

# BUSINESS INSURANCE

1/11/2016

## Vermont Licenses 33 Captive Insurers in 2015

By Jerry Geisel



Aided by a record number of redemestications, captive insurer formations in Vermont surged in 2015, state officials said Monday.

Vermont, the largest domestic domicile, licensed 33 captives last year, up sharply from 16 in 2014.

Eleven captives, including six risk retention groups, moved to Vermont in 2015, with captive redemestications coming from Arizona, Bermuda, Cayman Islands, Kentucky, Nevada and South Carolina.

“The record number of captives redemesticating to Vermont reinforces our 'Gold Standard' reputation,” Vermont Gov. Peter Shumlin said in a statement.

The 11 redemestications in 2015 easily eclipsed the previous record, set in 1994 when seven captives redemesticated to Vermont from other domiciles.

Of the 33 new captives, 12 are single-parent captives, seven are risk retention groups, seven are sponsored captives, four are special-purpose financial insurers, two are industrial insured captives, and one is an association captive.

Organizations that set up captives in Vermont in 2015 include Cummins Inc., Marubeni Corp., Syracuse University, Willis Management (Vermont) Ltd. and Zurich Insurance Group Ltd.

“The quality of Vermont's 2015 licensees continues to be outstanding,” David Provost, deputy commissioner of captive insurance in Montpelier, said in the statement.

The newly licensed captives bring Vermont's total to 588 active entities, making Vermont by far the largest captive domicile in the United States and third-largest worldwide.

In all, Vermont has licensed 1,062 captives since it approved its first one, set up by BF Goodrich Co. in September 1981, several months after Vermont enacted its trailblazing captive statute.