



Checklist for Placing an Initial Statutory Deposit

The following documents are required for an insurance company to place an initial statutory deposit.

- ❑ A cover letter on company letterhead explaining the transaction being submitted. Include the company and custodian contact information (name, telephone number and email). If securities are to be held at the Texas Treasury Safekeeping Trust, your wiring instructions should specify where interest payments should be delivered/wired.
- ❑ [Statutory Deposit Transaction Form \(FIN407\)](#)

Per section 424.058 of the Texas Insurance Code, the security is required to be listed with the Securities Valuation Office (SVO), and have an SVO rating of 1 or 2. If the security is not listed with SVO, a copy of a Bloomberg Report that will provide ratings from at least two recognizable rating agencies (Moody's, S&P, or Fitch) will be required. Valuation is based on book value. US Government securities are exempt from filing with the SVO; these securities are automatically rated 1.

- ❑ Safekeeping Receipt issued by bank, prepared on bank letterhead containing an authorized signature of the issuer. The receipt must give a detailed description of the security (CUSIP/Identification no., rate, maturity date, par value/amount) and indicate that it is pledged to the Texas Department of Insurance.
- ❑ Form Establishing Pledged Deposit. Lloyd's use [Joint Control Agreement \(FIN450\)](#). Other insurers, use [Declaration of Trust \(FIN453\)](#). These forms must be executed by all parties and notarized where appropriate. Indicate the statutory reason for your deposit.

If the deposit is held under Texas Insurance Code Ch. 481 as a voluntary deposit for a Texas domestic insurer and held on behalf of another state/jurisdiction, attach an addendum or document setting forth (1) name of the state(s)/ jurisdiction(s) relying upon the voluntary deposit, and (2) note whether it is for all policyholders, creditors, policyholders and creditors, or policyholders or creditors.

- ❑ \$100.00 filing fee. Include "Initial Deposit" and company name on the check's description line. Submit the [Statutory Deposit Fee Transmittal Form \(FIN406\)](#) with your check.

Submit a complete filing to: SDFilings@tdi.texas.gov & mail check with statutory deposit fee transmittal form to:

Texas Department of Insurance
Company Licensing and Registration MC103-CL
333 Guadalupe, Austin, TX 78701