

STATE OF VERMONT
CAPTIVE APPLICATION FOR ADMISSION
(E-701)

1. Name of Proposed Captive _____

2. Parent or Sponsor _____

3. Individual to be contacted regarding this application: _____

Address: _____

Phone Number: _____

4. Type of Proposed Captive:

Pure Association Industrial Insured Risk Retention Sponsored

5. Organization Form:

Stock Mutual Reciprocal

6. Principal Place of Business of Proposed Captive:

7. Resident Registered Agent: _____

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 Beneficial Owners

Percent of Ownership

(1) Name: _____ % _____

Address: _____

(2) Name: _____ % _____

Address: _____

(3) Name: _____ % _____

Address: _____

(Use separate sheet if needed)

11. Explain Relationship Among Beneficial Owners

12. Enclose Annual Report or 10K's of Beneficial Owners.

13. If Letter(s) of Credit Is (Are) to be Used

Name and Address of Bank	Issued in Favor Of	Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____

Form E-702 must be used.

14. Name of Management Firm _____

Address: _____

15. Name of Lawyer _____

Address: _____

16. Claims Handler _____

17. Name Certified Public Accountant _____

Address: _____

18. Name of Actuary _____

Address: _____

19. Name of (Re)insurance Broker _____

Address: _____

20. Biographical information for Directors and Officers (List below and include biographical affidavit)

Name	Position(s) with Captive
_____	_____

Employer and Position

Name	Position(s) with Captive
_____	_____

Employer and Position

(Use separate sheet if needed)

21. 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 _____

22. Include the following with this application:

- (a) Coverage/Limits/Reinsurance form attached
- (b) Certified copy of 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.
- (c) A non-refundable fee of \$200.00
- (d) A non-refundable actuarial fee of \$3200.00
- (e) A feasibility study by an actuary
- (f) Statement of benefit to Vermont
- (g) Biographical affidavits on officers and directors
- (h) If applicant is Association Captive, give history, purpose, size and other details of parent association
- (i) List all other providers and their responsibilities together with how fees for services rendered are to be charged. *(List continues nextpage)*

(j) 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 five years together with projections for the ensuing five years
- (9) Organization chart
- (10) Financial projectories on an expected and worse case scenario

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

NOTE: Prepare one extra copy of all documents required by this application to be sent to the assigned Captive Review Firm upon direction of this Department.

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 _____
(Director)

22a. COVERAGE/LIMITS/REINSURANCE

Coverage	Direct or Reinsurance	Policy Limits per Occ /A99	Excess of Amount & Form	Claims Made or Occurrence	Amount Reinsured	Reinsurance by

- | | | | |
|-----------------------------|--------------------------|--------------------------|-----------------------------|
| Are policies accessible? | YES | NO | |
| | <input type="checkbox"/> | <input type="checkbox"/> | |
| Parental guaranty in place? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Loan to parent requested? | <input type="checkbox"/> | <input type="checkbox"/> | |
| Losses discounted? | <input type="checkbox"/> | <input type="checkbox"/> | If so, proposed rate: _____ |