



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
 Insurance Division
 500 James Robertson Parkway
 Nashville, Tennessee 37243

Application for Admission of Captive Insurance Company

Applications must be submitted in accordance with Acts 2011, Public Chapter 468, the "Revised Tennessee Captive Insurance Act," which can be found at the following address: <http://www.tn.gov/sos/acts/107/pub/pc0468.pdf>. Please attach separate sheets if necessary.

1. Name of Proposed Captive _____
2. Parent or Sponsor _____
3. Name, address and phone number of individual to be contacted regarding this application

4. Indicate Type of Proposed Captive
 Pure Association Industrial Insured Risk Retention Group
 Sponsored Branch SPFC Incorporated Cell Protected Cell
5. Organization Form
 Stock Mutual Reciprocal LLC Non-Profit Partnership
6. Principal Place of Business of Proposed Captive _____

7. Registered Agent for Service of Process and Address: _____

8. Location of Books and Records: _____

9. Capital and/or Surplus of Company
 (a) Initial Capital \$ _____
 Initial Surplus \$ _____
 Total \$ _____
 (b) Location of shares of stock _____
10. Name(s) and Address(es) of Direct or Indirect Beneficial Owners % of Ownership
 (1) _____

 (2) _____

 (3) _____

 (Use separate sheet if needed)
11. Explain Relationship Among Direct or Indirect Beneficial Owners

- (a) Coverage/Limits/Reinsurance (form attached)
- (b) Certified copy (when finalized) of Captive's articles of incorporation, articles of association and bylaws, or a certified copy of the power of attorney-in-fact and subscribers' agreement (if being formed as reciprocal)
- (c) An application fee of \$675.00
- (d) A feasibility study by an Actuary
- (e) Biographical Affidavits for officers and directors listed in 20 above (NAIC Form 11)
- (f) If applicant is an Association Captive, give history, purpose, size, and other details of parent association and member organizations.
- (g) List all other providers and their responsibilities together with how fees for services rendered are to be charged.
- (h) 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) Describe the organization of and persons responsible for the captive's 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 five (5) years together with projections for the ensuing five years
 - (9) Organization Chart
 - (10) Financial Projections on an "expected" and "worse case" scenario including the amount and liquidity of its assets relative to the risks to be insured.

Items 1, 3, 4 and 10 above should be projected for a five-year period

23. Pursuant to section 103(a)(8) of the "Act" except as provided in subdivision (9), a captive insurance company may only issue policies of workers' compensation insurance to an insured or an affiliate who otherwise qualifies and maintains its qualifications as a self-insured employer. For Applicants that are applying to write workers compensation, the requirements for self insurance can be found at the following:

- (a) For single employer self insureds:

- Chapter 0780-1-83 of the Department's Rules & Regulations for Self-Insured Workers' Compensation Single Employers: <http://www.tennessee.gov/sos/rules/0780/0780-01/0780-01-83.pdf>, and
- For employers not already qualified as self-insured, please complete the qualification requirements at: <http://www.tennessee.gov/commerce/insurance/documents/Sladmitpkt.pdf>

(b) For group self insureds:

- Chapter 0780-1-54 of the Department's Rules & Regulations for Self-Insured Workers' Compensation Pools: <http://www.tn.gov/sos/rules/0780/0780-01/0780-01-54.20090316.pdf>, and
- For groups of employers that are applying to form a captive to issue workers compensation insurance policies, and which the group does not already qualify as a self insurance pool, please complete the qualification requirements found at: <http://state.tn.us/commerce/insurance/documents/fgpapp.pdf>

24. The Commissioner reserves the right to request any additional information as may be necessary to consider this Application. Please note that any changes to the organizational documents required to be submitted pursuant to the "Act" are first required to be submitted to the Commissioner for prior approval.

I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL OF 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 _____

(Officer, Director, or Attorney-in-Fact for Reciprocal)

22a. COVERAGE/LIMITS/REINSURANCE

<u>Coverage</u>	<u>Direct or Reinsurance</u>	<u>Policy Limits Per Occ./Agg.</u>	<u>Excess of Amount & Form</u>	<u>Claims Made or Occurrence</u>	<u>Assessable-Rateable Policy</u>	<u>Amount Reinsured</u>	<u>Reinsurance By</u>
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Are Policies assessable?	_____
Parental Guaranty in place?	_____
Loan to Parent requested?	_____
Losses Discounted?	_____
If so, proposed rate	_____