



OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

CAP -1 CAPTIVE INSURANCE COMPANY FILING REQUIREMENTS - STATE OF GEORGIA

Generally, the following steps will be followed in the process of incorporation a captive insurer in Georgia and applying for a Certificate of Authority form the Commissioner of Insurance:

1. Review the Georgia Insurance Code (O.C.G.A. 33-41) and the Georgia Insurance Department Regulations, (Section 120-2-45).
2. Meet the Commissioner's staff to discuss the proposed captive and obtain initial reactions from the Department. The Commissioner may want to meet with the key officers of the company prior to licensing.
3. File with the Office of Insurance and Safety Fire Commissioner and Secretary of State's Office such documents necessary for incorporation pursuant to O.C.G.A. Sections 33-14-4 through 33-14-6.
4. After incorporation, file with the Commissioner of Insurance such documents necessary to apply for a Certificate of Authority as stated in O.C.G.A. 33-41, Regulations 120-2-45 and as indicated in the Form CAP-1. (NO INCOMPLETE APPLICATION PACKAGE WILL BE ACCEPTED.)
5. Unless an instruction indicates otherwise, send all communications and filings to the Regulatory Services Division, Georgia Insurance Department. Reference all cover letters, "Re: CAP-1 Captive Insurance Company". Send a Copy of each cover letter that is directed to others Divisions to the Regulatory Services Division. All documents filed should be listed on a transmitted letter.
6. Any items filed with the application package that are found to be incorrect or incomplete will be circled below and must be resubmitted.
7. Forms required are enclosed. Make copies as may be necessary. TYPE all forms and type names underneath signatures.
8. Application for Certificate of Authority (Form CAP-2). Complete and Submit with all data as required by O.C.G.A. 33-41, Regulations, Sections 120-2-45 and as listed below in this Form CAP-1.
9. Name, address and telephone number of the individual to be contacted regarding application.
10. Certified copy of Articles of Incorporation and Bylaws.

11. Captive Administrator - Form CAP-3 must be filed with the Commissioner pursuant to Regulation 120-2-45-.05. A copy of any agreements or contracts must be filed 60 days prior to their use.
12. Biographical Affidavit - One (Form CAP-4) is enclosed. Copies may be made as required in Regulations 120-2-45-.05. Each affidavit must be filled out entirely and no substitute for the form will be accepted.
13. Plan of Operation or Feasibility Study - (Refer to O.C.G.A. Section 33-41-10 and Regulations 120-2-45-.09 for details) - with supporting data including:
 - (a) Description of coverage, limits, deductibles, premium rating systems by line of insurance.
 - (b) Historical and expected loss experience of risks to be insured. Include past five years and projections for ensuing five years.
 - (c) Pro-forma financial statements must be projected for at least five years.
 - (d) An analysis of the adequacy of the captive insurance company's proposed premium, capital and surplus levels relative to the risks to be insured or reinsured by the captive insurance company.
 - (e) Statement of the captive company's net retained limit of liability on any contract of insurance or reinsurance or it intends to issue and the nature of any reinsurance it intends to cede.
 - (f) Statement certifying that the captive insurance company's investment policy is in compliance with O.C.G.A. 33-11 and specifying the type of investments to be made pursuant to Code Section 33-41-8. All captives refer to O.C.G.A. 33-41-18 for any exceptions.
 - (g) Statements identifying the geographic areas in which the Captive intends to operate.
 - (h) Statement identifying the persons or organizations who will perform the captive company's major operational functions. Include data on the expertise, experience and character of such persons or organizations.
 - (i) Whenever required by the Commissioner an appropriate opinion by a qualified actuary (Regulations 120-2-45-.11) of the adequacy of proposed capital, surplus, coverage limits, rates and premiums.
14. License Fees - File separate checks payable to Office of Insurance and Safety Fire Commissioner, State of Georgia as follows:
 - (a) Nonrefundable fee of \$1,000 for processing application.
 - (b) License fee of \$600. - The first license period is from date of license through the following June 30. License fee is not prorated for a period of less than one year.

