

THIRD PARTY ADMINISTRATOR'S BOND
State of Oklahoma

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS that _____, as Principal, and _____, a corporation organized and existing under the laws of the State of _____ and authorized to transact surety business in the State of Oklahoma, as Surety, are firmly bound unto the State of Oklahoma in the penal sum of _____ (_____), lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS, the above bounden Principal has obtained or is about to obtain a license as a Third Party Administrator and pursuant to obtaining such license is required per Title 36 O.S. §1448 and O.A.C. 365:25-3-12(f) to post bond to secure performance of the administrator in conformity with the laws, rules and regulations governing Third Party Administrators for the protection of parties with whom the administrator deals.

IT IS FURTHER AGREED THAT the bond shall be continuous in nature and that in no event shall the Surety be obligated to an amount exceeding the _____ (_____) bond penalty which is the maximum aggregate liability of the Surety regardless of the number of successive renewal periods the bond has been in effect or the number of claimants that might have a right of action against the bond.

This bond shall become effective _____ and shall remain in force unless the license of the administrator is suspended, revoked, or otherwise terminated, or unless terminated by thirty (30) days written notice of cancellation mailed to the Principal and the Insurance Commissioner, State of Oklahoma, by the Surety, at which time, the Surety shall be relieved from any liability subsequent to said date, without prejudice to any liability accrued prior to the cancellation.

Signed the Sealed this _____ day of _____, _____.

(Principal)

By: _____

(Surety)

By: _____

TITLE 365. INSURANCE DEPARTMENT
CHAPTER 25. LICENSURE OF PRODUCERS, BAIL BONDSMEN, ADJUSTERS
COMPANIES, PREPAID FUNERAL BENEFITS, AND VIATICAL AND LIFE
SETTLEMENTS PROVIDERS AND BROKERS

O.A.C. 365:25-3-12(f)

Third party administrators. Pursuant to 36 O.S. § 1448, the amount of bond for a third party administrator must be stipulated by the Insurance Commissioner in an amount that will be sufficient to protect those with which the administrator deals and not less than ten thousand dollars.

The bond required by Section 1448 shall be set by the Insurance Commissioner but shall be no less than the following amounts as reported in the annual report of the third party administrator for the immediately preceding calendar year:

- (1) For \$1,000,000 and above in premiums collected or claims paid, whichever is higher - \$40,000 bond required;
- (2) For \$500,000 to \$999,999 in premiums collected or claims paid, whichever is higher - \$35,000 bond required;
- (3) For \$250,000 to \$499,999 in premiums collected or claims paid, whichever is higher - \$30,000 bond required;
- (4) For \$100,000 to \$249,999 in premiums collected or claims paid, whichever is higher - \$25,000 bond required;
- (5) For \$75,000 to \$99,999 in premiums collected or claims paid, whichever is higher - \$20,000 bond required;
- (6) For \$50,000 to 74,999 in premiums collected or claims paid, whichever is higher - \$15,000 bond required;
- (7) For \$49,999 or less in premiums collected or claims paid, whichever is higher - \$10,000 bond required.

***Bonds for initial applications start at \$10,000

Link to actual document:

<http://www.ok.gov/oid/documents/PER%20C25%20with%20Appendices.pdf>