

Subpart F—Exemptions

SOURCE: 28 FR 14410, Dec. 27, 1963, unless otherwise noted. Redesignated at 50 FR 26706, June 28, 1985.

BONDS PLACED WITH CERTAIN
REINSURING COMPANIES

§ 2580.412-23 Exemption.

An exemption from the bonding requirements of the Welfare and Pension Plans Disclosure Act is granted by this section whereby bonding arrangements (which otherwise comply with the requirements of section 13 of the Act and the regulations issued thereunder) with companies authorized by the Secretary of the Treasury as acceptable reinsurers on Federal bonds will satisfy the bonding requirements of the Act.

§ 2580.412-24 Conditions of exemption.

(a) This exemption obtains only with respect to the requirement of section 13(a) of the Act that all bonds required thereunder shall have as surety thereon, a corporate surety company, which is an acceptable surety on Federal bonds under authority granted by the Secretary of the Treasury pursuant to the Act of July 30, 1947 (6 U.S.C. 6-13).

(b) The exemption is granted upon the condition that if for any reason the authority of any such company to act as an acceptable reinsuring company is terminated, the administrator of a plan insured with such company, shall, upon knowledge of such fact, be responsible for securing a new bond with a company acceptable under the Act and the exemptions issued thereunder.

(c) In obtaining or renewing a bond, the plan administrator shall ascertain that the surety is one which satisfies the requirements of the Act and the exemptions thereunder. If the bond is for a term of more than one year, the plan administrator, at the beginning of each reporting year, shall ascertain that the surety continues to do so.

BONDS PLACED WITH UNDERWRITERS AT
LLOYDS, LONDON

§ 2580.412-25 Exemption.

An exemption from the bonding requirements of subsection 13(a) of the Welfare and Pension Plans Disclosure

Act is granted by this section whereby arrangements (which otherwise comply with the requirements of section 13 of the Act and the regulations issued thereunder), with the Underwriters at Lloyds, London will satisfy the bonding requirements of the Act.

§ 2580.412-26 Conditions of exemption.

(a) This exemption obtains only with respect to the requirements of section 13(a) of the Act that all bonds required thereunder shall have as surety thereon, a corporate surety company, which is an acceptable surety on Federal bonds under authority granted by the Secretary of the Treasury, pursuant to the Act of July 30, 1947 (6 U.S.C. 6-13).

(b) This exemption is granted on the following conditions:

(1) Underwriters at Lloyds, London shall continue to be licensed in a state of the United States to enter into bonding arrangements of the type required by the Act.

(2) Underwriters at Lloyds, London, shall file with the Office of Pension and Welfare Benefit Programs two (2) copies of each annual statement required to be made to the Commissioner of Insurance of those states in which Underwriters at Lloyds, London are licensed. Copies of annual statements shall be filed with the Office of Pension and Welfare Benefit Programs within the same period required by the respective states.

(3) All bonding arrangements entered into by Underwriters at Lloyds, London under section 13 of the Act shall contain a "Service of Suit Clause" in substantial conformity with that set forth in the petition for exemption.

BANKING INSTITUTIONS SUBJECT TO
FEDERAL REGULATION

§ 2580.412-27 Exemption.

An exemption from the bonding requirements of subsections 13 (a) and (b) of the Welfare and Pension Plans Disclosure Act is granted whereby banking institutions and trust companies specified in §2580.412-28 are not required to comply with subsections 13 (a) and (b) of the Act, with respect to