

**ACTIVE
CAPTIVE**
MANAGEMENT



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INNOVATIVE SOLUTIONS FOR CAPTIVE INSURANCE COMPANIES

“Competence, Integrity and Innovation,” is not simply a slogan, rather the founding principles of Active Captive Management. Our proven track record of designing alternative risk transfer solutions has provided captive insurance benefits to a broad range of industries. Customizable to fit our clients’ business requirements, our firm provides turnkey services for the reduction of risk exposure and diverse insurance coverage to strengthen your business today and into the future. To meet the challenge of today’s complex risk environment, Active Captive combines the essential disciplines required to provide cutting edge captive solutions.

- ▲ Risk mitigation solutions
- ▲ Captive structure and insurance coverage design
- ▲ Custom insurance coverage
- ▲ Actuarial feasibility study
- ▲ Regulatory compliance management
- ▲ Insurance policy administration and claims management
- ▲ Annual captive strategy & efficiency reviews
- ▲ Captive redomestication services

As a full service provider we support our client’s captive from a central location with a keen focus on direct customer service by staff directly involved in day to day captive management. Ancillary captive insurance company support is provided by a network of actuaries, auditors, tax preparers and strategic partners who add to our foundation of unparalleled service.



WHAT IS A CAPTIVE INSURANCE COMPANY?

The Captive Insurance Company solution has long been utilized by The Fortune 1500 companies. Congress has enacted tax incentives to encourage the formation of captives for the small and medium sized business market. By definition a Captive Insurance Company is a wholly owned company that insures the risks of companies affiliated with the shareholders of the captive.

The origin of the Captive dates back to the 1870s when Protection and Indemnity associations were founded. "Captives", as the term was coined by Fred Reiss, realized growth in the 1960s, primarily in offshore insurance jurisdictions.

Today there are an estimated 6800 captives worldwide of which Captives and Group captives represent 74% of managed captives. Insurance jurisdictions, otherwise known as "Domiciles" located onshore (U.S.) represent over 60% of the captives currently in operation.



CAPTIVE INSURANCE ADVANTAGES

Ultimately, a captive insurance company owner benefits from the ability to shift risk and manage exposures and costs without dependency on the commercial insurance market.

A “captive” may be formed in a variety of structures; one type being a Captive which insures the risk of the operating business. Over 30 U.S. states and twenty-nine offshore jurisdictions (domiciles) have enacted laws that regulate these Captive Insurance Companies differently than traditional commercial insurers.

- ▲ Access to reinsurance market
- ▲ Reduce commercial coverage limitations
- ▲ Improved cash flow
- ▲ Risk management enhancements
- ▲ Control insurance costs
- ▲ Custom designed coverage for specialty risk
- ▲ Customize allocation of deductibles or self insured retention
- ▲ Manage claims administration
- ▲ Capture underwriting profit & investment income



BASIC REQUIREMENTS FOR TAXATION AS AN INSURANCE COMPANY

- ▲ Without a captive, self insurance reserves are not deductible.
- ▲ For premiums to be deductible, the captive must be recognized as an insurance company for federal income tax purposes.
- ▲ Risk transfer.
- ▲ Risk distribution.
- ▲ Adequately capitalized.
- ▲ Captive conducts itself like an insurance company.
- ▲ Serves a risk management purpose.
- ▲ Captive insurance tax rulings considered for this opinion include: IRC Rev. Rul. 2002-89, 2002-90, 2002-91 and 2005-40
- ▲ Insurance company taxation creates the risk management benefit/cash flow.

