



Texas Department of Insurance

Financial, Company Licensing & Registration, Mail Code 305-2C

333 Guadalupe • P. O. Box 149104, Austin, Texas 78714-9104

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VOLUNTARY DISSOLUTION CHECKLIST

If the dissolving company is a Lloyds, substitute underwriters for shareholders. If the dissolving company is not a stock corporation, substitute either members or policyholders for shareholders and disregard Item 7. These types of companies must have a Special Meeting of their members/policyholders and submit minutes of that meeting showing that a majority of their members/policyholders voted in favor of the dissolution and method of distribution of assets.



A. ARTICLES OF DISSOLUTION

Articles of Dissolution shall be executed in accordance with Article 6.06, Texas Business Corporations Act. The Articles of Dissolution must have the **original** signature of the president, vice president, secretary or assistant secretary. Lloyds companies' Articles of Dissolution must be signed by the Attorney-in-Fact. The Articles of Dissolution shall contain the following statements:

1. Name of the Corporation;
2. Names and respective addresses of its officers;
3. Names and respective addresses of its directors;
4. That all debts, obligations and liabilities of the corporation have been either:
 - a. paid, discharged or adequate provision has been made therefor, or
 - b. that the corporation's property and assets are not sufficient to satisfy and discharge all its liabilities and obligations, and all property and assets have been applied so far as they would go to the payment thereof in a just and equitable manner and no property or assets remain available for distribution among its shareholders.
5. That one of the following has taken place:
 - a. all remaining property and assets of the corporation have been distributed among its shareholders in accordance with their respective rights and interests; or
 - b. no property remains for distribution to shareholders after applying it so far as they would go to the just and equitable payment of the liabilities and obligations of the corporation.
6. If the corporation elected to dissolve by written consent of all the shareholders, company must submit the following:
 - a. a copy of the written consent to dissolve; or
 - b. a statement that such written consent has been signed by a majority of directors or signed in their names by their attorneys thereunto duly authorized.
7. If the corporation elected to dissolve by act of the corporation, company must submit:
 - a. a copy of the resolution to dissolve; and a statement that such resolution was adopted by the shareholders of the corporation and the date of the adoption thereof;
 - b. the number of shares outstanding and if the shares of any class are entitled to vote as a class, the designation and number of outstanding shares of each class;
 - c. the number of shares voted for and against such resolution respectively and if the shares of any class are entitled to vote as a class, the number of shares of each class voted for and against the resolution respectively.

- B. PREMIUM TAX
Companies should use the following procedure to obtain verification that premium taxes have been paid in full.
- The company must send its completed final premium tax return, final annual statement filing fee and any Texas premium taxes due to: **State of Texas Comptroller's Office, Open Records Division, 111 East 17th Street, Austin, Texas 78701**. The Comptroller's Office will provide Company Licensing & Registration with documentation that this has been completed.
- C. AFFIDAVIT
Notarized affidavit listing any pending litigation and contingent liabilities or notarized affidavit stating there are no pending litigation or contingent liabilities.
- D. TEXAS OVERHEAD ASSESSMENT FEES
Obtain verification in writing from the Texas Department of Insurance, Accounting Division that all Texas Overhead Assessment fees have been paid.
- E. FILING FEE
Filing fee of \$25.00. Check should be made payable to the Texas Department of Insurance.
- F. CERTIFICATE OF AUTHORITY
Current Certificate of Authority must be surrendered for cancellation.
- G. SECURITY OR STATUTORY DEPOSIT
Verify if there are any security or statutory deposits being held in Texas that should be released. If so, the insurer must submit written documentation as to who is authorized to receive said deposit upon its release.
- H. FINANCIAL STATEMENT
The financial statement shall be as of the last day of the immediate calendar quarter or year preceding the filing for dissolution. The financial statement (quarter or annual) must be accompanied by an actuarial opinion. The opinion must state whether there are outstanding unpaid losses or not and comment on the likelihood that unreported claims would appear after the dissolution.
- I. POLICYHOLDERS
Note the last reporting year that the Company had Texas policyholders.
- J. TEXAS BUSINESS
A detailed explanation as to what happened to the Texas business (i.e. reinsurance, withdrawal, run-off). If the transaction required the Texas Department of Insurance approval, please note the Commissioner's Order approving the transaction.

NOTE: A Company that has outstanding Texas policyholders liabilities and/or policies in force, will not receive approval for dissolution until all issues are resolved.

NOTE: A Company that has a pending application for dissolution must continue to file quarterly and annual financial statements until approval is granted by the Texas Department of Insurance.

INCOMPLETE APPLICATIONS IMPEDE TIMELY REVIEW BY THE DEPARTMENT, THEREFORE, IT IS EXTREMELY IMPORTANT THAT APPLICATIONS ARE COMPLETE. SUBMIT A COMPLETE FILING TO THE TEXAS DEPARTMENT OF INSURANCE, COMPANY LICENSING & REGISTRATION DIVISION, MC 305-2C, P. O. BOX 149104, AUSTIN, TX 78714-9104. FOR QUESTIONS OR MORE INFORMATION, CALL (512) 322-4370.