

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1861

By: Myers

AS INTRODUCED

An Act relating to insurance; amending 36 O.S. 2001, Section 5104, which relates to transactions to be authorized in writing; updating statutory reference; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 36 O.S. 2001, Section 5104, is amended to read as follows:

Section 5104. Transactions between an RB and the insurer the RB represents in such capacity shall be entered into only pursuant to a written authorization, specifying the responsibilities of each party. The authorization shall, at a minimum, contain provisions that:

1. The insurer may terminate the authority of the RB at any time;

2. The RB shall render accounts to the insurer accurately detailing all material transactions, including information necessary to support all commissions, charges and other fees received by, or owing, to the RB, and remit all funds due to the insurer within thirty (30) days of receipt;

3. All funds collected for the insurer's account shall be held by the RB in a fiduciary capacity in a bank which is a qualified U.S. financial institution;

4. The RB shall comply with Section ~~26 of this act~~ 5105 of this title;

5. The RB shall comply with the written standards established by the insurer for the cession or retrocession of all risks; and

6. The RB shall disclose to the insurer any relationship with any reinsurer to which business will be ceded or retroceded.

SECTION 2. This act shall become effective November 1, 2006.

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