



South Carolina Department of Insurance

Capitol Center
1201 Main Street, Suite 1000
Columbia, South Carolina 29201

HENRY McMASTER

Governor

RAYMOND G. FARMER

Director

Mailing Address:
P.O. Box 100105, Columbia, S.C. 29202-3105
Telephone: (803) 737-6095

Service Contract Provider's Funded Reserve and Security Deposit Financial Security Calculation Form (Mid-Year)

Company Name _____

Company License Number _____

October 1, 20____ through March 31, 20____

Contact Name: _____ Phone Number: _____

Email Address: _____

Your company elected to meet its financial security requirements by establishing a funded reserve account and a security deposit in accordance with S.C. Code Law 38-78-30(D)(2)(a), as it relates to the service contracts issued in the State of South Carolina. We are verifying this account and the security deposit that it meets all minimum requirements under the above-mentioned code.

(Please note: If reserve amount is negative, the provider must infuse funds into the account and provide the Department of Insurance with proof of account balance. All funds must be kept separate from the provider's operating accounts.)

1. Computation for Provider's Funded Reserve Account (Provide detailed information on all items below)

(a) Total number of new contracts written

(b) Determine the gross consideration received from SC contract holders

(c) Total claims paid (no Incurred But Not Reported [IBNR])

(d) Net Gross Consideration Received (subtract the claims paid (c) from gross consideration (b))

Form 4004

Note: No other affidavits will be accepted. You must sign or electronically sign the initial/renewal application and forms provided by the SC DOI.



South Carolina Department of Insurance

Capitol Center
1201 Main Street, Suite 1000
Columbia, South Carolina 29201

HENRY McMASTER

Governor

RAYMOND G. FARMER

Director

Mailing Address:
P.O. Box 100105, Columbia, S.C. 29202-3105
Telephone: (803) 737-6095

(e) Reserve Amount (Multiply the answer in (d) by 40%)

Provide SC DOI with proof of the current reserve amount:

Name of Bank/Financial Institution _____

Account Number _____

The funded reserve account must be kept separate from the provider's operating accounts and not be used for any purpose other than to cover the provider's obligations under its service contracts that are issued and outstanding in South Carolina.

2. Computation for Provider's Financial Security Deposit

(a) Multiply the answer in (d) by 5%

Provide SC DOI with proof of the current financial security deposit. The company is required to provide a security deposit in addition to the funded reserve account. The company is required to place in trust with the SC DOI a financial security deposit. You must maintain a minimum of \$25,000.00 financial deposit with this office. **Please note: if the answer is more than \$25,000.00, you must increase your surety bond and submit to this office. If an increase is needed, the Department of Insurance will be in contact. This process will not hold the renewal.*



South Carolina Department of Insurance

Capitol Center
1201 Main Street, Suite 1000
Columbia, South Carolina 29201

HENRY McMASTER
Governor

RAYMOND G. FARMER
Director

Mailing Address:
P.O. Box 100105, Columbia, S.C. 29202-3105
Telephone: (803) 737-6095

I certify that I have complied with all applicable provisions of Title 38, Chapters 78 of the South Carolina Code of Laws. I certify all information submitted on this form and attachments is true and accurate. I understand that providing false information on this form may result in the revocation of the registration or imposition of administrative penalties for the Applicant under which this form is required.

Signature _____

Date _____

Name _____

Position _____

Subscribed and sworn to me before this _____ day of _____, 20_____.

Notary Signature _____

My Commission Expires _____

County of _____

State of _____

(Notary Seal Affixed Here)