



CAPTIVE INSURANCE BULLETIN NO. 3

TO: All Captive Managers, Auditors, and Actuaries Accredited in Delaware, and all Members of the Delaware Captive Insurance Association

RE: Formation Fee for Series Business Unit (SBU)

DATE: June 26, 2014

IMPORTANT

CAPTIVE BULLETIN NO. 3 SUPERSEDES CAPTIVE BULLETIN NO. 2 UPON ITS EFFECTIVE DATE.

Under Delaware law a captive insurance company¹ may be licensed so that it may form series in order to take advantage of the Delaware Limited Liability Company Act² or the Delaware Statutory Trust Act.³ These series qualify to assume risk and are named by this Department as Series Business Units (SBU). Under the authority of 18 Del.C. § 6903(d), the Delaware Insurance Commissioner (“Commissioner”) will begin levying an application fee of \$200 (Two Hundred Dollars) and an application processing fee of \$3,000 (Three Thousand Dollars) upon the captive insurance company for each SBU application received on or after the effective date of this bulletin. The Commissioner reserves the right to impose any additional fees upon the captive insurance company for any additional costs the Commissioner reasonably incurs when reviewing the application.

Nothing in this bulletin should be interpreted to excuse a captive insurance company from any other fee or tax currently applied under Delaware law.

This bulletin will take effect on September 1, 2014, unless withdrawn or superseded by subsequent law, regulation or bulletin.

Karen Weldin Stewart, CIR-ML
Insurance Commissioner

¹ 18 Del. C. § 6902(7).

² 6 Del. C. § 18-101 et seq.

³ 12 Del. C. § 3810 et seq.