



**Captive Insurance Division**  
**Arizona Department of Insurance**  
 2910 North 44<sup>th</sup> Street, Suite 210  
 Phoenix, Arizona 85018-7269

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<https://insurance.az.gov>

# CAPTIVE INSURANCE DIVISION

## Facts and Statistics as of September 30, 2016

<b>Applicable Law:</b>	Arizona Revised Statutes §20-1098 <i>et seq.</i> and other applicable parts of Title 20.	
<b>Permitted Coverages:</b>	Commercial property and casualty, surety, life and disability	
<b>Organizational Structures:</b>	Stock, mutual, reciprocal, nonprofit, or limited Liability company	
<b>Minimum Required Capital and Surplus:</b>	Pure captive	\$250,000
	Association or industry group	\$500,000
	Risk retention group	\$500,000
	Agency captive	\$500,000
	Protected cell	\$500,000
	Pure reinsurers	50% of the above-indicated amounts
<b>Fees</b>	Initial license	\$1,000
	Examiners' Revolving Fund deposit	\$100
	Charter document filing fee	\$75
	Articles of Incorporation filing fee (payable to AZ Corporation Commission)	\$60
	License renewal (annual)	\$5,500
	Financial examination	Varies - Based on cost
<b>Captive Insurance Division Contacts</b>	Vincent Gosz, Chief Analyst Rae Hughes, Captive Analyst Maidene Scheiner, Administrative Assistant Captive Insurance Division 2910 North 44 <sup>th</sup> Street, Suite 210 Phoenix, AZ 85018-7269 (602) 364-4490	
<b>Web</b>	<a href="https://insurance.az.gov/insurers/licensingregistration/captive-insurerdomestic-rrg">https://insurance.az.gov/insurers/licensingregistration/captive-insurerdomestic-rrg</a>	

## ARIZONA'S ADVANTAGES

- Flat rate fees provide cost effective application and regulation processes
- No premium tax
- Small-company exemption of annual actuarial opinion and audit requirements may apply
- No routine statutory exam for pure captives
- Pro-business environment
- Balance between competitive law and appropriate regulatory oversight
- Experienced team of professionals with collaborative industry relationship

## ARIZONA'S REQUIREMENTS

- Permissible lines of business with underwriting authority
- Payment of fees
- At least one directors' meeting annually in Arizona
- Maintain principal place of business in Arizona
- Arizona captive manager
- Books and records in Arizona
- Minimum capital and surplus
- Resident statutory agent
- Financial reporting requirements

## STATISTICS

### Cumulative Growth by Year as of September 30, 2016

Year	Licenses Issued	Licenses Terminated	Change to Population	Cumulative Count	Population Growth %
2016	6	1	5	115	5%
2015	7	11	-4	110	-4%
2014	13	5	8	114	8%
2013	9	3	6	106	6%
2012	8	6	2	100	2%
2011	4	3	1	98	1%
2010	8	10	-2	97	-2%
2009	7	14	-7	99	-7%
2008	18	5	13	106	14%
2007	25	2	23	93	33%
2006	21	4	17	70	32%
2005	17	1	16	53	43%
2004	24	2	22	37	147%
2003	14	3	11	15	275%
2002	4	0	4	4	
<b>TOTALS</b>			<b>115</b>		

## Distribution by Captive Type

Type of Captive	As of September 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Count	Percent of Total	Count	Percent of Total	Count	Percent of Total	Count	Percent of Total
Pure	74	64%	71	65%	72	63%	66	62%
Pure - Reinsurance	22	19%	20	18%	21	18%	18	17%
Industry Group	4	3%	3	3%	3	3%	2	2%
Association	2	2%	2	2%	2	2%	2	2%
Agency	2	2%	2	2%	2	2%	1	1%
Protected Cell	1	1%	1	1%	1	1%	1	1%
RRG	10	9%	11	10%	13	11%	16	15%
<b>Totals</b>	<b>115</b>	<b>100%</b>	<b>110</b>	<b>100%</b>	<b>114</b>	<b>100%</b>	<b>106</b>	<b>100%</b>

