



# Oregon

## Department of Consumer and Business Services

Insurance Division  
350 Winter St. NE, Room 440  
PO Box 14480  
Salem, OR 97301-0405  
(503) 947-7980  
FAX (503) 378-4351  
TTY (503) 947-7280  
[www.oregoninsurance.org](http://www.oregoninsurance.org)

### INSURANCE DIVISION BULLETIN INS 96-4

**DATE:** May 3, 1996

**TO:** All Domestic Insurers

**SUBJECT:** Contents of Corporate Minutes

In a recent meeting with industry representatives, it was suggested that we prepare a list of items our examiners will review in corporate minute books during financial examinations. This bulletin is intended to assist corporate officers as they prepare Board of Directors meeting minutes.

Your minutes must be a complete and accurate record of Board of Directors decisions and deliberations. While this bulletin lists the items that examiners will routinely review during a financial examination, we would expect each insurer's Board of Directors minutes to include additional items and, on occasion, our examiners may in fact review additional items.

The minutes should include, at a minimum, evidence that:

1. All investment transactions, including purchases, sales, and exchanges were approved by the Board of Directors in compliance with ORS 733.730.
2. All deposits in banking institutions were approved by the Board of Directors pursuant to ORS 733.730. In addition, the Board has appointed officers authorized to handle investment and bank accounts.
3. Dividends and additional capital stock or subordinated debentures were approved by the Board of Directors.
4. All expenses and the salary of the company president were approved by the Board of Directors pursuant to ORS 732.320(3).
5. The Board of Directors has appointed all officers of the company.
6. All major capital purchases and liabilities incurred (e.g., new EDP equipment or real estate loans or mortgages) were approved by the Board of Directors.
7. All major transactions (e.g., mergers and acquisitions, reinsurance transactions, and sales and marketing strategies) were approved by the Board of Directors.
8. Minutes of all subcommittees (e.g., investment and audit committees) were ratified by the Board of Directors.
9. All bonuses, deferred compensation and employee incentives were approved by the Board of Directors.
10. Conflict of interest statements have been signed by the Board members, officers and key employees of the company.

11. Intercompany service agreements, intercompany tax agreements and other significant intercompany agreements were approved by the Board of Directors.
12. The Board of Directors has approved any changes to the bylaws and articles of incorporation.
13. Complete and accurate financial statements were presented by the CFO and have been approved by the Board of Directors.

\_\_\_\_\_(signed)\_\_\_\_\_  
**Mary Alice Bjork**, Administrator