

EXECUTIVE SUMMARY

PURPOSE

Discuss the rationale for forming the captive insurance company including information as follows:

- Generally, describe the parent company/policyholder's business operations and exposures to loss.
- How are business operations currently insured?
- Changes in parent company/policyholder's business operations and/or market circumstances that required revisions to existing insurance risk financing.
- What alternatives are available in the traditional commercial insurance market?
- How will captive insurance risk transfer benefit the parent company/policyholders?

CAPTIVE OPERATIONS

Describe the proposed captive insurance operations including:

- Lines of business/coverage to be insured, entities to be insured and form of risk transfer.
- Parties involved in the risk transfer transaction(s) (i.e., fronting, excess, or reinsurance companies and counterparties, if capital markets are utilized).
- Expected gross written premiums and overall operating ratio.
- Amount of capital and type of assets.
- Organizational structure with diagram.
- Owner expectations of operating results and benefits.