## Distribution by Industry Classification

Industry Classification	As of September 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Count	Percent of Total	Count	Percent of Total	Count	Percent of Total	Count	Percent of Total
Health Care and Social Assistance	26	23%	27	25%	29	25%	30	28%
Construction	15	13%	15	14%	19	17%	19	17%
Finance and Insurance	26	23%	25	23%	25	22%	20	18%
Transportation and Warehousing	7	6%	7	6%	7	6%	7	6%
Manufacturing	9	8%	9	8%	9	8%	9	8%
Retail Trade	5	4%	4	4%	3	3%	3	3%
All Other	27	23%	23	21%	22	19%	18	17%
<b>Totals</b>	<b>115</b>	<b>100%</b>	<b>110</b>	<b>100%</b>	<b>114</b>	<b>100%</b>	<b>106</b>	<b>100%</b>

## Non-RRG vs. RRG Classification by Industry

Industry Classification	Non-RRG Captives		RRG Captives		Total Captives		Pure Vs. RRG	
	Count	Percent of Total	Count	Percent of Total	Count	Percent of Total	Count	Percent of Total
Health Care and Social Assistance	17	16%	9	90%	26	23%	65%	35%
Construction	15	14%	0	0%	15	13%	100%	0%
Finance and Insurance	26	25%	0	0%	26	23%	100%	0%
Transportation and Warehousing	6	6%	1	10%	7	6%	86%	14%
Manufacturing	9	9%	0	0%	9	8%	100%	0%
Retail Trade	5	5%	0	0%	5	4%	100%	0%
All Other	27	26%	0	0%	27	23%	100%	0%
<b>Totals</b>	<b>105</b>	<b>100%</b>	<b>10</b>	<b>100%</b>	<b>115</b>	<b>100%</b>	<b>91%</b>	<b>9%</b>

## CAPTIVE INSURANCE COMPANIES

ARS §20-1098.23 allows the Department to release the name of the captive insurer, the date licensed, the type of captive insurer, the industry of the owners or members and the license status. Following is a list of captives holding an active license in the State of Arizona.

Captive's Name	Industry Group	Year Licensed	Captive Type
1873 Group, Inc.	Construction	2010	Pure
Acessa Insurance, Inc.	Finance and Insurance	2015	Pure
Advanced Physicians Insurance RRG	Health Care and Social Assistance	2004	RRG
Allied Professionals Insurance Co. RRG	Health Care and Social Assistance	2003	RRG
American Association of Orthodontists RRG	Health Care and Social Assistance	2009	RRG
American Honda Insurance Corp.	Manufacturing	2007	Pure
American Pride Captive Insurance Company	Health Care and Social Assistance	2004	Pure
Apple Insurance Company, Inc.	Manufacturing	2008	Pure
Applied Medico-Legal Solutions RRG	Health Care and Social Assistance	2003	RRG
AquaGuardian Insurance Company, Inc.	Construction	2010	Association
Arizona Health Reciprocal Insurance Company	Health Care and Social Assistance	2014	Industry Group
Ark Defense, Inc.	Health Care and Social Assistance	2007	Pure
Associated Insurance Company for Excess (AICE)	Administrative and Support	2007	Pure
AXA Re Arizona Company	Finance and Insurance	2012	Pure - Reinsurance
Azul Insurance Company Limited	Utilities	2006	Pure
Best Practices Re, Inc.	Healthcare	2013	Pure - Reinsurance
Big Sky Reinsurance, Inc.	Educational Services	2014	Pure
Black Diamond Insurance, Inc.	Arts, Entertainment, and Recreation	2009	Pure
Brendan's Journey Assurance, Inc.	Retail Trade	2015	Pure
BRS Insurance Co.	Accommodation and Food Services	2010	Pure
California Medical Group RRG	Health Care and Social Assistance	2004	RRG
Cambridge Arizona Insurance Company	Health Care and Social Assistance	2008	Pure

