collateralization of any cash accounts resulting
27 from the failure of any depositing company to give
28 instruction regarding the investment of any such cash amounts
29 as provided for by Section 6 of the Public Funds Investment
30 Act.

31 (Source: P.A. 83-746.)