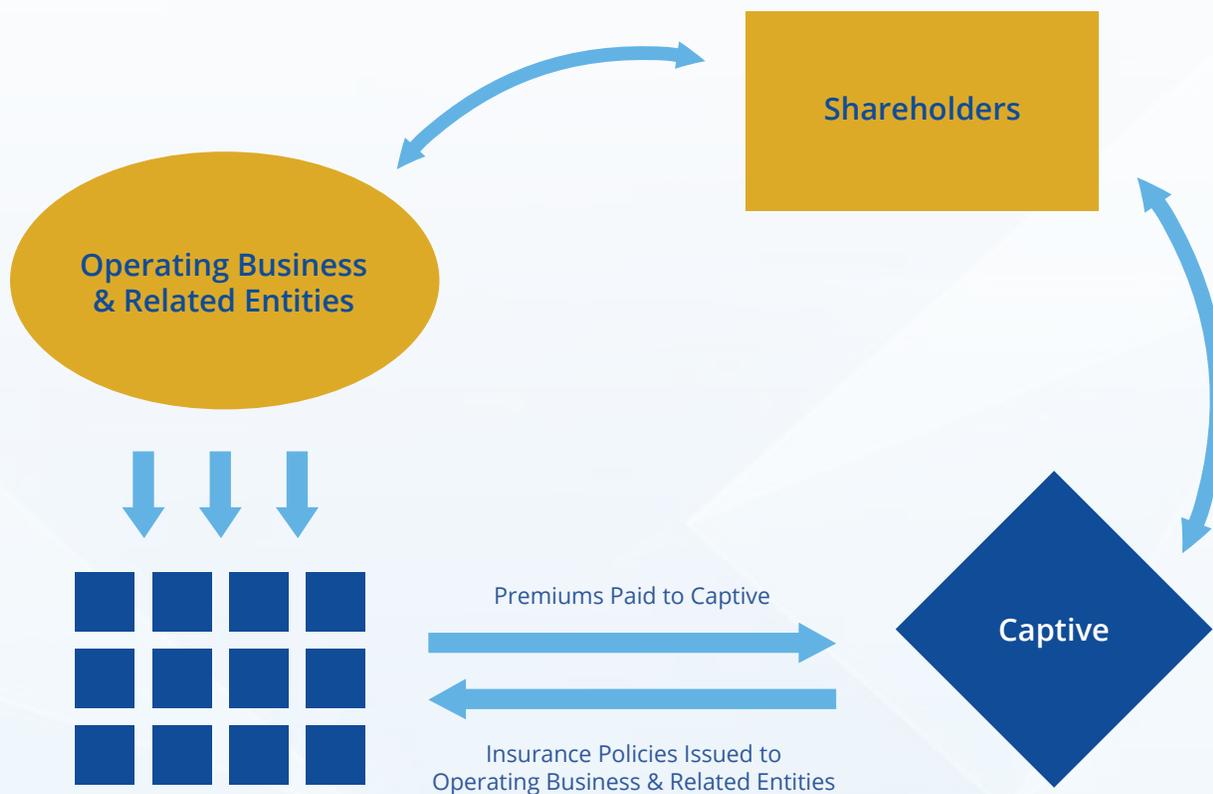
TAX ADVANTAGES OF A CAPTIVE INSURANCE COMPANY

Although tax benefits should not be the primary purpose of forming a captive, the following benefits are available with a properly structured Captive Insurance Company.

- ▲ A properly structured captive will allow for deductions of premiums.
- ▲ This creates more cash available for risk management.
- ▲ Generally, the captive can accelerate the deduction for unpaid losses unlike other taxpayers because loss reserves are deductible.
- ▲ Small insurance company provision allows for \$1.2MM annual premium exemption with the exemption increasing to \$2.2MM January 1, 2017.

CAPTIVE STRUCTURE

A Captive structure primarily insures the risks of the owner's operating business and related entities. The captive structure may be designed as described in this illustration.



THE CAPTIVE ADVANTAGE

Ultimately, a captive insurance company owner benefits from the ability to assume risk and manage exposure and costs, without dependency on the commercial insurance market. "Captives" may be formed in a variety of designs, one type being a Pure Captive, which insures the risk of the operating business. As a cost effective risk management solution, company capital is expensed to a subsidiary rather than a commercial insurer. Captive management services require a perfect combination of experienced talent to deliver an alternative risk solution that is fiscally sound, creative in insurance program design, as well as regulatory compliant. The Active Captive team provides expertise in all capacities essential to structure, implement and manage a viable captive.

- ▲ Capital preservation
- ▲ Access to the reinsurance market
- ▲ Eliminate coverage limitations
- ▲ Lower insurance costs
- ▲ Improved cash flow
- ▲ Risk retention
- ▲ Risk management
- ▲ Control and manage insurance costs
- ▲ Applicable to any industry
- ▲ Increase deductibles
- ▲ Owner financed risks
- ▲ Custom designed coverage for specialty risk
- ▲ Customize allocation of deductibles for self insured retention
- ▲ Manage claims and administration
- ▲ Capture underwriting profit and investment income

SPECIAL PURPOSE CAPTIVE INSURANCE COMPANY

A Special Purpose Captive and its related Series Business Units (SBU) provide an alternative for mid to small sized companies to obtain risk mitigation solutions and minimize the expense incurred by larger captives. This captive structure provides access to the full spectrum of coverage options available to larger captives with the advantage of sharing the administrative and service provider expenses amongst other SBUs. For example, one annual report for the core LLC may be submitted for regulatory compliance purposes, thus reducing the requirement and expense at the SBU level.

Under rulings from the IRS, each SBU will have a separate tax identification number and file its own income tax returns. Individual SBU's act as a cell in that it maintains assets and liabilities separate and distinct from those held by other SBUs. The operating agreement of the Special Purpose Captive provides for no sharing of assets or liabilities between the SBUs of the Special Purpose Captive also known as the Core Captive.

Active Captive Management has established Special Purpose Captives in multiple onshore domiciles, each licensed independently as a captive insurance company.

THE SPECIAL PURPOSE CAPTIVE ADVANTAGE

The Series LLC – SBU structure is a cost effective risk management strategy.

