

Bk

Chapter 53

SURETY BONDS FOR CREDIT UNIONS

Bkg 53.01	Directors to review surety bonds	Bkg 53.02	Minimum bond requirements
		Bkg 53.03	Surety bond schedule

Bkg 53.01 Directors to review surety bonds. (1) The board of directors shall, at least semi-annually, carefully review the bond coverage in force in order to ascertain its adequacy.

(2) The following schedule shall be deemed as the minimum requirements only, and where circumstances warrant in the judgment of the directors, it shall be their duty to exceed the minimum requirements of the schedule to obtain adequate insurance coverage.

(3) The commissioner of banks may require additional coverage when, in his opinion, the bonds then executed are insufficient.

Bkg 53.02 Minimum bond requirements. The minimum requirements of section A of the following schedule must be blanket bond coverage exclusively for credit unions whose assets are less than \$26,250. Credit unions whose assets are \$26,250 and up to \$4,000,000 may elect a combination of blanket bond plus underlying position bond on the principal officer, but the blanket bond must at least be equal to the minimum coverage listed in section B, or equal to the maximum amount of currency and specie normally required to operate the office, whichever is greater. Credit unions whose assets are over \$4,000,000 must have blanket bond coverage equal to the minimum requirements of section A.

Bkg 53.03 Surety bond schedule. The following schedule shall be deemed as the minimum insurance requirements for credit unions:

Assets	A Minimum Coverage	B Minimum Blanket Bond	C Position (Under- lying)
Up to 5,000.00	1,000	1,000	**
5,001- 8,749.99	1,500	1,500	**
8,750- 11,249.99	2,000	2,000	**
11,250- 13,749.99	2,500	2,500	**
13,750- 16,249.99	3,000	3,000	**
16,250- 18,749.99	3,500	3,500	**
18,750- 21,249.99	4,000	4,000	**
21,250- 26,249.99	5,000	5,000	**
26,250- 30,000.99	6,000	5,000	1,000
30,001- 35,000.00	7,000	5,000	2,000
35,001- 40,000.00	8,000	5,000	3,000
40,001- 45,000.00	9,000	5,000	4,000
45,001- 50,000.00	10,000	5,000	5,000
50,001- 75,000.00	15,000	7,500	7,500
75,001-100,000.00	20,000	10,000	10,000
100,001-125,000.00	25,000	12,500	12,500
125,001-150,000.00	30,000	15,000	15,000
150,001-175,000.00	35,000	17,500	17,500
175,001-200,000.00	40,000	20,000	20,000
200,001- 225,000	44,000	22,000	22,000
225,001- 250,000	48,000	24,000	24,000
250,001- 275,000	51,000	25,500	25,500
275,001- 300,000	55,000	27,500	27,500
300,001- 350,000	63,000	31,500	31,500
350,001- 400,000	70,000	35,000	35,000
400,001- 450,000	73,000	36,500	36,500
450,001- 500,000	75,000	37,500	37,500
500,001- 600,000	80,000	40,000	40,000

BANKING DEPARTMENT

Assets	A Minimum Coverage	B Minimum Blanket Bond	C Position (Under- lying)
600,001- 700,000	85,000	42,500	42,500
700,001- 800,000	90,000	45,000	45,000
800,001- 900,000	93,000	46,500	46,500
900,001- 1,000,000	95,000	47,500	47,500
1,000,001- 2,000,000	100,000	75,000	25,000
2,000,001- 3,000,000	125,000	100,000	25,000
3,000,001- 4,000,000	150,000	125,000	25,000
4,000,001- 5,000,000	150,000	150,000	**
5,000,001- 7,000,000	175,000	175,000	**
7,000,001-10,000,000	200,000	200,000	**