

LOUISIANA DEPARTMENT OF INSURANCE
Books and Records Required to Start Examination
INSURANCE COMPANY NAME
EXAMINATION PERIOD:

NAIC #:

<u>Corporate Records:</u>			
1.	Articles of Incorporation and all amendments. Also provide shareholder/member authorization and approval for amendments during the exam period.		
2.	Bylaws and all amendments. Also provide board authorization and approval for amendment during the exam period.		
3.	Stock register, Stock Stub Book, and narrative description of concentration of ownership and ultimate controlling person(s) if not obvious from stock register/stub book.		
4.	Minutes of all meetings held by shareholders, board, and committees appointed by the board during the examination period and through the most recent meetings.		
5.	List of all functioning Committees together with their purpose and membership.		
6.	Investment Policy (state whether approval documented in minutes or part of policy and procedures manual or a stand alone document approved by the board and include approval documentation).		
7.	Inventory of correspondence to Department regarding corrective action(s), complaints, rate filing disagreements, holding company transactions, legal issues and other non-routine items.		
<u>Management Records:</u>			
8.	List of Board of Directors as of examination date and their other business affiliations including positions held in both affiliated and non-affiliated companies. Be sure to include copies of letters of no objection per Louisiana Regulation Number 66.		
9.	List of officers serving as of examination date and other business affiliations including positions held in both affiliated and non-affiliated companies. Be sure to include copies of letters of no objection per Louisiana Regulation Number 66.		
10.	If changes have been made to officers and directors subsequent to the examination date, provide other business affiliations of new officers and directors. Be sure to include copies of letters		

LOUISIANA DEPARTMENT OF INSURANCE
Books and Records Required to Start Examination
INSURANCE COMPANY NAME
EXAMINATION PERIOD:

NAIC #:

of no objection per Louisiana Regulation Number 66.			
11. Provide a copy of your Conflict of Interest Procedure/Code of Ethics and evidence of its approval by the Board. Provide completed conflict of interest disclosure statements for each year being examined for all directors, officers and key personnel.			
12. Provide a copy of any and all management or service agreements in effect during and subsequent to the examination period to which the Company was or is a party including call centers, claims administration, policy administration, information technology, marketing, etc.			
13. Provide evidence that each director serving as of the examination date filed with the secretary of the corporation a written acceptance of his/her trust.			
<u>Affiliated Companies</u> 14. Provide any and all agreements with affiliated companies to include any cost sharing arrangements. Be sure to include evidence that the Commissioner was notified of all transactions meeting the criteria of LRS 22:704(A)(6).			
<u>Fidelity Bond and Other Insurance</u> 15. Please summarize and describe the insurance coverages in force covering hazards to which the Company is currently exposed. Indicate whether all officers and employees whose duties require the carrying of such coverage are bonded. Provide a copy of the declaration page of all policies of insurance for which the Company has coverage. Provide evidence that the policies were/are in force by showing proof of payment of premium.			
<u>Officers, Employees and Agents Welfare and Pension Plan</u> 16. Provide a narrative description of employee benefits (employee handbook or handout) to include insurance benefits, pension plan, deferred compensation, bonus or profit sharing and stock ownership plan. Be prepared to furnish any actuarial calculations and options on any of the plans along with the total compensation paid or accrued for all directors and officers.			

LOUISIANA DEPARTMENT OF INSURANCE
Books and Records Required to Start Examination
INSURANCE COMPANY NAME
EXAMINATION PERIOD:

NAIC #:

17.	Provide a copy of all employment contracts in effect during the examination period.			
<u>Territory and Plan of Operation</u>				
18.	Provide a narrative description of your marketing system and agency operations. Include a discussion on your agents' authority to bind and your agent appointment process. Provide a listing (preferably in excel format) of appointed agents during the exam period including date of appointment, name and agent number. Be prepared to provide commission schedules in effect during the examination period.			
<u>Market Conduct</u>				
19.	Provide a list of policy forms in use during the exam period. Be prepared to provide evidence of approval by the LDI.			
20.	Provide a narrative description of your underwriting methods/practices. Be prepared to provide a copy of underwriting guidelines in use.			
21.	Provide evidence of statutory compliance regarding required membership in certain organizations such as the guaranty association, ISO, NCCI, etc.			
22.	Provide evidence of statutory compliance regarding rate filings.			
23.	Provide a copy of your complaint register as required by LRS 22:1964(17) in addition to your complaint register of non-LDI complaints (preferably in excel).			
24.	Be prepared to provide samples of the advertising and sales materials used during the exam period and through the current date.			
<u>Reinsurance</u>				
25.	Provide a narrative description of your reinsurance program during the examination period and currently. Provide a copy of the significant reinsurance agreements currently in effect and be prepared to provide a copy of all reinsurance contracts in effect during the examination period.			
<u>Statutory and Special Deposits</u>				