- ▲ Treated as single entity
- ▲ Single premium tax based on domicile regulations
- ▲ Legal separation of each Series Business Unit
- ▲ Reduced administrative and general expenses
- ▲ Flexibility in economics & governance
- ▲ Consolidated accounting

SERIES BUSINESS UNIT (SBU) CHARACTERISTICS

The Series Business Unit design provides an option to larger captive structures which require greater capital expenditure at the same time delivering alternative risk financing while reducing risk exposure.

- ▲ Reduced capital requirements in relation to premium
- ▲ Reduced operation expense compared to larger captives
- ▲ Single Legal Entity
- ▲ The SBU may be managed by a majority interest of its members or by a manager
- ▲ The SBU may have the same members or different members, all with the same interests
- ▲ Liabilities of one SBU will not be attributable to the other SBUs or the series organization
- ▲ The SBU may have voting or non-voting members or both, authorized in formation documents of the series organization
- ▲ Premium tax is imposed at Series Core LLC organization level
- ▲ Creditors of one SBU may not reach the assets of other Cells or the Core organization

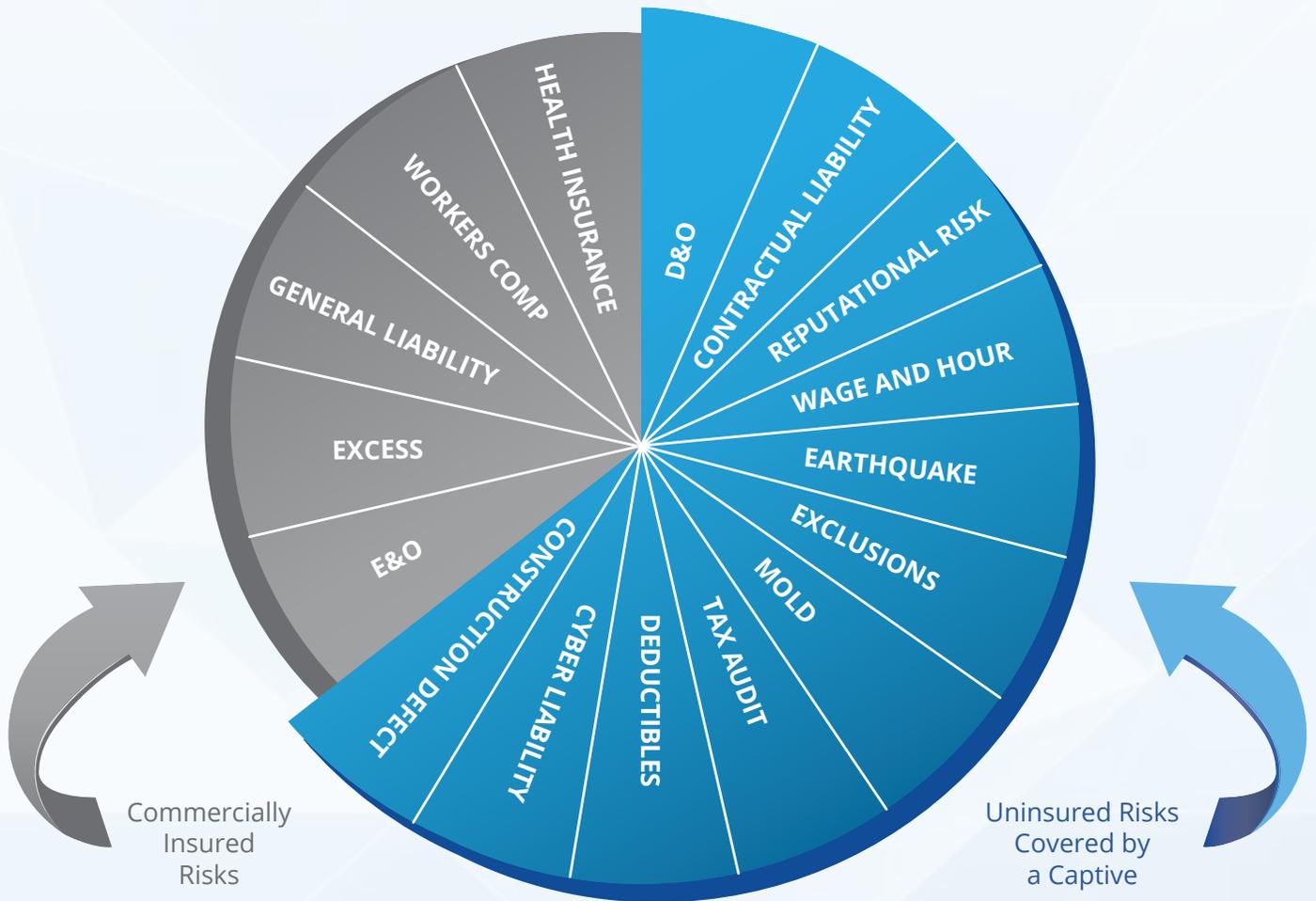


INDUSTRIES THAT HAVE BENEFITED FROM CAPTIVES

- ▲ Automotive
- ▲ Agricultural
- ▲ Apparel
- ▲ Commercial Real Estate
- ▲ Communications
- ▲ Construction
- ▲ Dairy Distribution
- ▲ Distribution Services
- ▲ Education Services
- ▲ Energy Technologies
- ▲ Engineering
- ▲ Financial Institutions
- ▲ Franchising
- ▲ Fuel, Oil, and Gas
- ▲ Food and Beverage
- ▲ Farming
- ▲ Grocery
- ▲ Healthcare
- ▲ Hospitality
- ▲ Human Capital Resources
- ▲ Investment Services
- ▲ Industrial Manufacturing
- ▲ Manufacturing
- ▲ Medical & Dental Practices
- ▲ Mining and Materials
- ▲ Nursing Facilities
- ▲ Organic Supplements
- ▲ Printing & Publishing
- ▲ Real Estate Development
- ▲ Recycling & Environmental
- ▲ Retail Services
