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CONTACT: Kevin Walters
OFFICE: (615) 253-8941

Redomestications Help Spur 104 New Captive Entities in Tennessee for 2016 Record Number of New Formations Brings State's Total to 538 Risk Bearing Entities

NASHVILLE – A record annual total of 104 risk bearing entities (RBEs) were added to Tennessee's captive insurance market in 2016 according to data released today by the Tennessee Department of Commerce & Insurance (TDCI). These new captives are comprised of 30 pure captives, five protected cell companies, one association captive, one risk retention group, and 67 new protected cells. Nine of the newly added captives are redomestications to Tennessee from other leading domestic and international domiciles.

A captive insurance company (called a "captive") represents an option for many corporations and groups wanting to take financial control and manage risks by underwriting their own insurance. TDCI's Insurance Division is responsible for properly regulating Tennessee's captive insurance industry. In 2011, Governor Bill Haslam signed the revised State of Tennessee's Captive Statute which made the state's existing captive insurance laws more effective, balanced, and flexible.

The record number of new formations in 2016 brings the state's total to 159 captive insurance companies and 379 protected cells formed, for a total of 538 RBEs.

"We are proud of the progress made last year to expand Tennessee's captive insurance market," said TDCI Commissioner Julie Mix McPeak. "Forming over 100 risk bearing entities in 2016 and over 500 entities in five years is quite a feat. TDCI remains committed to its role of maintaining proper regulation of captive insurance in Tennessee."

An [internal economic development survey](#) conducted in the summer of 2016 showed that captive insurance has already brought 82 new full-time white collar jobs to Tennessee and over \$430 million in direct and indirect spending and capital investment to the state.

"Tennessee has clearly established itself as the 'it' domicile for captive insurance," said TDCI Director of Captive Insurance Michael Corbett. "The redomestication of nine captive insurance companies to our state shows that more and more leaders in this industry are comfortable setting up their captives here. We especially appreciate the efforts of the Tennessee Captive Insurance Association (TCIA) in helping to make this growth happen."

For more information about captive insurance in Tennessee, visit the [TDCI website](#).

About the Tennessee Department of Commerce & Insurance: TDCI protects the interests of consumers while providing fair, efficient oversight and a level field of competition for a broad array of industries and

professionals doing business in Tennessee. Our divisions include the State Fire Marshal's Office, Insurance, Securities, Consumer Affairs, Tennessee Law Enforcement Training Academy, Regulatory Boards, Tennessee Emergency Communications Board, Tennessee Corrections Institute, and TennCare Oversight.

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DAVY CROCKETT TOWER 500 JAMES ROBERTSON PARKWAY NASHVILLE, TN 37243

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