



Application to Form a Captive Company

1. Name of Proposed Captive: _____

2. Name of Parent or Sponsor: _____

3. Individual to be contacted regarding this application:

(a) Name: _____

(b) Address: _____

(c) Phone Number: _____

(d) Email: _____

4. Type of Proposed Captive: Pure Industrial Insured Branch Protected Cell
 Risk Retention Group Special Purpose

5. Organization Form: Stock Mutual LLC Non-profit Reciprocal

6. Principal Place of Business of Proposed Captive: _____

7. Registered Agent:

(a) Name: _____

(b) Address: _____

(c) Phone Number: _____

(d) Email: _____

8. Capital and/or Surplus of Proposed Captive:

(a) Initial Capital: \$ _____

 Initial Surplus: \$ _____

 Total: \$ _____

(b) Financial Institution:

 1.) Name: _____

 2.) Address: _____

9. Location of Books and Records of Proposed Captive: _____

10. Basis of Accounting: GAAP SAP

11. Fiscal Year-End Date: _____

12. Letter of Credit:

If a letter of credit is used, you must adhere to the exact wording in paragraphs 1-7 of the sample LOC available on our website. All letters of credit should be issued on bank letterhead. The bank should be chartered in Iowa or a member of the federal reserve system.

(a) Name of Qualified Bank: _____

(b) Address: _____

(c) Amount: _____

13. Beneficial Owner(s): (Use separate sheet if needed)

(a) Name: _____

(b) Address: _____

(c) Percentage of Ownership: _____

(d) Describe Relationship among Beneficial Owner(s): _____

(e) Enclose Annual Report(s) or Link to SEC 10K of Beneficial Owner(s)

14. Please respond to the following:

	Yes	No	
Parental guaranty in place?	<input type="checkbox"/>	<input type="checkbox"/>	
Loan to Parent requested?	<input type="checkbox"/>	<input type="checkbox"/>	If yes, provide draft demand note.
Losses Discounted?	<input type="checkbox"/>	<input type="checkbox"/>	If yes, proposed rate: _____%
Unaffiliated business?	<input type="checkbox"/>	<input type="checkbox"/>	If yes, describe the unaffiliated risk in the business plan.

15. If applicant is an Industrial Insured Captive, provide the following information for each full-time employee acting as Insurance Manager or Buyer for each industrial insured member. (Use separate sheet if needed):

(a) Name: _____

(b) Address: _____

(c) Aggregate annual premium \$: _____

(d) Number of full-time employees: _____

16. If the applicant is a risk retention group, provide a list of states in which the risk retention group will be registered: _____

17. If the risk retention group is subject to the Holding Company Act, provide a Form B filing within 15 days of licensure or a Disclaimer of Affiliation.

Iowa requires the captive management firm, certified public accountant, and captive actuary to be approved. If any of these service providers are not already approved, please attach their completed application. Applications for Iowa approved service providers may be found at:

<https://iid.iowa.gov/captive-insurance-applications-and-forms>.

18. Name of Captive Management Firm: _____

(a) Address: _____

(b) Phone Number: _____

(c) Email: _____

(d) Already approved in Iowa: Yes No

19. Name of Certified Public Accountant: _____

(a) Address: _____

(b) Phone Number: _____

(c) Email: _____

(d) Already approved in Iowa: Yes No

20. Name of Captive Actuary: _____

(a) Address: _____

(b) Phone Number: _____

(c) Email: _____

(d) Already approved in Iowa: Yes No

21. Name of Lawyer: _____
(a) Address: _____
(b) Phone Number: _____
(c) Email: _____
22. Name of Claims Handler: _____
(a) Address: _____
(b) Phone Number: _____
(c) Email: _____
23. Name of Reinsurance Broker: _____
(a) Address: _____
(b) Phone Number: _____
(c) Email: _____

Please include the following items with this application:

For all captive applications:

- 1.) A non-refundable \$200 licensing fee. After a certificate of authority is granted, you will be invoiced for a \$300 registration fee as well as fees incurred for any external actuarial application review.
- 2.) Biographical affidavits of captive officers and directors. You may use the form available online at <https://iid.iowa.gov/captive-insurance-applications-and-forms> or the NAIC's biographical affidavit form (UCCA Form 11).
- 3.) Certified copy of the Captive's Certificate of Incorporation, Articles of Association and Bylaws, or, if being formed as a reciprocal, a certified copy of the Power of Attorney-in-fact and Subscribers' Agreement.
- 4.) Actuarial feasibility study, including loss experience for the past five years and a five-year forecast.
- 5.) A statement under oath of an officer of the business entity showing the business entity's financial condition. For reciprocals, a statement under oath from the reciprocal insurer's attorney-in-fact showing the reciprocal insurer's financial condition is also required.
- 6.) Detailed plan of operation with supporting data including:
 - a. Business purpose of captive.
 - b. Organizational Chart
 - c. Risks to be insured by line of business identifying direct, assumed, and ceded.
 - d. Coverages, coverage limits, deductibles, rates, and if claims-made, modified claims-made, or occurrence deductibles.
 - e. Maximum retained risk by line of business and overall including per loss and annual aggregate.

- f. Five-year pro forma financial statements.
 - g. Expected and adverse projections including maximum probable loss and maximum possible loss.
 - h. Investment plan.
 - i. Amount of capital and form of capital used.
 - j. Amount and liquidity of the captive company's assets relative to the risks assumed.
 - k. Financial projections on an expected and worst-case scenario.
 - l. Use of a fronting company if operating as a reinsurer.
 - m. Reinsurance program by line of business including type and amount of coverage. Please include the name of the reinsurer, their location, and their AM Best/NAIC Code(s).
 - n. Loss prevention and safety program including responsibilities and the main procedures followed to deal with events prior to possible claims.
 - o. If applicable, please provide information about the fronting company.
- 7.) Copies of policy forms to be used and reinsurance agreements.
- 8.) Parent company financials, if a pure captive.
- 9.) Consent to Service of Process - UCAA Form 12 - available on our website by clicking [here](#).
- 9.) Irrevocable letter of credit, if used. The required sample wording is available online at <https://iid.iowa.gov/captive-insurance-applications-and-forms>.

Protected Cell Captives:

- 1.) Each protected cell shall be incorporated and have a distinct name or designation that must include the words “protected cell”.
- 2.) A business plan that demonstrates how the applicant will account for and report the loss and expense experience and of each protected cell.
- 3.) A statement acknowledging that all financial records of the protected cell captive company and all financial records pertaining to any protected cells shall be made available for inspection or examination upon request.
- 4.) A copy of each participant contract.
- 5.) Affirmation that expenses will be allocated to each protected cell in a fair and equitable manner.

Risk Retention Groups:

- 1.) Analysis of compliance with reinsurance as contained in Iowa Regulation 191-113.14(4).
- 2.) Corporate governance requirements including, but not limited to:
 - a. Affirmation of independence of board of directors
 - b. Board approved governance standards
 - c. Code of business conduct and ethics

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

Director or Officer of Captive Insurance Company