

DCIA Members . . . Ask the Regulators

Today's Moderator: Mary Jo Lopez

Captive Director: Steve Kinion

Financial Examination: John Tinsley

DCIA Members . . .

Ask the Regulators

Question 1:

Please clarify the process in regards to the Captive Director's need to sign-off on certain changes.

Is it a blanket policy that any and all changes must be approved by the Director?

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Ask the Regulators

Question 2:

Please describe the case law history that supports the integrity of the Series LLC Structure (insurance or non-insurance in DE and/or other States).

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Question 3:

What is the expected procedure for auditing licensed series structures?

Is the sample/selection procedure recommended and are audit firms agreeable with this method?

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Ask the Regulators

Question 4:

How does the Department look at life insurance owned and/or purchased by a captive?

What if the life insurance is purchased not necessarily as a life insurance transaction, but more as part of an investment strategy?

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Question 5:

Does the Department have a licensing backlog?

What are the critical dates to process an application for licensing in 2011?

Will the Department consider provisional licenses subject to its final review within the first quarter of next year should it be unable to process all year end applications?

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Ask the Regulators

Question 6

In 2012 will the Department recommend a licensing fee for new series business unit applications?

Will there be an annual renewal fee for each series business unit licensed?

Is the Department discussing the need for these additional fees with DCIA?

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Ask the Regulators

Question 7

If a licensed special purpose captive with a series structure has a risk pool, how do new participants in the series structure become comfortable with the risks in the pool?

Issues include (a) keeping each participant's data and information confidential and (b) sharing enough with the other participants so that sufficient due diligence can be performed.

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Other Questions from the Audience