

**DEPARTMENT OF INSURANCE**

ADMINISTRATION &amp; LICENSING SERVICES BRANCH

ACCOUNTING SERVICES BUREAU

300 CAPITOL MALL, SUITE 1400

SACRAMENTO, CA 95814

(916) 492-3412

(916) 322-1941 (FAX)

[www.insurance.ca.gov](http://www.insurance.ca.gov)**SECURITIES TRANSACTION REQUEST (A-174)****INSTRUCTIONS**

Any company requesting to deposit, withdraw or exchange securities in book entry or physical form with the State Treasurer's Office must do so by completing the Securities Transaction Request [Form A-174](#). The California Department of Insurance will review the A-174 for compliance before forwarding it to the State Treasurer's Office for processing.

The California Department of Insurance requires the following information for processing both book entry and physical securities transactions:

**FORM A-174: (Page 1)****CALIFORNIA INSURANCE CODE (CIC) SECTION**

Specify for which California Insurance Code (CIC) section the deposits are being made for.

1. General Deposit (CIC §940/955) (Please indicate the state that requires such deposit in the space provided)
2. Workers Compensation (CIC §11691)
3. Other (Please specify the CIC sections in the space provided)

No security may be applied to more than one CIC section. If you are making a deposit for more than one CIC section, please submit your request with separate A-174 forms.

**TYPE OF TRANSACTION:** (Check one box only)

1. Initial Deposit – Check this box if a company needs to establish an account with the State Treasurer's Office.
2. Additional Deposit – Check this box if company already has an existing account with the State Treasurer's Office, however, an additional deposit is required by the Department of Insurance.
3. Withdrawal – Check this box if withdrawal only is being requested.
4. Substitution/Exchange – Check this box if substitution/exchange or an uneven exchange is being requested.

**TYPE OF SECURITY:** (Check one or both boxes if applicable)

1. Book Entry
2. Physical Security

## COMPANY INFORMATION

1. Check the box provided if a new company applying for admission.
2. Company Name, Formerly Known Name(s)
3. Company Mailing Address
4. Contact Name
5. Contact Telephone Number and Fax Number
6. E-mail Address
7. Company Federal Tax I.D. Number - 9 digit number
8. National Associate Insurance Code (NAIC)/California Department of Insurance (CDI) Number - 5 digit number

For Book Entry deposits, Citibank will mail monthly statements of any account activity and account balance information to the *Company Address* indicated on the form.

## BANK INFORMATION FOR INTEREST PAYMENTS (if book entry)

1. Bank Name (i.e. Wells Fargo BK NA, Wells Fargo SF/Trust, etc.)
2. Bank American Banking Association (ABA) Number, aka Bank Routing Number - 9 digit number
3. Bank Account Number
4. For Further Credit (FFC) Number - if applicable
5. Bank Mailing Address
6. Bank Contact
7. Contact Telephone Number and Fax Number
8. E-mail Address

Interest payments on securities placed on deposit using book entry will be posted to the account specified in the *Bank Information*. **If your *Bank Information* has changed, please check the box provided.** If you have not received an interest payment, please contact the **State Treasurer's Office at (916) 653-4084.**

## AGENT INFORMATION FOR SECURITY DEPOSITS

Upon receipt of the authorization from the California Department of Insurance, the State Treasurer's Office will make arrangements with the agent/company's contact person for a settlement date for all deposits. Please provide the following information:

1. Agent Name (i.e. Wells Fargo BK NA, Wells Fargo SF/Trust, etc.)
2. Agent American Banking Association (ABA) Number, aka Agent Bank Routing Number - 9 digit number
3. Depository Trust Company (DTC)/Broker Code
4. FED Broker Code
5. Agent Mailing Address
6. Agent Contact
7. Contact Telephone Number and Fax Number
8. E-mail Address

**Note: For physical securities, fill in Agent Name, Agent Contact, Contact Telephone Number, Fax Number and Email Address ONLY.**

## PHYSICAL SECURITIES

All physical securities must be registered to the insurance company as well as the Insurance Commissioner of the State of California. The bank must have a Sacramento Branch for delivery of deposit and withdrawals. If you are making a deposit with a physical security, please use the area "Agent Information For Securities

Deposits” with the instructions for delivery of the deposit. If you are making a withdrawal, use the “Agent Information For Securities Release” located on the same side of the “Securities To Be Withdrawn”.

