**Section 904.30 Signature of Checks – Facsimile Signatures**

a) A company shall have policies, procedures and controls in place regarding disbursements of checks. As part of the policies, procedures and controls, the company must:

1) Prepare a list of authorized signers by name or job classification, with approved limits of authority for each authorized signer; and

2) Set minimum thresholds for which dual signatures are required.

b) These policies, procedures and controls must be approved by the Board of Directors of the company and a copy must be kept on file and available for review by the Department examiners. Verification of compliance with subsection (a) and this subsection (b) must be documented by the company's outside independent certified public accountants or the internal audit staff of the company, provided the staff report directly to an audit committee appointed by the Board. This compliance review must be performed annually.

c) Facsimile or electronic signatures may be affixed to checks or drafts if that procedure has been authorized by the Board of Directors and adequate controls over the use of the signatures have been established. Control procedures shall be reduced to writing and shall provide for written approval of the disbursement of funds by officers or employees other than those affixing facsimile or electronic signatures, for supervision and policing of the machines or appliances used for affixing signatures, and for the recording of checks and drafts to which the signatures have been affixed. Written control procedures shall be kept on file and available for review by examiners.

(Source: Amended at 36 Ill. Reg. 18670, effective December 17, 2012)