- (c) Renewal fee of \$500. - File before March 1 of each year and if license is issued between March 1 and June 30, file immediately after the license is issued.
15. Letters of Credit - Refer to O.C.G.A. 33-41-9 and Insurance Department Regulations 120-2-45-.10 for details.
 16. Following notification by the Commissioner's Office that the application and other data is in compliance with O.C.G.A. 33-41 and Regulations, Section 120-2-45, the captive insurance company shall provide the Commissioner with :
 - (a) Evidence satisfactory to the Commissioner that the minimum capital or surplus required for the particular captive has been paid in and the appropriate amount has been deposited with the State.
 - (b) A security Deposit of \$100,000 is required pursuant to O.C.G.A. 33-41-8(c). Forms CAP-5 and CAP-6 pursuant to Regulations 120-2-45-.09 are enclosed. Mail securities and forms directly to Wachovia Custody Service Center located in Winston-Salem, North Carolina. Please contact Randy Thompson of Wachovia at (336) 770-6405 to receive the appropriate instructions.
 - (c) A financial statement not over 30 days old, showing the assets and liabilities of the captive insurance company, certified by its president and prepared pursuant to O.C.G.A. 33-41-10(e) (2).
 - (d) Letters of Credit if applicable.
 17. Qualifying examination - Pursuant to O.C.G.A. Section 33-41-10(b) and Regulations 120-2-45-.08, an examination of the applicant company shall be completed, reviewed and approved before a Certificate of Authority is issued.
 18. Captive companies writing workers' compensation should refer to O.C.G.A. Section 34-9-131 which states in part that an insurance company shall obtain a permit from the State Board of Workers' Compensation.

After the proposed captive insurer has completed, with above requirements, the applications will be reviewed and the Commissioner will be reviewed and the Commissioner will request any additional information as in his discretion he may deem proper for considering the application for a Georgia Certificate of Authority. Following approval of all data the Commissioner shall issue a Certificate of Authority authorizing the captive insurance company to transact insurance in this State until the thirtieth day of June thereafter.

While an application is pending, it is the responsibility of the company to keep all required statements, documents and materials current.

An application for a certificate of authority is not complete until the applicant has complied to the Commissioner's satisfaction, with all of the above requirements. The Commissioner is not required to act formally on an incomplete application.



OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

CAP-2 APPLICATION FOR CERTIFICATE OF AUTHORITY FOR CAPTIVE INSURANCE COMPANY

To the Commissioner of the State of Georgia:

(Name of Captive)

Indicate Type of Captive:

___ Pure ___ Industrial ___ Association ___ Risk Retention

domiciled in the State of _____, and whose Principal
office address is _____

by its President hereby makes application for a Certificate of Authority to transact business in the
State of Georgia for the period ending June 30, _____, and declares: That it proposes to engage in
and write the following classes of insurance in the State of Georgia:

Casualty (Excluding Accident & Sickness)	()
Marine and Transportation	()
Property	()
Surety	()

If necessary, expand on lines of business here

1. Date Incorporated _____
2. Form of Corporation _____
3. County of Domicile _____
4. Name and address of Registered Resident Agent _____

page 2

Submitted herewith and made a part of this application are all other documents and information required by statute and all information requested in the Schedule of Filing Requirements (Form CAP-1) furnished to applicant by the Commissioner. The applicant will furnish such additional pertinent information as may be required by the Commissioner.

IN WITNESS WHEREOF, the said Company has to these presents affixed its corporate name and seal and caused the same to be subscribed by its President and attested by its Secretary at the City of _____, in the State of _____, on the _____ day, of _____ A..D., 20 _____.