Captive's Name	Industry Group	Year Licensed	Captive Type
Cast Captive Insurance Co.	Transportation and Warehousing	2004	Pure
Central Farmers Insurance, Inc.	Manufacturing	2014	Pure
Centurion Medical Liability Protective RRG	Health Care and Social Assistance	2004	RRG
Charitable Service Providers Reciprocal Group Captive	Health Care and Social Assistance	2004	Industry Group
Charter Life Insurance Co., Inc.	Finance and Insurance	2005	Protected Cell
Cherokee Guarantee Company, Inc. A Risk Retention Group	Health Care and Social Assistance	2012	RRG
Crestmont Insurance Co.	Membership Organizations	2015	Pure
CS Life RE Company	Finance and Insurance	2014	Pure - Reinsurance
CST Insurance Company	Finance and Insurance	2014	Agency
Cypress Insurance Company	Manufacturing	2008	Pure
Day One Insurance, Inc.	Retail Trade	2016	Pure
DB Selective Insurance Group Inc.	Construction	2006	Pure
Development Insurance Group	Construction	2008	Pure
Diversified Insurance Co.	Construction	2006	Pure
DMG Insurance Co.	Health Care and Social Assistance	2007	Pure
Drake Property & Casualty Insurance Company	Finance and Insurance	2014	Pure - Reinsurance
Earl Grey Insurance Company, Inc.	Manufacturing	2012	Pure
Embassy Insurance Corp.	Construction	2005	Pure
Escoba Insurance Company	Construction	2006	Pure
EyeMed Insurance Co.	Manufacturing	2010	Pure - Reinsurance
Fairway Insurance Company	Arts, Entertainment, and Recreation	2005	Pure
Firebird Re Corp.	Finance and Insurance	2015	Pure - Reinsurance
Fort Gatlin Assurance Company	Construction	2008	Pure
Fort Wayne Medical Assurance Company RRG	Health Care and Social Assistance	2006	RRG
Franchise Insurance Group	Accommodation and Food Services	2009	Industry Group
GFN Insurance Corporation	Equipment Rental and Leasing	2016	Pure - Reinsurance

Captive's Name	Industry Group	Year Licensed	Captive Type
Gulf Atlantic Casualty Insurance Co.	Construction	2014	Pure
HBM Global Risk Corp.	Accommodation and Food	2015	Pure
Healthcare Captive Insurance Co.	Health Care and Social Assistance	2004	Pure
Heartland Risk Management Company	Health Care and Social Assistance	2012	Pure
Heinz-Noble, Inc.	Manufacturing	2014	Pure
Hospitality Ins. Solutions, Inc.	Accommodation and Food Services	2006	Pure
Huntington Captive Ins. Co.	Finance and Insurance	2006	Pure
Hyundai Capital Insurance Company	Manufacturing	2012	Pure
Independent Innovative Captive Insurance Company	Retail Trade	2005	Pure - Reinsurance
Jameson Insurance Company	Transportation and Warehousing	2013	Pure
Kamila Insurance Company	Finance and Insurance	2014	Pure
KZAD Captive, Inc.	Staffing and Related	2013	Pure
Maricopa Captive Insurance Co., Inc.	Construction	2005	Pure
MG Re, Inc.	Finance and Insurance	2011	Pure - Reinsurance
Mid-Atlantic Underwriting, Inc.	Food and Kindred Products	2016	Pure
Miranda Insurance Company, Inc.	Real Estate	2014	Pure
Mohave Transportation Insurance Co.	Transportation and Warehousing	2006	Pure
Northwestern Arizona Regional Insurance Co.	Health Care and Social Assistance	2007	Pure
NW Re, Ltd.	Wholesale Trade	2009	Pure
OHSU Insurance Company	Health Care and Social Assistance	2008	Pure
Orange County Medical Reciprocal Ins. Co. RRG	Health Care and Social Assistance	2004	RRG
Osprey Insurance	Manufacturing	2007	Pure
Pacific Annuity Reinsurance	Finance and Insurance	2012	Pure
Pacific Captive Insurance Co.	Agriculture, Forestry, and Fishing	2004	Industry Group
PacWest Captive Ins. Co	Finance and Insurance	2003	Agency
Paragon Insurance Co.	Construction	2005	Pure
PCR Insurance Co.	Construction	2008	Pure

