**Section 2909.30 Definitions**

"Audited Financial Statement" means a financial statement audited by a certified public accountant based on the most recent fiscal year, but in no event no more than 15 months old, measured by the end of the audited period, at the time of application or renewal of the applicable large deductible agreement.

"Code" means the Illinois Insurance Code [215 ILCS 5].

"Collateral" shall have the meaning ascribed in Section 155.44(a)(1) of the Code.

"Department" means the Illinois Department of Insurance.

"Exempt insurer" means any insurer licensed to write workers' compensation business in Illinois that either has an A- or better rating from A.M. Best Company or has at least $200 million in surplus. If the insurer only has a group rating from A.M. Best Company, the group rating shall apply. Having no rating from A.M. Best Company is the equivalent of having less than an A- rating.

"Full collateralization" means the collateral required to secure to the 100% level the policyholder obligations described in this Part.

"Large deductible credit" means the amount of credit applied to standard premium due to a large deductible agreement.

"Large deductible agreement" shall have the meaning ascribed in Section 155.44(c) of the Code.

"Net worth" means the amount by which assets exceed liabilities based on an audited financial statement. With respect to a public company, net worth is determined by shareholder equity. A loan to the policyholder can be included in determining net worth as long as the loan is fully funded and repayment is subordinated below general creditors in the event of a bankruptcy of the policyholder.

"Non-exempt insurer" has the meaning ascribed to the term "insurer" by

 Section 155.44(b) of the Code.

"Standard premium" means the premium charged to a policyholder based on the nonexempt insurer's rates filed with the Department and before applying a large deductible credit. Standard premium also includes any adjustment due to an expense rating factor.