- ▲ Storage Facility Management
- ▲ Transportation
- ▲ Technology
- ▲ Waste Management
- ▲ Wholesale Merchandise

Sample Risk Profile

Most self insured risks CAN be insured through a Captive Insurance Company



INSURANCE COVERAGE

The Active Captive Management team conducts an individualized risk analysis to define the scope of existing commercial coverage and to provide a comprehensive captive risk mitigation solution.

Active Captive has over 130 insurance lines of business available to address our client's risk management needs in addition to having internal commercial underwriting expertise to develop customized coverage to mitigate any unique existing or potential risk.

Sample coverage options available:

- ▲ Boiler and Machinery
- ▲ Building Ordinance
- ▲ Credit Insurance
- ▲ Crime Insurance
- ▲ Construction Defect
- ▲ Contractual Liability
- ▲ Cyber Liability
- ▲ Deductible Reimbursement
- ▲ Directors and Officers
- ▲ Distribution Liability
- ▲ Earthquake
- ▲ Employee Practices Liability
- ▲ Environmental Liability
- ▲ Errors & Omissions
- ▲ Excess Insurance
- ▲ Flood Insurance
- ▲ General Liability
- ▲ Independent Distributors Liability
- ▲ Inland Marine
- ▲ Intellectual Property Infringement
- ▲ Kidnap/Ransom Liability
- ▲ Legal Expense
- ▲ Mold Liability
- ▲ Political Risk
- ▲ Product Recall
- ▲ Professional License Defense
- ▲ Property Insurance
- ▲ Property-Inventory
- ▲ Regulatory Action
- ▲ Reputational Risk
- ▲ Strike Insurance
- ▲ Unfair Competition Liability
- ▲ Union Audit Insurance
- ▲ Wage and Hour
- ▲ Worker's Compensation Deductible
- ▲ Workmanship Liability



CAPTIVE CLIENT PROFILE

Business owners across a broad range of industries have formed a Captive Insurance Company as a solution to enhance their risk mitigation strategies.

Typical client characteristics include the following:

- ▲ Operating company holds substantial self insured risk
- ▲ Operating company pays significant third party insurance premiums

