TN Department of Commerce & Insurance

Captive Insurance Section

500 James Robertson Parkway
Nashville, Tennessee 37243
615-741-3805

Welcome!

Below is an overview of the three stages of Captive Insurance Company regulation: Formation, Oversight, and Examination.

I. Formation: The process for Captive Insurance Company formation is approximately 30 days from when application is deemed complete.

1. Captive owner and manager meet with the Captive Insurance Section.
2. Prepare and submit documents necessary for corporate formation. Once approved by the Department, present the documents to the Secretary of State, along with appropriate fees and the Commissioner's approval letter. Once filed with the Secretary of State, obtain a copy of the formation certification to submit with your application to the Department.
3. Prepare and submit Captive Application. See Index for Captive Application for a complete list of application requirements. Include a $675.00 application fee.
4. Application documents will be forwarded to the Department's reviewing actuary. (Review charges will be billed to applicant.)
5. Captive Insurance Section completes its review, incorporating the reviewing actuary's report, and recommends approval by the Commissioner.
6. Upon issuance of the Certificate of Authority, a $440.00 issuance fee is due.

II. Oversight: As part of the ongoing oversight process, the following documentation will be requested upon licensure. Any time there is a change in the documents or a new document is available, the captive manager oversight will inform the Captive Insurance Section and provide an updated copy.

OVERSIGHT DOCUMENTS FILED:

1. Executed agreement between owner and captive manager.
2. Executed agreement with audit firm.
3. Executed agreement with actuarial firm.
4. Sample policy form issued by captive.
5. Minutes and resolutions of all board meetings.
6. Executed reinsurance and/or pooling agreements.
7. Statement of investment policy.
8. Code of ethics and certificate of acknowledgment by owners.
9. Conflict of interest policy statement and owner's certificate of acknowledgment.

III. Examination: Captive insurance companies are placed on a 3-5 year examination cycle. The length of time is determined by the production of unqualified audited financial statements, solvency and liquidity concerns, and the quality of management and corporate governance.