

NEVADA CAPTIVE INSURANCE

Discover the SILVER LINING



STABLE

AS ONE OF THE COUNTRY'S OLDEST CAPTIVE DOMICILES, YOU CAN TRUST
THE **STRENGTH AND STABILITY OF NEVADA.**



STABLE

Nevada was founded on the principles of independence and opportunity. These principles are still evident today as our financial services, renewable energy, manufacturing and biotechnology industries continue to pave the way to a more innovative and diverse captive insurance domicile. As Nevada continues to apply these principles and uphold its reputation for diversity and economic success, the Captive Insurance Industry will continue leading as a nationally recognized captive insurance domicile.

Nevada prides itself on being one of the most business-friendly states in the nation. Our pro-business philosophy is evident at every level of government, from Nevada's no corporate or personal income tax to the rule of law applied by our courts.

Nevada welcomes you to enjoy low application fees, a fair and consistent regulatory environment and a dedicated team of professionals to help you achieve your captive insurance goals. The Nevada Captive Insurance Division is available and ready to provide you with their reputable and prompt customer service.



EFFICIENT

NEVADA'S EMPHASIS ON EXPANDING INTO RENEWABLE ENERGY, INFORMATION TECHNOLOGY, AND OTHER CRITICAL NEW SECTORS OF THE FUTURE UNDERLINE A **BRIGHT ECONOMIC FUTURE.**



EFFICIENT

Application Fees & Financial Information

Application fee:	\$500
Initial licensing fee & Renewal fee:	\$300
Administration & Enforcement fee:	\$250
Application Review fee (minimum):	\$4,000

Premium Tax Rates

PREMIUM TAXES:

\$5,000 minimum
\$175,000maximum

\$ Millions	Direct Rates %	Reinsurance Rates %
0-20	.400	.225
20-40	.200	.150
Over 40	.075	.025

A Captive insurer is entitled to receive a credit of \$5,000 applied against the aggregate taxes owed for the first year in which the captive insurer incurs any liability for the payment of taxes.

Financial Requirements

MINIMUM CAPITAL AND SURPLUS

Pure Captive	\$200,000
Association Captive	\$500,000
Agency Captive	\$600,000
Rental Captive	\$800,000
Sponsored Captive	\$500,000

Minimum Capital and Surplus can be provided in the form of either cash or letter of credit. A letter must be automatically renewable and issued by a bank chartered in Nevada or a member of the United States Federal Reserve System and approved by the Commissioner of Insurance.

Capital stock must not be issued at less than par value.

COMPETITIVE

FROM GRADUATE LABS TO K-12 CLASSROOMS, NEVADA ENCOURAGES THE EDUCATION OF SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS TO HELP **BUILD THE FUTURE OF TOMORROW.**



COMPETITIVE

Types of Captive Formations

PURE CAPTIVE INSURER

An insurer that only insures risks of its parent and affiliated companies or controlled unaffiliated businesses.

AGENCY CAPTIVE INSURER

An insurer that is owned or controlled by an insurance agency or brokerage and that only insures risk of policies which are placed by or through the agency or brokerage.

ASSOCIATION CAPTIVE INSURER

An insurer that only insures the risks of the member organizations of an association and the affiliated companies of those members. Participation is limited to members of the association.

RISK RETENTION GROUPS

An insurer that is restricted to writing only liability coverage pursuant to the Federal Liability Risk Retention Act of 1986. A Risk Retention Group is chartered in one state, but able to engage in the business of insurance in all states, subject to certain specific and limited restrictions.

RENTAL CAPTIVE INSURER

An insurer formed to enter into contractual agreements with policyholders or associations to offer some or all of the benefits of a program of captive insurance and that only insures risks of such policyholders or associations.

SPONSORED/ SEGREGATED CELL CAPTIVE INSURER

A captive insurer in which:

- The minimum capital and surplus required by law is provided by one or more sponsors
- Only insures risk of its participants through separate participant contracts
- Funds the liability for each participant through one or more protected cells where the assets of each protected cell are segregated from the assets of other protected cells and the assets of the general account of the sponsored captive insurer.
- A separate account established by a sponsored captive insurer in which the assets are maintained for one or more participants in accordance with the terms of a participant contract(s).

FAST

WITH THE ABILITY TO INCORPORATE IN LESS THAN 24 HOURS, A NEVADA CAPTIVE IS THE **FASTEST IN THE NATION.**



FAST

Initial Licensing Requirements

LISTED BELOW ARE A FEW KEY DOCUMENTS NEEDED TO ASSIST IN EXPEDITING THE LICENSING PROCESS:

- Captive Application for Certificate of Authority
- Biographical Affidavits.
- Plan of Operation
- Proforma Financial Projections (five-year expected and five-year adverse)
- Actuarial Feasibility Study, the study should meet documentation and disclosure standards with narrative and exhibits
- Organizational Chart
- Articles of Incorporation
- Bylaws
- Uniform Consent for Service of Process
- Underwriting Policy and Procedures
- Financial Statements of Parent Company/Owners
- Business Agreements
- Reinsurance contracts and any other applicable vendor contracts for the captive

If you are ready to get started, the application and forms are available at doi.nv.gov/Captive-Insurance.

STRONG

NEVADA'S PRO-BUSINESS POLICIES AND TAX STRUCTURE ALLOW FOR BUSINESSES TO HOLD ON TO **MORE OF THEIR PROFITS.**



STRONG

Annual Requirements

- Nevada Annual Report Due March 1st
- Premium Tax Due March 1st
- License Renewal Fee Due March 1st
- Audited Financial Statement

NEVADA CAPTIVE INSURANCE

Nevada offers a high-quality lifestyle for both work and play. The state's arts, cultural and entertainment environments are rich and diverse. You can ski in the morning, play golf after lunch and have dinner at a 5-star restaurant.

Nevada has more than 300 days of sunshine each year with little or no humidity—allowing for outdoor activities all year long. Whether your idea of outdoor recreation is hiking, kayaking, hunting, or simply lounging poolside at a luxury resort, Nevada has a destination for you.

Since each captive holds its annual meeting in the state, Nevada's convenient airports and vast selection of accommodations make business a pleasure.

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