LOUISIANA DEPARTMENT OF INSURANCE
Books and Records Required to Start Examination
INSURANCE COMPANY NAME
EXAMINATION PERIOD:

NAIC #:

26.	Provide name, address, phone number and e-mail of the contact person of the bank or trust and account number for your statutory or special deposits.			
<u>Accounts and Records</u>				
27.	Provide a narrative description of your accounting system to include name of computer software, what records are kept using the software, whether detail records are available in paper form, electronic, etc., whether the general ledger is produced by the same software or separate software and how the systems are interfaced. Be sure to complete and provide the IT Tech Summary attached.			
28.	Provide a description of your accounting procedures to include internal controls for premium, claims, investments, cash, accounts payable, reinsurance, etc. (May use internal controls questionnaires attached.)			
29.	Provide a copy of your final pre-closing Trial Balances for each year of the examination period in electronic format (preferably excel). Be sure to include a mapping of each account tracing totals to the annual statement pages 2, 3 and 4.			
30.	Provide a chart of accounts describing the use of each account.			
31.	Be prepared to provide a copy of the detail general ledgers for the examination period.			
32.	Provide a copy of independent audit reports and SAS 114 letters for each year of the examination including the independent auditor summary of audit differences for each year. Arrange for examiners to review the work papers from the most recent independent CPA audit. Provide the names of the partner and manager/supervisor that performed the annual independent audit for the last year of examination. Be sure to include telephone numbers and e-mail addresses.			
33.	Provide a copy of all custodial/safekeeping agreements with banks/trust companies.			
34.	Provide a copy of the impairment policy for investments.			

LOUISIANA DEPARTMENT OF INSURANCE
Books and Records Required to Start Examination
INSURANCE COMPANY NAME
EXAMINATION PERIOD:

NAIC #:

35.	Be prepared to provide access to all annual statement preparation workpapers.			
36.	Provide a list of custodians including contact person, mailing address, phone number and e-mail listing the account numbers for all securities held on deposit. Provide a copy of the most recent SAS 70 Reports for each custodian. If any of these accounts are pledged or hypothecated, please denote for each such account detailing the amount and to whom it is pledged.			
37.	Provide a list of all banks utilized by your Company including contact person, mailing address, phone number and e-mail listing the account numbers in effect during the exam period and the corresponding ledger account number. If any of these accounts are pledged or hypothecated, please denote for each such account detailing the amount and to whom it is pledged.			
38.	Be prepared to provide copies of all bank reconciliations as of the last year of examination for all bank accounts.			
39.	Provide any federal or state income tax audits for the years under examination. Be prepared to provide a copy of all Federal Income Tax Returns for the years of examination.			
<u>Background Materials</u>				
40.	Provide an organization chart for the holding company, for the company, and for each of the operational departments (i.e. executive, treasury, accounting, pricing, underwriting, actuarial, premium collections, claims, customer service, etc.). These organization charts should include the officer/manager for the area of responsibility and all others down to, at least, a supervisor position. Be sure to include to whom the officer/manager reports to above their name.			
41.	Provide job descriptions and resumes for key officers/staff.			
42.	Provide a detailed listing of audit reports from internal auditors performed during the examination period through the current date.			
43.	For each invested asset, provide the specific Louisiana Insurance Code citation under which it was legally purchased.			
44.	Complete and provide Exhibit B, Examination Planning			

LOUISIANA DEPARTMENT OF INSURANCE
Books and Records Required to Start Examination
INSURANCE COMPANY NAME
EXAMINATION PERIOD:

NAIC #:

	Questionnaire (you may reference above items where appropriate.)			
45.	Complete and provide the ITPQ (Information Technology Planning Questionnaire).			
46.	Provide a copy of your disaster recovery plan and/or your business continuity plan.			
47.	Provide documentation that the Company has established antifraud initiatives to detect, prosecute and prevent fraudulent insurance acts or fraud within the Company.			
48.	Provide process narratives for each of the key functions in your Company such as policy issuance from application to inforce file, premium collections from billing to updating inforce file, claims from notification to payment to reserve file, etc.			