



Texas Department of Insurance
Financial, Financial Analysis & Examinations, Mail Code 303-1A
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**Instructions for Filing CPA Audited Financial Reports
 As of December 31, 2006**

Article 1.15A of the Texas Insurance Code requires an annual audit by an independent certified public accountant of the financial condition of each insurer licensed to do business in the State of Texas. If you qualify for exemption to file a CPA Report, please file the Affidavit for Exemption using this link:

http://www.tdi.state.tx.us/company/fm_forms/index.html

(Scroll down to Miscellaneous Forms).

Companies are required to file according to the following due dates:

ACTION REQUIRED	MUST BE FILED ON OR BEFORE
1. Pursuant to Art. 1.15A §11(a): Register with the Commissioner the name and address of the accountant retained to prepare the audited financial report for. <i>(Texas Domestic file hard copy with TDI. Foreign insurers file hard copy with their domestic state, if required by your domestic state).</i>	<u>12/31/2006</u>
2. Pursuant to Art. 1.15A §11(b): File a letter signed by the accountant indicating awareness of the requirements of Art. 1.15A of the Texas Insurance Code and the rules and regulations of the insurance department of the insurer's state of domicile that relate to accounting and financial matters, and affirming that an Opinion will be expressed on the financial statements in terms of their conformity to the Statutory Accounting Practices permitted by that department. <i>(Texas Domestic file hard copy with TDI. Foreign insurers file hard copy with their domestic state, if required by your domestic state).</i>	<u>12/31/2006</u>
3. Pursuant to Art. 1.15A §13(a): Submit a letter to the Commissioner requesting approval to file a Combined or Consolidated Audited Financial Report . <i>(File hard copy with TDI if any insurer in the group is a Texas company. Foreign insurers file hard copy with their domestic state, if required by your domestic state).</i>	<u>12/31/2006</u>
4. Pursuant to Art. 1.15A §9(a): File Audited Financial Report . <i>(Texas domestic file hard copy with TDI and electronically with NAIC. Foreign insurers file hard copy with their domestic state, and electronically with the NAIC).</i>	<u>6/30/2007</u>
5. Pursuant to Art. 1.15A §4(a): File the attached Affidavit for Exemption form if filing for exemption. <i>(Texas domestic and foreign insurers file hard copy with TDI).</i>	<u>6/30/2007</u>
6. Pursuant to Art. 1.15A §16(a): File report of Significant Deficiencies in Internal Control with a written description of remedial actions taken or proposed to correct significant deficiencies. <i>(File the hard copy report of Significant Deficiencies pursuant to AICPA standards and guidelines. Required of Texas domestic and Foreign insurers).</i>	<u>8/31/2007</u>

NOTE: In accordance with Art. 1.15A §10, Audited Financial Reports must be submitted only on the basis of **Statutory Accounting Principles**. In addition, 28 Texas Administrative Code §7.85 applies to all audited financial reports with audit dates of December 31, 1995 or later, except such reports filed pursuant to Texas Insurance Code Art. 1.15A §6.