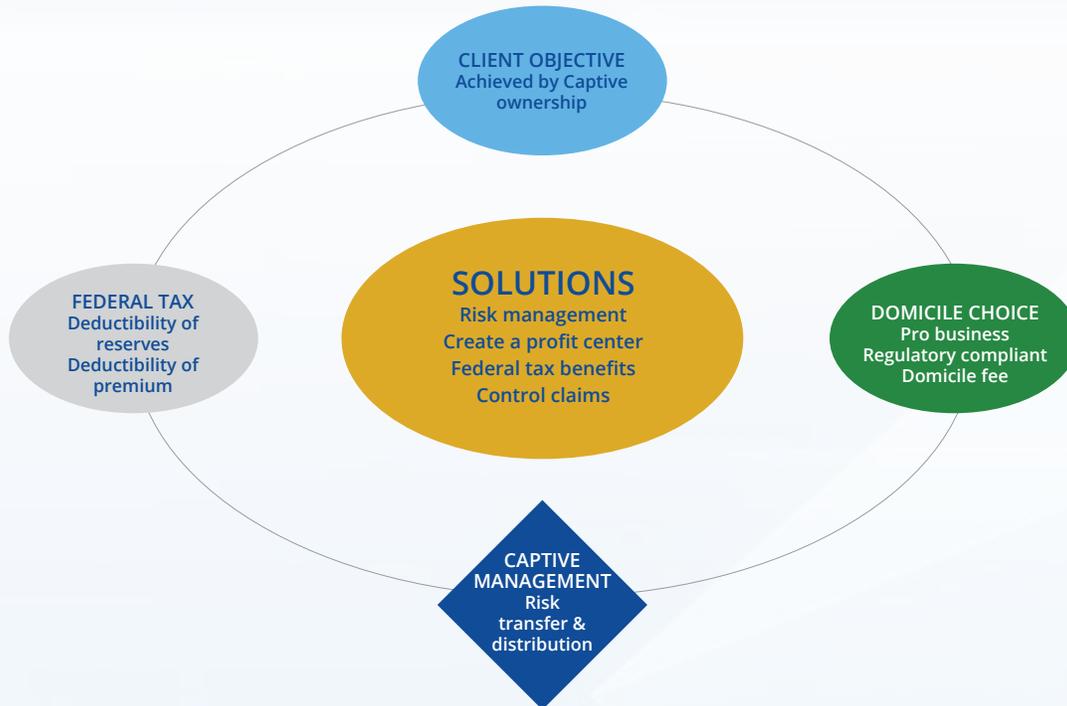
① TYPICAL POSITIONING

Organizational challenges that a Captive Insurance Company may support.



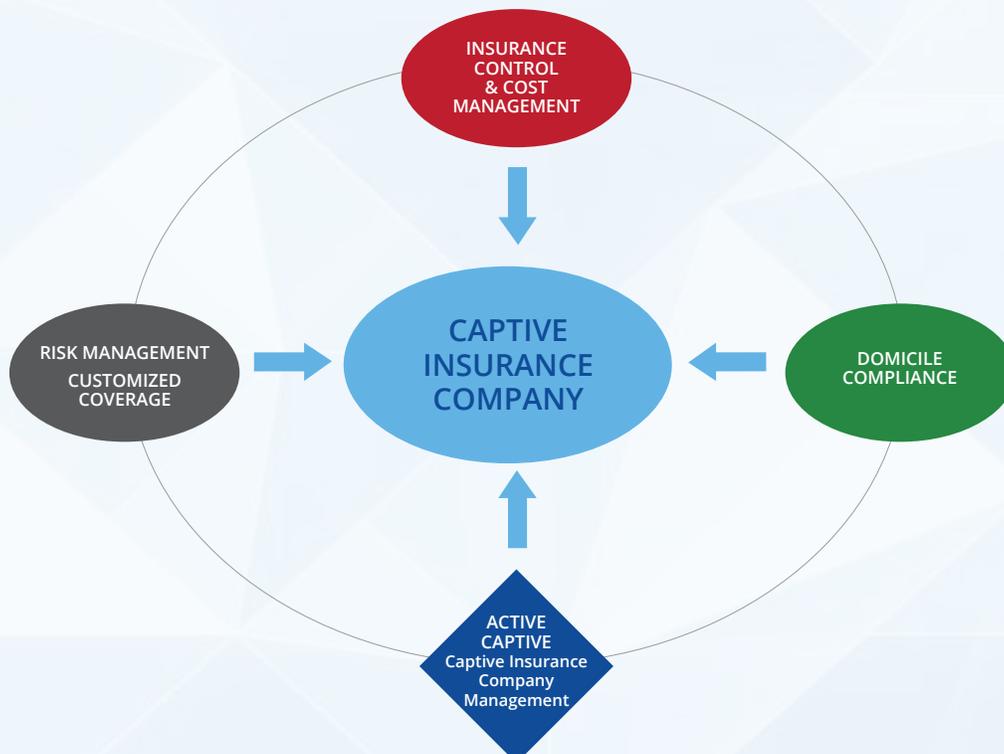
② CAPTIVE OPPORTUNITY

Captives may provide solutions for a variety of operational needs when properly structured.



③ CAPTIVE OWNERSHIP

Structures are developed with consideration of current and future scenarios and opportunities



DOMICILE SELECTION

Choosing the appropriate captive insurance domicile is important to the success of your captive. As a component of a long term risk management solution, a captive should be positioned with an insurance domicile that is aligned with the captive's desired business lines of coverage, anticipated premium and operating cost allocations. Domicile selection factors include political stability, enlightened legislation, support services, records and meeting requirements and cost structures.

Active Captive is an approved Captive Manager in the following domiciles:

Onshore

- ▲ Alabama
- ▲ Delaware
- ▲ District of Columbia
- ▲ Hawaii
- ▲ Missouri
- ▲ Montana
- ▲ New Jersey
- ▲ Nevada
- ▲ North Carolina
- ▲ South Carolina
- ▲ Tennessee
- ▲ Texas
- ▲ Utah
- ▲ Oklahoma
- ▲ Oregon

Offshore

- ▲ Nevis

THE ACTIVE CAPTIVE MANAGEMENT ADVANTAGE

Captive Management Services require a perfect combination of experienced talent to deliver an alternative risk solution that is fiscally sound, creative in insurance program design, while being compliant from a regulatory standpoint. The Active Captive team provides expertise in all capacities essential to the structuring, implementation and management of a viable captive.

