



STATE OF ALABAMA  
DEPARTMENT OF INSURANCE  
201 MONROE STREET, SUITE 502  
POST OFFICE BOX 303351  
MONTGOMERY, ALABAMA 36130-3351  
TELEPHONE: (334) 269-3550  
FACSIMILE: (334) 241-4192  
INTERNET: [www.aldoi.gov](http://www.aldoi.gov)

## STEPS TO FORMING A CAPTIVE Revised April 20, 2022

Generally, the process of forming a captive insurer in Alabama and applying for a license from the Department of Insurance will involve the following steps:

- 1) Request name approval and Petition the Commissioner to issue a Certificate of General Good. *If the Certificate of General Good **does not apply** to the proposed captive, the name approval request should indicate its inapplicability with an explanation.*

At a minimum, to obtain a Certificate of General Good, the Company must submit:

- Plan of Operation Summary (identify who is involved in forming the captive, purpose of the captive, the type of insurance it proposes to write, how it will be funded, service providers that will be used, and the volume of premium projected to be written);
  - Financial statement (balance sheet/income statement or Statement of Net Worth, i.e. something that shows financial fitness) of the incorporator(s)/organizer(s);
  - Biographical affidavits - signed and notarized; and
  - Statement of Benefit to Alabama - Estimated
- 2) Prepare documents necessary for formation/incorporation. File documents and Certificate of General Good, if applicable, with the Judge of Probate in the Alabama county of incorporation/formation.
  - 3) Prepare documents necessary for application to the Department (see [Forming and Licensing a Captive](#) for more information). Include permitted practice requests.
  - 4) Submit one copy of all materials in numbers (2) and (3) above using the online filing link: [Captive Application Submission](#).
  - 5) Go to [Captive Insurer Fees](#) to pay the required fees:
    - \$240.00 application fee
    - \$200.00 application examination fee).
    - Note – There may be additional fees for an actuary or organizational exam.
  - 6) Once a completed application has been reviewed and funding has been confirmed directly with the financial institution, the application will be sent to the admissions committee for review.
  - 7) If the admissions committee, provides tentative approval, the Company will be requested to go to [Captive Insurer Fees](#) to pay the \$360.00 licensure fee and submit required forms. Upon receipt, a COA will be issued.

**Inquiries regarding the application process should be directed to Jessica Williamson, [Jessica.williamson@insurance.alabama.gov](mailto:Jessica.williamson@insurance.alabama.gov) or (334)241-4157**