

Business Insurance

Vermont licensed 8 new captives in first quarter 2012

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MONTPELIER, Vt.—Vermont licensed eight new captives during the first quarter of this year, the most new captives formed in the state during a first quarter since 2005.

Five of the new captives are single-parent captives, one is a special-purpose financial captive, and two are sponsored captives. Among the companies receiving the new licenses were Hormel Foods Corp., ConocoPhillips and Deutsche Bank A.G.

“We had a great first quarter with the licensing of eight new captives,” David F. Provost, deputy commissioner of the Captive Insurance Division in Vermont’s Department of Financial Regulation, said in a statement. Mr. Provost added that “2011 was only the sixth year in our history that Vermont surpassed 40 new captives, and this first quarter makes for the strongest start since 2005.”

Daniel D. Towle, director of financial services in the Vermont Department of Economic Development, noted Vermont already has licensed two more captives in this year’s second quarter and has a solid pipeline of prospects. Discussing the first quarter formations, he said, “It’s a hard-market number, even without a hard market.”