



State of Arkansas
Department of Insurance

CAPTIVE INSURANCE COMPANY APPLICATION FORM

SECTION A: GENERAL INFORMATION

1. Name of Proposed Captive _____

2. Name(s) of Parent(s) or Sponsor(s) of Proposed Captive _____

a. Net Worth of Parent(s)/Sponsor(s) \$ _____

b. Name(s) and Address of Proposed Parent(s)

Name _____

Address _____

Telephone _____

E-Mail _____

Name _____

Address _____

Telephone _____

E-Mail _____

c. Please Explain the Relationship Among the Parents (Attach additional sheets, if necessary):

3. Name, address, and phone number of individual to be contacted regarding this application:

Name _____

Telephone _____

Address _____

E-Mail _____

4. Indicate Type of Proposed Captive (Please check one):

- a. Pure c. Association e. Industrial Insured
b. Branch d. Sponsored f. Producer Reinsurance

5. Organization Form for Proposed Captive (Please check one):

- a. Stock b. Mutual c. Reciprocal

6. Principal Office/Place of Business of Proposed Captive:

7. Name and Address of Registered Agent For Service of Process:

Name _____ Telephone _____
Address _____ Email _____
_____ Cell Phone/Pager _____

8. Location of Books and Records of Proposed Captive:

9. Names of Directors of Proposed Captive:

(Biographical Affidavit must be provided for each Director.)

10. Names of Officers of the Proposed Captive:

(Please use a separate sheet, if necessary, to list all officers of the proposed captive. Biographical affidavit must be furnished for all officers.)

President _____
Vice President _____
Secretary _____
Treasurer _____

SECTION B: FINANCIAL INFORMATION

1. Capitalization (if Stock Company)

- a. Amount of Paid-In Capital \$ _____
- b. Type(s) of Stocks to be Authorized Number of Shares
- (1) _____
- (2) _____
- c. Par Value of Each Share by Type Selling Price
- (1) \$ _____ \$ _____
- (2) \$ _____ \$ _____

2. Funding (if Mutual or Reciprocal Company)

Amount of Contributed Surplus to Policyholders \$ _____

3. If Letter(s) of Credit Is (Are) Used for Capitalizing/Funding Captive, Please Provide the Following
(Please use additional sheet(s), if necessary. Arkansas Line of Credit form must be furnished with this Application):

- a. Type(s) of Letter(s) of Credit: _____ Amount(s): \$ _____
- b. Name and Address of Bank _____

- c. Issued in Favor of _____

4. Capital and/or Surplus of Captive

- a. Initial Capital \$ _____
Initial Surplus \$ _____
Total \$ _____
- b. Location of Certificates for Shares of Stock

5. Name(s) and Address(es) of Beneficial Owners

Percent of Ownership

- a. _____

- b. _____

- c. _____

- d. _____

6. Explain Relationship among Beneficial Owners

SECTION C: SERVICE PROVIDERS

1. Name and Address of Management Firm, If Applicable

Name _____
Address _____

Telephone _____
E-Mail _____
Contact Person _____

2. Name and Address of Attorney, If Applicable

Name _____
Address _____

Telephone _____
E-Mail _____
Contact Person _____

3. Name and Address of Claims Administrator, If Applicable

Name _____
Address _____

Telephone _____
E-Mail _____
Contact Person _____

4. Name and Address of Certified Public Accountant, If Applicable

Name _____ Telephone _____
Address _____ E-Mail _____
_____ Contact Person _____

5. Name and Address of Actuary, If Applicable

Name _____ Telephone _____
Address _____ E-Mail _____
_____ Contact Person _____

6. Name and Address of (Re)insurance Broker, If Applicable

Name _____ Telephone _____
Address _____ E-Mail _____
_____ Contact Person _____

7. If Applicant is an Industrial Insured Captive, please answer the following:

- a. Name and address of each full-time employee acting as an Insurance Manager or Buyer

- b. Aggregate annual premium \$ _____
- c. Number of full-time employees _____

SECTION D: MISCELLANEOUS INFORMATION AND ATTACHMENTS

1. Please include the following information with this Application:

- a. An explanation of insurance coverage/limits/reinsurance. (Format attached)
- b. A certified copy of the captive charter, certificate of incorporation, articles of incorporation and bylaws or, if being formed as a reciprocal, a certified copy of the power of attorney-in-fact and subscription agreement. Certified copies of these documents must be filed before a license is issued.
- c. A non-refundable fee of \$200.
- d. A feasibility study prepared by a qualified, independent actuary.

- e. Statement of public benefit to State of Arkansas, to be certified by the Commissioner of Insurance.
- f. Biographical affidavits for all officers and directors.
- g. If applicant is an Association Captive, please give history, purpose, size and other details of parent association.
- h. List all other providers and their responsibilities together with how fees for services rendered are to be charged.
- i. If applicant is to be formed as a Reciprocal Captive, applicant must provide, for the Commissioner's approval, its coverages, deductibles, coverage limits, and rates.
- j. If applicant is a Sponsored Captive, applicant must provide all contracts between the Sponsored Captive and any of its participants.
- k. Statement under oath of its president and secretary, or attorney if formed as a reciprocal, showing its financial condition.
- l. An applicant producer reinsurance captive or sponsored captive shall also file:
 - (1) A business plan demonstrating how the applicant will account for the loss and expense experience of each protected cell at a level of detail found to be sufficient by the commissioner, and how it will report the experience to the commissioner.
 - (2) A statement acknowledging that all financial records of the captive insurance company, including records pertaining to any protected cells, must be made available for inspection or examination by the commissioner; and
 - (3) Evidence that expenses will be allocated to each protected cell in an equitable manner.
- m. A detailed Plan of Operation with supporting data including:
 - (1) Risks to be insured - direct, assumed, and ceded-by line of business;
 - (2) Fronting company if operating as a reinsurer;
 - (3) Expected net annual premium income;
 - (4) Maximum retained risk (per loss and annual aggregate);
 - (5) Rating program;
 - (6) Reinsurance program;
 - (7) Organization and responsibility for loss prevention and safety including the main procedures followed and steps taken to deal with events prior to possible claims;
 - (8) Loss experience for past three years (if applicable) together with projections for the ensuing three years;
 - (9) Organizational chart; and
 - (10) Financial projections on an expected and worse case scenario, certified by the president and secretary of the applicant.
- n. Annual Report of Parent.
- o. 10K or Personal Financial Statements of Owners.

SECTION E: CERTIFICATION

I certify that the information given in this application is true and correct and that all estimates given are true estimates based upon facts which have been carefully considered and assessed.

Name _____

Date _____

Signature _____

(Authorized Officer)

Subscribed and sworn to before me this ____ day of _____, 20__.

Signature of Notary Public _____

NOTARY SEAL

Notary Public authorized by law of the State of _____
to administer oaths. My commission expires on _____