

*** DRAFT - NOT YET FILED ***

1301:9-3-14

Credit union share guaranty corporation annual report.

(A) The credit union share guaranty corporation shall submit its annual report to the superintendent of credit unions, department of commerce, within one hundred days after the close of the fiscal year. The annual report shall be certified by the oath of the president and secretary of the credit union share guaranty corporation which shall state that the annual report is true and correct in all respects to the best of the knowledge and belief of the signatories. The annual report shall include:

(1) Audited financial statements, prepared in accordance with generally accepted accounting principles, for the fiscal year. Audited financial statements shall include, but not be limited to, a balance sheet and an income statement for the year ended on the balance sheet date. The audited financial statements shall be accompanied by an opinion of an independent certified public accountant. If the opinion of the independent certified public accountant is qualified pursuant to generally accepted auditing standards, the superintendent of credit unions shall require the credit union share guaranty corporation to take such action as he considers appropriate to effect removal of such qualification from the opinion.

(2) Special reports addressing the following areas:

- (a) Guarantee fund;
- (b) Capital deposits;
- (c) Reserves;
- (d) Additions; and
- (e) Excess premiums.

(3) A report on the standard contract used by the credit union share guaranty corporation. In addition to any standard contract of share guaranty and any amendments thereto not previously submitted, the report shall address the following issues:

- (a) The terms of the standard contract and any amendments thereto;
- (b) State by state variations in the contract, including any amendments thereto

made in the previous calendar year; and

- (c) Marketing material and any and all other membership documents and publications used in each state for primary and excess coverage including any changes thereto made in the previous calendar year.
- (4) A report on reinsurance and lines of credit in effect for the credit union share guaranty corporation. This report shall include the following items:
- (a) Description of the coverage which shall include sources, amount and exceptions;
 - (b) Credit union share guaranty corporation evaluation of financial need to support the coverage amount; and
 - (c) Credit union share guaranty corporation evaluation of actuarial need to support the coverage amount.
- (5) A report on the risk eligibility standards for participating credit unions.
- (6) A crisis contingency plan providing for an event in which the credit union share guaranty corporation is unable to restore its guarantee fund to its normal operating level following the payment of any deficiencies in credit union share accounts or it is otherwise in financially hazardous condition.
- (7) A reconciliation of generally accepted accounting principles to statutory accounting principles, including a written description of such difference. Such reconciliation shall include, but not be limited to, the normal operating level of the guarantee fund, as defined in section 1761.10 of the Revised Code.
- (B) The annual report shall be in such format and include such additional items as the superintendent of credit unions may from time to time require. The superintendent of credit unions may reject any report or financial statement contained in the annual report or filed pursuant to division (A) of section 1761.16 of the Revised Code, and the superintendent of credit unions shall notify the credit union share guaranty corporation of such rejection and the reasons therefor. Within thirty days after receipt of the rejection notice the credit union share guaranty corporation shall correct any report or financial statement so rejected. Failure to timely correct any report or financial statement is a violation of division (B) of section 1761.16 of the Revised Code.

- (C) The credit union share guaranty corporation shall furnish a copy of the annual report to the superintendent of insurance within one hundred days after the close of the fiscal year.

Replaces: 1301:9-3-03

Five Year Review (FYR) Dates:

Certification

Date

Promulgated Under: 119.03
Statutory Authority: 1761.04
Rule Amplifies: 1761.16
Prior Effective Dates: 1/1/78, 9/1/79, 1/1/91