Accredited / Trusteed Reinsurer Business Plan Outline

NOTE: File with initial certification applications only. This outline is not intended to be all inclusive, but rather is intended to be used as a guide to key elements that might be included in a business plan (Plan). Each Plan should be unique to a particular company and should contain sufficient detail to provide staff of the Texas Department of Insurance with adequate information about the viability of the company's operations. The Plan should be written in a style that a lay person could understand, yet contains the necessary technical information to be deemed comprehensive. The Plan is the sole responsibility of the company and adequacy of the Plan is a reflection upon the competency of the company's management.

I. OVERVIEW

Provide the following:

a. The full name of the company submitting the Plan.

b. The name, phone number and e-mail of the individual responsible for preparing the Plan.

c. A current organizational chart with a brief description of all members in the company’s holding company system, including the primary business functions of each member.

d. A brief description of how the company is controlled including a list of all principals and key personnel.

II. RECENT AND CURRENT OPERATIONS

Provide a brief description of the company’s operations:

a. The type of business the company intends to write in this State.

b. The type of business currently being written, if different from that answer in II (a).

III. REINSURANCE

Provide the following regarding the company’s reinsurance program:

a. Describe any material change to the company’s reinsurance program recently completed, or which is being contemplated.

b. Briefly, describe the material aspects of the company’s reinsurance program.

c. The company’s maximum limit of liability (gross and net) by risk, line of business, etc.
IV. INTERNAL CONTROLS

Provide the following regarding the Company’s internal controls

a. Does the company have procedures or processes in place for the accounting of reinsurance premiums from ceding companies on a timely basis? (Include details.)

b. Does the company have procedures or processes in place for reviewing and accepting or denying claims? (Include details.)

V. FINANCIAL PROJECTIONS

Provide the following information regarding the company’s overall plan:

a. Projections covering a three-year period for business written by the Company.

b. Projections covering a three-year period for business assumed from Texas insurance companies.

NOTE: State all assumptions used in the preparation of the projections, including actuarial, commission and expenses, investment and interest rate and other significant assumptions. The projected quarterly financial statement should include a balance sheet, and state of income and capital of surplus account.

VI. ADDITIONAL INFORMATION

Provide a copy of the investment strategy, letter(s) of credit, trust agreement(s), or similar arrangements that exists for the benefit of the company.

Submit to: Texas Department of Insurance
Company Licensing and Registration, MC 103-CL
333 Guadalupe Street, Austin, TX 78701 (or)
PO Box 149104
Austin, TX 78714-9104
RegistrationTeam@tdi.texas.gov