(Name of Captive)

By: _____
(President)

(SEAL)

ATTEST:

(Its Secretary)

JOHN W. OXENDINE
COMMISSIONER OF INSURANCE
SAFETY FIRE COMMISSIONER
INDUSTRIAL LOAN COMMISSIONER
COMPTROLLER GENERAL



SEVENTH FLOOR, WEST TOWER
FLOYD BUILDING
2 MARTIN LUTHER KING JR. DR.
ATLANTA, GA 30334
(404) 656-2056 TDD#(404) 656-4031

OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

CAP-3

APPLICATION TO SERVE AS ADMINISTRATOR OF CAPTIVE INSURANCE COMPANY

To the Commissioner of Insurance and Safety Fire of the State of Georgia and the _____:
(Name of Captive Insurance Company)

Pursuant to O.C.G.A. Section 33-41-10 and Georgia Insurance Department Regulations, application is hereby made to administer above Captive Insurance Company.

(If additional space is required to answer any question, use separate sheets of paper, numbering each to correspond to the question being answered.)

1. Name _____

2. Address _____

3. Telephone Number _____

4. Contact Person _____

5. Status: () Corporation () Partnership () Individual

6. List Names and Address of Owners and Partners _____

7. If Administrator is a company, list the name and address of Resident Agent

(Continued on page 2)
REV. 11/02

8. List the names, addresses, and titles of the officers and directors of the administrator:

NAME	ADDRESS	TITLE
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9. Have any of the above-named people been convicted of any crime other than minor traffic violations within the last ten years?

10. Is any officer or director of the Captive an owner, partner, officer, director, stockholder, or employee of the administrator or any parent or affiliate company?

11. Are you affiliated with or a subsidiary of a company licensed to transact insurance in this State?

If so, list names and addresses: _____

12. List all administrative services you intend to perform.

13. List those individuals primarily responsible for administering the Captive and give their experience and educational background including any license in this or any other state within the last ten years. If any license has ever been refused, suspended, cancelled or revoked, explain. Include all institutions of higher learning, dates attended and degrees received, any specialized training courses or seminars, membership in professional, technical or honorary societies, publications, honors or awards. List at three different professional references for each individual.

14. Detail the organizational structure and staff, available facilities, equipment and support personnel, how the various administrative services will be performed, and indicate the location in the structure of each individual in question 13.

Enclose a copy of your most recent audited statement of your financial condition and of any agreement or contract between you and the Captive.

In consideration for this application, the applicant agrees as follows:

- (A) That the applicant will comply with O.C.G.A. Chapter 33-41, the Regulation promulgated thereunder, all lawful Orders of the Commissioner, the rules, regulations and bylaws of the Captive, and the terms of any contract with the Captive approved by the Commissioner.
- (B) That the applicant and its employees will be in a fiduciary relationship with respect to any monies of the captive received, collected, disbursed or invested. _____ (Initial)
- (C) That the captive will not guarantee any financial obligation of the applicant or any of its employees. _____ (Initial)
- (D) That the applicant, its employees, and any company or firm in which the applicant is interested will not deposit or invest the Captive's assets except in the name of the captive; borrow the assets of the captive; be pecuniary interested in any loan, pledge of deposit, security, investment, sale, purchase, exchange, reinsurance or other similar transaction or property of the captive, take or receive for his or their own use any fee, brokerage, commission, gift, or other consideration of the captive except for reasonable compensation for services performed for the captive in accordance with the terms of a contract approved by the Commissioner. _____ (Initial)
- (E) That any contract or amendment thereto providing for compensation from the Captive to the applicant or any company or firm in which the applicant is interested must be filed with the Commissioner at least sixty (60) days prior to its use, be approved, and may be modified by the Commissioner. In the event of modification by the Commissioner, the applicant reserves the right to withdraw this application.



OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

CAP-4

GEORGIA BIOGRAPHICAL QUESTIONNAIRE FOR CAPTIVE INSURANCE COMPANY

1. Company Name _____
2. Office Held _____
3. Individual's Name _____
Date of Birth _____ Place of Birth _____
4. Current Residential Address _____
5. Current Business Address _____
6. Residential address for past five (5) years
 - a. _____
 - b. _____
 - c. _____
 - d. _____
 - e. _____
7. Education (beyond secondary schools)

8. Employment History. (Beginning with current employer, trace back complete history. Show dates of employment, name and address of company, position held, and duties.)

