

VERMONT

SUPERVISORY JURISDICTION

Department of Banking, Insurance, Securities and Health Care Administration

LEGISLATION

Public Act 28 of 1981, Title 8 Vermont Statutes Annotated Chapter 141, 142 and 142A

APPLICATION TO

Deputy Commissioner of Captive Insurance

CURRENCY

US Dollar

LICENSE APPLICATION

Data required includes Application for Admission, Certificate of Incorporation, Articles of association and by-laws, feasibility study prepared by actuary, statement of benefit to Vermont, biographical affidavits on officers and directors, list of service providers, detailed plan of operation (five year projections).

REPORTING REQUIREMENTS

Audited financial statements US GAAP, report of evaluation of internal controls, certification of loss and expense reserves, captive annual statement.

CAPITAL AND SOLVENCY

Pure and Branch Captives: \$ 250,000
Risk Retention Groups: \$ 1,000,000
Association Captives: \$ 750,000
Industrial Insured Captives: \$ 500,000
Sponsored Captives: \$ 500,000
Special Purpose Financial Captive: \$250,000

No minimum solvency specified.

FEES AND ANNUAL COSTS

Application fee: \$200
Actuarial review: \$4,000
Annual license and renewal: \$300

TAXATION

No income or franchise tax. Premium taxes on sliding scale from 0.024% to 0.38% and is subject to a minimum of \$7,500 and a maximum of \$200,000.

TIME ZONE

Vermont is located in the North East United States and is located in the US Eastern Time Zone.

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WILLIS GLOBAL CAPTIVE PRACTICE

Willis is one of the leading firms of international insurance brokers specializing in the field of captive insurance companies and their management.

Captive development and feasibility studies are carried out by our teams of consultants. Our captive management service platform enables clients to entrust the management of their insurance company to our local operation, where our personnel will provide all the underwriting, accounting, compliance and company secretarial expertise they require.

Willis Global Captive Practice integrates Willis' global expertise with an exceptional local delivery platform and service team.

Our services include:

- Aligning captive activity to parent's strategic aims.
- Coordinating brokers, insurers, reinsurers, auditors and bankers.
- Providing clear information and advice for executive decision making.
- All aspects of routine captive management and administration including:
 - Insurance Management
 - Accountancy
 - Company Secretarial
 - Corporate Governance and Compliance
 - Banking and Investment

MAIN CONTACTS



Name: Les Boughner
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Les joined Willis as Managing Director of Willis' North American Captive Practice in 2009. He is responsible for the profit and growth of the Captive Insurance company practice with offices in Vermont, Cayman, Bermuda and Hawaii. He is Past Chairman of the Captive Insurance Companies Association (CICA), is on the Program Committee of the World Captive Forum and a Director of the Self Insurance Information Association (SIIA). Les entered the insurance business in 1977 and prior to joining Willis Les held senior positions with FM Global, AIG, CNA, and Zurich.



Name: Sean Rider
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Sean joined the Willis Captive Consulting Practice as a Senior Consultant in 2007. He is responsible for the development and execution of alternative risk financing consultancy related to all segments of the captive marketplace. Sean has specialized in alternative risk transfer business and, in particular, captive business for the entirety of his career. Prior to joining Willis, he was the Director of North American Business Development for HSBC Insurance Management, providing consultancy for a variety of captive structures. He also worked for Discover Re, developing reinsurance and fronting programs for captives.