



OFFICE OF COMMISSIONER OF INSURANCE
COMMISSIONER OF INSURANCE • INDUSTRIAL LOAN COMMISSIONER • SAFETY FIRE COMMISSIONER

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PLAN OF OPERATION CHECKLIST FOR A NEWLY FORMING CAPTIVE INSURANCE COMPANY

**CAPTIVES
 GID-424-RS AUG2016**

Name of Company: _____

Plan Requirements	*Cross-Reference to Support Documents
A description of how the Captive meets the definitional requirements of its proposed Captive type, as set forth in O.C.G.A. §33-41-2 (e.g., Pure Captive, Agency Captive, etc.)	
A description of coverages, coverage limits, deductibles and premium rating systems for the lines of insurance or reinsurance that the Captive intends to offer.	
The names and affiliations of the proposed insureds of the Captive.	
A statement identifying the geographic areas in which the Captive intends to operate.	
An organizational chart that identifies all persons who have control of the Captive and all of those who own 10% or more of the voting stock. (PLEASE NOTE: Even if a 10% owner is not required to submit a biographical affidavit pursuant to Ga. Reg. 120-2-45-.06, he or she should be identified in the organizational chart. All owners of less than 10% may be aggregated and referred to as non-controlling owners in the organizational chart. Sample organization chart.)	
The conflict of interest policy statement required by Ga. Reg. 120-2-45-.14.	
A statement identifying the persons or organizations who will perform the Captive's major operational functions and a description of the adequacy of the expertise, experience and character of such persons or organizations. This includes management (only necessary if the Captive will be using an employee captive manager), underwriting, accounting, investment of assets, claims adjusting and loss control.	
A description of the method to be employed for the adjudication, management and payment of claims and losses of the Captive.	
The historical and expected loss experience of the risks to be insured or reinsured by the Captive.	
The three-year pro forma financial statements and projections of the proposed business operations of the Captive.	
An analysis of the adequacy of the Captive's proposed premiums and capital and surplus levels relative to the risks to be insured or reinsured by the Captive.	

A statement of the Captive's net retained limit of liability on any contract of insurance or reinsurance it intends to issue and the nature of any reinsurance it intends to cede.	
<p>A statement certifying that the Captive's investment policy is in compliance with this title and specifying the type of investments to be made pursuant to O.C.G.A. §33-41-18.</p> <p>(PLEASE NOTE: Pure Captives and Agency Captives are not subject to any restrictions on eligible investments, including those limitations contained in Chapter 11 of Title 33; provided, however, that the Commissioner may prohibit or limit any investment that threatens the solvency or liquidity of any such Captive).</p>	
An opinion from a qualified independent actuary regarding the adequacy of the Captive's proposed capital, surplus and premium levels.	
Any additional information required by the Commissioner in writing.	

*References to support documents can refer to documentary exhibits, appendices, page numbers, etc.