



N.C. Insurance Commissioner **MIKE CAUSEY**

DEAR BUSINESS OWNERS AND PROFESSIONAL ADVISORS,

North Carolina has become a successful and popular domicile for captive insurance companies in just three years. These companies are a proven strategy for qualified business owners to manage their business risks.

The N.C. General Assembly unanimously passed the North Carolina Captive Insurance Act in 2013, opening North Carolina as a captive insurer domicile. Since October 2013, the North Carolina Department of Insurance (NCDOI) has licensed more than 190 captive insurance companies and approved more than 390 cells or series, a total of more than 580 regulated captive insurer entities, for both public and privately-held businesses. These numbers continue to grow as business owners and their trusted advisors learn more about the benefits of establishing a captive insurer in our great state.

The NCDOI is committed to its sensible, pro-business captive insurance regulation. North Carolina has fair capitalization requirements and, unlike other jurisdictions, no mandatory NCDOI examinations and no Department fees, which provides for a low cost of operation for captive insurance companies. Business owners will tell you that our professional staff and responsive service are also important reasons they choose North Carolina as their domicile.

The N.C. Captive Insurance Association is another captive insurance company resource available to you. The association, in partnership with the NCDOI, is committed to the development of North Carolina's captive insurance industry, providing active support to the industry and education to the public about captive insurance companies. You may obtain more information about the association by visiting www.nccia.org.

This is an exciting time, and we welcome the opportunity to work with you as we support and grow North Carolina's captive insurance industry. For more information, visit www.nccaptives.com or contact Debbie Walker, Deputy Commissioner, at debbie.walker@ncdoi.gov or 919.807.6165.

A captive insurance company generally insures or reinsures the risks of its parent, affiliates or certain unrelated entities. It is an alternative to the traditional insurance market and is a risk management tool that can be designed to meet or help meet the risk management needs of its owners or members.

The North Carolina Captive Insurance Act allows for Pure, Association, Industrial Insured, Protected Cell, Special Purpose and Special Purpose Financial captive insurance companies, and Risk Retention Groups.