9. List any other companies which you now serve, or within the past five (5) years have served, as either an officer or director. (List company, position and date.)

10. Have you ever been charged with a criminal violation (other than traffic offense) at any time? _____ If "yes", provide complete details.

11. Have you ever held any other license (except a driver's license)? _____ If "yes", provide complete details as to any such license which was ever suspended, revoked or renewal refused.

12. Have you ever been charged by any regulatory agency, City, County, State or Federal, with having violated any laws, rules or regulations? Has any company been so charged, allegedly as a result of any action or conduct on your part? _____ If "yes" as to either, submit full details including disposition of charge.

_____, 20____

Date

Signature

State of)ss.

County.....)

On the _____ day of _____, 20____, before me, a Notary Public in and for the State and County aforesaid, personally appeared

_____ to me known to be the individual described in and who executed the foregoing and did make oath due form of law that the matters and facts contained in the foregoing resume are true and correct.

NOTARY PUBLIC



OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

CAP-5

RESOLUTION FORM AUTHORIZING SALE OR ASSIGNMENT OF SECURITIES

(Name of Captive Insurance Company)

(Location)

_____, 20____

THIS IS TO CERTIFY, That at a _____ meeting of the Board of Directors of the _____ held _____ at _____ the principal office of said company in _____ on the _____ day of _____, 20____, the following resolution was regularly adopted:

"Resolved that the Board of Director authorize the following named officers:

(Name)

(Title)

(Name)

(Title)

to execute formal power of attorney on behalf of this company to the Commissioner to the Commissioner of Insurance of the State of Georgia, authorizing the said Commissioner of Insurance of the State of Georgia to sell of assign any and all securities deposited with the said Commissioner of Insurance under the provisions of the laws of the State of Georgia for the protection of its citizens."

Witness our hands and Seal of said Company this _____ day of _____, 20____.

Signature

Signature

Executed in the presence of _____ of _____
(Notary Public or qualified Official)

of _____ in the State of _____.

Dated at _____, this _____ day of _____, 20_____.

JOHN W. OXENDINE
COMMISSIONER OF INSURANCE
SAFETY FIRE COMMISSIONER
INDUSTRIAL LOAN COMMISSIONER
COMPTROLLER GENERAL



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OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

CAP-6

ASSIGNMENT OF SAVINGS SHARE CERTIFICATE OR CERTIFICATE OF DEPOSIT

For all and any purposes stipulated in the Insurance Laws of the State of Georgia relating to deposits required of Captive Insurance Companies doing business in the State, and in compliance therewith, the _____ hereby assigns and transfers to John W. Oxendine, Commissioner of Insurance and Safety Fire of the State of Georgia, and his successors in office, the _____ Certificate represented by the _____ attached

issued by the _____ and does hereby irrevocably constitute and appoint the officers of said Company to transfer the said Certificate on the books of the Company.

In witness whereof, the _____ has caused this instrument to be executed in its name by its President and Secretary, then its Corporate Seal hereto affixed at _____ this _____ day of _____, 20____.

Captive Insurance Company

Secretary

President

Personally appeared before me, _____ and _____ of the _____ who upon being duly sworn says that they have executed the foregoing on behalf of the said Company in accordance with the directions of the Board of Directors of the Company at a Stated Meeting held on _____, 20____ in the City of _____.

Notary Public

continued on page 2
page 2

**ISSUING BANK OR OTHER AUTHORITY
MUST COMPLETE CERTIFICATION BELOW**

The _____,
through its proper officer or officers, hereby accepts notice of the foregoing assignment and
transfer has entered the same on record this _____ day of _____, 20 ____.

By _____
Name Title