- ▲ Experience in the formation of over 600 captives
- ▲ Client diversification in over 25 industries and growing
- ▲ Unique captive design expertise
- ▲ Insurance program design, underwriting & claims management
- ▲ Captive capitalization & financing expertise
- ▲ Strong domicile jurisdiction relationships
- ▲ Regulatory compliance expertise
- ▲ Unparalleled client management services
- ▲ Long term strategic relationships; P&C Brokers, Fronting Carriers, Actuaries, Auditors, Risk Managers, Wealth Managers, CPA's and Attorneys



CAPTIVE MANAGEMENT SERVICES - CAPABILITIES

Captive Design

- ▲ Risk analysis of commercial coverage
- ▲ Operating entity analysis
- ▲ Insurable entity, insurance coverage and premium design
- ▲ Feasibility study and financial proforma
- ▲ Captive ownership guidance
- ▲ Domicile selection

Licensing and Formation

- ▲ Insurance company application and licensing
- ▲ Company incorporation and formation
- ▲ Selection of actuary, auditor and tax preparer

Insurance Management

- ▲ Policy administration
- ▲ Claims reporting and management
- ▲ Annual risk coverage analysis
- ▲ Development of custom policy forms
- ▲ Analysis of reinsurance/ fronting arrangements

Captive Regulatory Compliance

- ▲ Insurance company accounting
- ▲ Quarterly financials
- ▲ Annual statement and tax return reporting
- ▲ Investment and dividend guidance
- ▲ Regulatory reporting
- ▲ Annual feasibility study
- ▲ Annual audit
- ▲ Annual captive efficiency review



SELECTING AND WORKING WITH A CAPTIVE MANAGER

Captive Review – Enterprise Risk Captive Report 2015

Fredrick E. Turner, founder of Active Captive Management, LLC, explains the correct process for choosing a captive manager.

Of the many choices any captive owner will make, one of the most crucial is the selection of a captive manager. In fact, the relationship between a captive and its manager can make or break the captive's success. So, what makes a captive manager a good one? And, what makes the captive/manager relationship strong?

Finding a competent captive manager- what's the role of the manager?

The role of the captive manager is generally to assist the captive to perform its necessary insurance operations and to communicate on its behalf with regulators. There are four main insurance functions that a manager helps the captive with: (1) performing underwriting; (2) performing claims handling; (3) assisting with financial recordkeeping and financial management; and (4) ensuring captive regulatory compliance.

Underwriting:

Underwriting is the process of evaluating risk for coverage. It necessarily involves reviewing information submitted by insureds in an application or renewal process and evaluating this information to determine what would be appropriate insurance policy lines to cover the risk to be transferred to the captive

WRITTEN BY

**FREDERICK
E. TURNER**



Frederick E. Turner has worked in the field of risk management since the mid-1980s. He is the owner and founder of Active Captive Management, LLC. Turner is a prolific writer and speaker on insurance and risk management topics and serves as the vice chairman of the Captive Committee Business Law section of the American Bar Association.

and then what should be the price of the insurance, i.e., its premium rates.

In the captive context, underwriters also qualify insureds to purchase policies. For example, in the single-parent context, insureds must be either a parent entity, an affiliated entity, or a controlled unaffiliated business entity. Underwriters also write the policy lines, and as the drafters of the coverage, are often called on to work with the claims department to help interpret the intent of the coverage when a claim is at issue. Underwriters also coordinate with commercial insurance brokers to ensure a seamless marriage between the captive and commercial program, where the captive is filling in the gaps in the commercial program. In fact, where commercial insurance is being replaced in whole or in part,

the captive manager works in tandem with the commercial broker and the client to determine what would be appropriate captive policy lines.

Claims handling:

Claims handling is the function through which a captive evaluates whether or not claims are covered. Captive managers with an in-house claims department help their captive clients to make claims decisions (some managers might act directly as a TPA for the captive; others provide coverage recommendations to the captive). Claims personnel also coordinate with actuaries to evaluate and manage exposure and loss data and set reserves. The issuance of policy lines coupled with the ability to pay covered claims encompasses the primary functions of any insurance company; a captive is no different than a traditional carrier in this regard.

Financial management:

Managers also help their captive clients to maintain accounting and financial records and facilitate making financial records available to regulators, examiners, auditors and company shareholders. Managers also work with a captive's outside advisors, like the captive's CPA, tax counsel, or investment advisors to ensure proper accounting treatment for captive financials, that tax considerations

SELECTING AND WORKING WITH A CAPTIVE MANAGER *(Continued)*

are handled appropriately by professionals employed to address tax issues and to ensure a captive is diverse in its investments.

Compliance:

On the compliance and regulatory side of the equation, captive managers also prepare formation documents for the captive, like captive business plans, submit application documents to the regulators in order to secure a captive's license and engage the services of actuaries to prepare feasibility studies. Managers also provide board meeting services, including coordination of meetings and preparations of materials, and provide for local director services.