Captive's Name	Industry Group	Year Licensed	Captive Type
Peconic Indemnity Co.	Finance and Insurance	2004	Pure
Penn-Ohio Life Insurance Co.	Finance and Insurance	2007	Pure - Reinsurance
Perimeter Insurance Company, Inc.	Construction	2008	Pure
PharmaCare Captive Re, Ltd.	Retail Trade	2005	Pure - Reinsurance
PIC Risk, Inc.	Transportation and Warehousing	2015	Pure - Reinsurance
Ponderosa Indemnity, Inc.	Construction	2012	Pure
Providence Assurance Inc.	Health Care and Social Assistance	2007	Pure
Pruco Reinsurance, Ltd.	Finance and Insurance	2011	Pure - Reinsurance
Prudential Arizona Reinsurance Captive Co.	Finance and Insurance	2004	Pure - Reinsurance
Prudential Arizona Reinsurance Term Company	Finance and Insurance	2010	Pure - Reinsurance
Prudential Arizona Reinsurance Universal Company	Finance and Insurance	2011	Pure - Reinsurance
Prudential Term Reinsurance Company	Finance and Insurance	2014	Pure - Reinsurance
Prudential Universal Re	Finance and Insurance	2013	Pure - Reinsurance
QCS Insurance Co.	Wholesale Trade	2006	Association
Red Rock RRG	Transportation and Warehousing	2010	RRG
Risk Resources Ltd.	Manufacturing	2007	Pure
Riverside Captive Insurance Company	Retail Trade	2004	Pure
Roaring River II, Inc.	Finance and Insurance	2016	Pure - Reinsurance
Royal Assurance, Inc.	Transportation and Warehousing	2008	Pure
Saguaro National Captive Insurance Co.	Administrative and Support; Waste Management and Remediation	2004	Pure
SC Insurance Company	Health Care and Social Assistance	2010	Pure
Security Life of Denver International	Finance and Insurance	2013	Pure - Reinsurance
SIS Insurance, Inc.	Professional, Scientific & Technical Services	2015	Pure
Social Services Providers Captive Ins. Co.	Health Care and Social Assistance	2005	Pure - Reinsurance
South States Insurance Company, Inc.	Construction	2009	Pure

<b>Captive's Name</b>	<b>Industry Group</b>	<b>Year Licensed</b>	<b>Captive Type</b>
<b>Southeastern Legacy Insurance Company</b>	Finance and Insurance	2011	Pure - Reinsurance
<b>Spackler Insurance Company</b>	Professional Services	2014	Pure
<b>SRP Captive Risk Solutions, Ltd.</b>	Utilities	2003	Pure
<b>Standardbearer Insurance Company, Inc.</b>	Healthcare and Social Assistance	2013	Pure
<b>Tenn Re</b>	Transportation and Warehousing	2008	Pure
<b>TGG Captive Insurance Co.</b>	Health Care and Social Assistance	2002	Pure
<b>The Medical Alliance Insurance Company</b>	Health Care and Social Assistance	2013	Pure
<b>TPC Insurance Services, Inc.</b>	Construction	2009	Pure
<b>United Insurance Services, Inc.</b>	Finance and Insurance	2014	Pure
<b>Universal Prudential Arizona Reinsurance Company</b>	Finance and Insurance	2006	Pure - Reinsurance
<b>VWFS Insurance Services, Inc.</b>	Manufacturing	2016	Pure
<b>Washington &amp; Michigan Insurance, Inc.</b>	Finance and Insurance	2008	Pure
<b>WinSure Captive Insurance Company</b>	Agriculture	2016	Industry Group
<b>Xenia Assurance Company, Inc.</b>	Accommodation and Food	2013	Pure
<b>Xpress Assurance, Inc.</b>	Transportation and Warehousing	2007	Pure