**Note:** Physical securities are not to be delivered to the California Department of Insurance. The State Treasurer’s Office will contact the *Agent* when they are ready for the securities to be delivered. The company will have to pay all delivery charges if misdirected. The California Department of Insurance or the State Treasurer’s Office will not be responsible for any loss in this connection.

## **SECURITIES TO BE DEPOSITED**

1. Securities Description
2. Cusip/Serial/Certificate Number
3. Rate
4. Issue Date
5. Maturity Date
6. Par/Face Value
7. Market Value - Must be within 30 days of transaction
8. Deposit Value (Lower of Par or Market)
9. Investment Rating (Include Source) - Securities must be rated A or above for book entry. If available, attach a copy of source printout (e.g. Bloomberg).

Deposits of Preferred Stock are acceptable only under California Insurance Code (CIC) Section 11691 (Workers Compensation). When determining the adequacy of securities to be deposited, the Deposit Value is established on each item as follows: BONDS - Lower of Par or Market (LPM); PREFERRED STOCK - Market Value; BANK CERTIFICATES - Face Value. Book entry securities must meet the requirements established in California Government Code Section 16430.

**Note: Mortgage-backed securities and sinking securities are NOT acceptable.**

## **FORM A-174: (Page 2)**

### **BANK INFORMATION FOR PRINCIPAL PAYMENT (if book entry)**

Upon receipt of the authorization from the California Department of Insurance, the State Treasurer's Office will wire principal funds to the bank for **securities matured or called**. Please provide the following information:

1. Bank Name (i.e. Wells Fargo BK NA, Wells Fargo SF/Trust, etc)
2. Bank American Banking Association (ABA) Number, aka Bank Routing Number – 9 digit number
3. Bank Account Number
4. For Further Credit (FFC) Number - if applicable
5. Bank Mailing Address
6. Bank Contact
7. Contact Telephone Number and Fax Number
8. E-mail Address

### **AGENT INFORMATION FOR SECURITY RELEASE**

Upon receipt of the authorization from the California Department of Insurance, the State Treasurer's Office will make arrangements with the agent/company's contact person for a settlement date for all release of **securities not matured or called**. Please provide the following information:

1. Agent Name (i.e. Wells Fargo BK NA, Wells Fargo SF/Trust, etc)
2. Agent American Banking Association (ABA) Number, aka Agent Bank Routing Number - 9 digit number
3. Agent Account Number
4. For Further Credit (FFC) Number - if applicable

5. Depository Trust Company (DTC)/Broker Code
6. FED Broker Code
7. Agent Mailing Address
8. Agent Contact
9. Contact Telephone Number and Fax Number
10. E-mail Address

## **SECURITIES TO BE WITHDRAWN**

Withdrawals or exchanges in which the deposits are less than the withdrawals require further analysis and approval from the Financial Analysis Division (FAD) or Legal (if Title Company) or Licensing Services Bureau (if Bail/Adjusters) in the California Department of Insurance. Additional time will be needed to process these types of transactions. Please provide the following information:

1. Securities Description
2. Cusip/Serial/Certificate Number
3. Rate
4. Maturity Date
5. Par/Face Value
6. Market Value - Must be within 30 days of transaction.
7. Deposit Value (Lower of Par or Market)

## **LETTER OF CREDIT (LOC) REDUCTIONS**

Amendments reducing the amount of an LOC should be listed on the deposit section of the A-174 (1<sup>st</sup> page). Although the amount of the reduction will be listed on the deposit section, the amount should be indicated with a minus (-) sign indicating it as a reduction.

## **AUTHORIZATION**

In order to avoid any delays in processing the transaction, an authorized officer of the company must sign on the 2<sup>nd</sup> page of the form A-174.

## **PROCESSING FEES**

The California Department of Insurance will charge a processing fee for each subsequent transaction (initial deposit, additional deposit, withdrawal or exchange). The processing fees are due in advance. Please make your check payable to the California Department of Insurance. Select on the link to view and/or print a copy of the [Schedule of Fees](#).

Submit one original signed copy of the securities transaction request to the following address:

California Department of Insurance  
Accounting Services Bureau  
Securities Transaction Unit  
300 Capitol Mall, Suite 1400  
Sacramento, CA 95814

The cost of establishing an account with the State Treasurer's Office for book entry will be \$80.00 annually and is payable in advance. For the initial set-up, please attach a separate check made payable to the State Treasurer's Office for \$80.00.

If you have any questions, please call the Securities Transaction Unit at (916) 492-3412 or via e-mail [securities@insurance.ca.gov](mailto:securities@insurance.ca.gov).