These are but a few examples of compliance functions performed by a manager; but, the bigger picture, working hand in hand with the domicile that regulates the captive is in our view, the key and primary function of every manager. So captives need not only managers experienced in insurance and risk management, with deep resources in both areas, they also need a manager that has developed and maintains strong relationships with regulators.

Thus, at the center of captive management is captive compliance – captive managers need strong, solid in-house resources to provide regulatory related services, such as ensuring that the captive is in compliance with governing insurance code in the captive's domicile, overseeing the preparation and filing of regulatory reports like the captive's annual statement, maintaining captive records as per regulatory requirements, and helping the captive to respond to regulatory examinations and inquirers.

Is there anything a captive manager shouldn't do?

A captive manager cannot – and should not – be everything. There is a line between the captive and the manager and then another line between the manager and necessary outside resources. Each part of this makes up the operations triangle for any captive; with the owner on one side of the equation, the manager on another, and with outside resources as the third side to a successfully managed and well run captive.

The road to a captive starts with organizational risk management. In other words, captive managers should act in concert with the captive owner and/or the insureds' risk management team and a well thought-out risk program includes both organizational risk management and risk management at the captive level, where one necessarily benefits from the other. The captive also needs outside advisors in the fields of audit, legal, actuarial, and tax.

The captive manager can help the captive retain qualified outside resources in these fields – do not believe any captive manager that tells you they can be everything to the captive. The truth is that every captive needs more than just a manager; it needs an aware owner, a diligent regulator, and outside resources (like tax counsel, CPAs and actuaries.) Captive owners should watch out for captive managers that outsource all or most of the four functions noted above or that tell you it's one-stop shopping with them and that they can do absolutely everything to meet the needs of the captive. It takes a team, where a quality manager is but one part.

Having a strong and successful relationship with your manager – the Active Captive difference:

At Active Captive Management, we listen to our clients, we listen to the industry, and we listen to regulators. As with any other relationship, communication is key. Our philosophy is one that marries the risk and captive management needs of our clients to the requirements of the governing domiciles to create and manage compliant captives that serve risk management purposes and meet the insurance needs of our diverse business base. We specialize in the formation and management of captive insurance companies for small and medium-size companies.

Captive insurance as an alternative risk management strategy is being used by more than half of the Fortune 1500 US and multinational corporations. Active Captive has in-house veteran insurance industry personnel, many of whom came to Active Captive with decades of experience working for or with commercial insurance companies.

We don't outsource the four chief functions of a captive manager. We have the necessary internal resources in claims, underwriting, accounting, and compliance that work in concert with each other and can act quickly and competently to service the needs of our managed business.

We are an approved captive insurance manager in the following domiciles: Alabama, Delaware, District of Columbia, Florida, Hawaii, Kentucky, Missouri, Montana, Nevada, New Jersey, North Carolina, Oklahoma, Oregon, South Carolina, Tennessee, Utah, Nevis, and St. Christopher (St. Kitts).

EXECUTIVE MANAGEMENT



Fred Turner — Founder & Chairman

fturner@activecaptive.com

Frederick E. Turner, Founder, J.D. Since establishing his first captive management firm in 1996, which was rebranded as Active Captive in 2005, Fred has directed the company's growth of establishing a management presence in the majority of U.S. domiciles, the formation of single parent and special purpose captives as well as a national strategic business network. As a leading innovator of the single parent captive structure, Active Captive is positioned at the forefront of the growing industry and continues to develop strategies to provide risk mitigation solutions.

Prior to entering the field of alternative risk solutions in 1986, Fred was the founding partner of Turner, Reynolds, Greco & O'Hara. Fred's background also includes a degree of B.A. Economics Long Beach State University, "high distinction", Graduate Juris Doctorate, Loyola Law School, 1980, "cum laude", Member of California Bar Association, Central District State of California, Ninth Circuit Federal Court of Appeals, U.S. Supreme Court, Rated "AV". Fred also currently serves as the Vice Chairman of the captive committee business law section of the American Bar Association and Director of the Utah Captive Insurance Association.



Park Eddy — President

peddy@activecaptive.com

Park Eddy is Active Captive Management's President. Park joined ACM as Executive Vice-President in 2007. Prior to that, he worked in the alternative risk market for Beecher Carlson and AON, and in the sales, management and marketing of pension investment programs for John Hancock and The Guardian Insurance Companies. Park is well-regarded by his colleagues and industry professionals for his exceptional leadership skills and work ethic. Park is actively engaged in the captive insurance industry and is on the Alternative Risk Transfer Committee of the Self Insurance Institute of America (SIIA).

Park holds a Bachelor's degree in Investment Finance and an MBA from the Marshall School of Business, both from the University of Southern California. He is a licensed insurance broker. Prior to launching a professional career in the financial industry, Park was on the 1984 Los Angeles Olympic Organizing Committee. In 1986-87, he had the opportunity to sail in the America's Cup.



