WEST VIRGINIA CODE: §31I-1-12

§31I-1-12. Fidelity bonds; insurance.

(a) The directors or managers of a licensed private trust company shall procure and maintain fidelity bonds on all active officers, directors, managers, members acting in a managerial capacity, and employees of the company, regardless of whether they receive a salary or other compensation from the company, in order to indemnify the company against loss because of a dishonest, fraudulent, or criminal act or omission on their part, whether acting alone or in combination with other persons.

(b) Each fidelity bond shall be issued in an amount of at least $1,000,000.

(c) In lieu of the fidelity bonds required under subsection (a) of this section, a licensed private trust company may increase its capital account required under §31I-1-4(b) of this code by $1,000,000 so that if it has:

(1) One designated relative, then it is organized or operated with a capital account of at least $1,250,000;

(2) Two designated relatives, then it is organized or operated with a capital account of at least $1,350,000; or

(3) Three designated relatives, then it is organized or operated with a capital account of at least $1,450,000.

(d) The licensed private trust company shall also procure and maintain an errors and omissions insurance policy of at least $1,000,000 in which it is listed as the insured to cover the acts and omissions of officers, directors, managers, and members acting in a managerial capacity, regardless of whether the person receives a salary or other compensation from the company.

(e) A private trust company or licensed private trust company may also procure and maintain other insurance policies necessary or desirable in connection with the business of the company, including, but not limited to, one or more casualty insurance policies.

(f) A private trust company that is not a licensed private trust company may procure and maintain fidelity bonds as described in this section.

(g) A private trust company that is not a licensed private trust company may procure and maintain errors and omissions insurance coverage as described in this section.

WV Legislature