



# Office of the State Bank Commissioner

## Regulatory Mailing

### RM 2005-1

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**TO:** All Kansas State-Chartered Banks  
**FROM:** Clarence W. Norris, Bank Commissioner  
**DATE:** November 18, 2005  
**RE:** Special Order 2005-1

K.S.A. 9-1715 authorizes the Commissioner to issue Special Orders to maintain the competitive equality between state banks and other depository institutions. Attached please find a copy of Special Order 2005-1, which authorizes state banks to purchase life insurance for the same purposes as national banks and federal thrifts may purchase such insurance. Special Order 2005-1 supersedes Special Order 2003-1. In late 2004, a new Interagency Statement was issued by the federal bank regulators providing more extensive guidance on purchasing life insurance. The Interagency Statement superseded the previous guidance that was issued by the OCC to national banks (OCC Bulletin 2000-23), and referenced in our previous Special Order, 2003-1. In order to preserve parity, I have determined that the new Interagency Statement should be adopted, and have issued Special Order 2005-1. Please note, I have chosen to retain the conservative investment limits of 15% of a bank's capital in one insurance company and 25% in all insurance companies. Should you have any questions regarding this Special Order, please do not hesitate to contact my office.