

Closely Held Insurance Companies **(1 Hour; 30 Pages of Text)**

- 1) Types of Captives
 - a) Single-Parent Captives (Wholly-Owned)
 - b) Group Captives
 - c) Entrepreneurial Captives
- 2) Why are Captives formed?
 - a) The Biggest Concern of Small Business Owners
- 3) What are the benefits of a CAPTIVE?
 - a) Three ways to reduce your Cost of Risk:
- 4) What Are They, and Why Would a Client Want One?
 - a) The Purpose of a Captive
 - b) Captives versus Traditional Insurance
 - c) Structuring a Captive
- 5) Determining the Feasibility and Goals of a Captive
 - a) Domicile Selection
 - b) Partner Selection
- 6) Operating a Captive
- 7) Captive Advantages
- 8) Captive Structures
 - a) Common Characteristics
 - b) Single Parent Captive
 - c) Group or Association Captive
 - d) Rental Captives
 - e) Segregated Protected Cells
- 9) Choosing the Right Captive Domicile
 - a) Political Stability
 - b) Enlightened Regulation
 - c) Access
 - d) Support Services
 - e) Capitalization and costs

Outline for the CAPP™ Certification Course

- 10) Actuarial Projections and the Captive
 - a) Understanding Claims
 - b) The Actuary's Role
 - c) Working with the Actuary
 - d) IBNR Losses
 - e) Establishing Premiums
 - f) Profit Projections

- 12) Reduce Taxes?
 - a) Large Insurance Companies
 - b) Small Insurance Companies (Internal Revenue Code section 831(b))
 - c) Very Small Insurance (Internal Revenue Code section 501(c)(15))

- 13) Physicians and captives

- 14) Estate Planning

- 15) Revision to "Small" Insurance Company Tax Law
 - a) Prior Law Requirements For Tax-exempt Status
 - b) New Law Changes Related to Tax-exempt Status
 - c) New Law Related to Taxation of Investment Income Only

- 16) Asset protection