**Section 5501.50 Bond Requirements**

a) All such companies shall procure and maintain in force surety bonds on employees, officers or positions in an amount not less than the amount set forth in the column "Minimum Amount of Bond" (see Exhibit A), based on the amount of admitted assets of the company (as determined from year to year hereafter) stated in the annual statement of such company as filed with the Illinois Insurance Department. All such bonds shall be written with at least a one year discovery period and if written with less than a 3 year discovery period, shall contain a provision that no cancellation or termination of the bond, whether by or at the request of the insured or by the underwriter, shall take effect prior to the expiration of 90 days after written notice of such cancellation or termination has been filed with the Illinois Department of Insurance unless an earlier date of such cancellation or termination is approved by said Department of Insurance.

b) Surety bonds covering affiliated and/or subsidiary companies which are substantially under the same management and control may be written to cover such affiliated and/or subsidiary companies jointly. The total admitted assets of the affiliated and/or subsidiary company having the largest total admitted assets shall be used in calculating the amount of surety cover required under sub-paragraph (a) of this Section.