Deanna Gilpin — Chief Financial Officer

dgilpin@activecaptive.com

Since the formation of Active Captive in 2005, Deanna has assisted clients on a wide range of assignments in the design, approval process, capitalization, ongoing administration and regulatory compliance of privately held captives. She currently holds the position of Chief Financial Officer. Deanna has an extensive background in domicile relationships, captive management, insurance coverage, accounting and policy administration. Deanna is responsible for the management and supervision of client accounts including financial and regulatory reporting. Deanna received her B.A., Economics California State University of Long Beach in 1986.

EXECUTIVE MANAGEMENT (CONT.)



Dana Hentges Sheridan

General Counsel and Chief Compliance Officer

dsheridan@activecaptive.com

Dana is Active Captive Management's General Counsel and Chief Compliance Officer. Dana brings almost 20 years of experience in insurance, regulatory compliance, and risk management to ACM. Prior to joining Active Captive, Dana practiced in a law firm setting as a trial attorney and insurance coverage counsel, where she represented commercial insurance companies. Over the course of her career, Dana has also provided contract drafting services and risk management counsel to corporate clients, including design of insurance programs, counsel regarding regulatory compliance, privacy advice, and counsel on information risk management. Dana has extensive insurance experience with complex claims and suits involving P&C lines, excess/umbrella, E&O and D&O coverage.

Dana was a contributing author to Chapter 38, "Understanding Errors and Omissions Insurance," New Appleman Insurance Law Practice Guide, Volume 3 (2007). Dana was selected for inclusion in the 2007, 2009, 2010 and 2012 Southern California Super Lawyers Rising Stars®. She was also named as a 2011 Top Attorney by Pasadena Magazine. Dana is a member of the California and Minnesota State Bars, PLUS, CICA, and RIMS. She is also a member of the ABA's Tort and Insurance Practice Group and the Business Law Section, including the Captive Committee. She frequently speaks and writes on a variety of insurance related topics, including organizational risk management, coverage and claim trends, and regulatory and compliance issues.



Michael C. McKahan — Chief Operations Officer

mmckahan@activecaptive.com

Michael is responsible for the operational management, quality controls and client management systems for ACM's client and strategic advisor base. Michael also manages on shore and off shore domicile relationships, Special Purpose Captive formations and company branding and strategic marketing relationships. Michael has over 25 years of operations management experience and has represented operational, sales and marketing platforms in the lending and advertising industry.

Prior to joining Active Captive, he held executive positions with nationally recognized mortgage banking corporations. Michael is a graduate of Central Michigan University.

BUSINESS DEVELOPMENT



Cinda Carbone — Executive Vice President of Sales
ccarbone@activecaptive.com

As the Executive Vice President of Sales, Cinda is responsible for providing consulting and educational services on issues related to the captive world, including feasibility studies, strategic reviews of existing captives, design and formation of new captives, domicile regulatory compliance, and the expansion of existing captives. Prior to joining Active Captive Management, Cinda worked at Marsh & McLennan as Assistant Vice President in Marsh's Captive Advisory practice for the western U.S., based in Newport Beach, CA. Previously she was a Captive Account Manager with Marsh in Honolulu, Hawaii. In addition, Cinda was Marsh's Marketing Liaison for the State of Arizona, Hawaii, Utah, and Nevada. Cinda has been directly involved in a wide variety of captive insurance structures and industry groups. Prior to joining Marsh in 2004, Cinda was the Division Controller for Supervalu, Inc., which at the time, was the nation's largest grocery wholesaler.



Rick S. Weiner — Director
rweiner@activecaptive.com

Rick's primary responsibilities include client and product development. Rick is a highly experienced attorney and certified public accountant with a practice dedicated to the complex planning and transactional needs of high net-worth families, entrepreneurs, and business owners. Rick has practiced in Orange County California for over 25 years.

Rick graduated from UCLA with a degree in Economics. Rick joined Arthur Andersen & Company in 1984 as an audit and tax professional. Rick later earned a law degree from Arizona State University (1989) and was later qualified by the California and Nevada State Bars for practice in those states. He is also a licensed CPA in the State of California.



BUSINESS DEVELOPMENT (CONT.)



Geoffrey P. Smith — Vice President
gsmith@activecaptive.com

Geoff is responsible for Business Development in the Southeast Region. Based in Florida, Geoff develops and maintains client relationships. Geoff has spent the majority of his diverse and independent business career in Alberta, Canada with a background in capital formation, corporate work-outs, value investing and long-term investing. Geoff's previous positions include Partner at Peters & Co. Limited, VP Corporate Development at Canadian 88 Energy Corp. and President of Panache Investments Ltd.

LOCATIONS

Corporate Office:

Active Captive Management, LLC.
24422 Avenida de la Carlota, Suite 400
Laguna Hills, CA 92653
(800) 921-0155
www.activecaptive.com

Regional Locations:

Utah Captive Insurance Mangers, LP
136 Heber Avenue, Suite 204
Park City, UT 84060

Active Captive Management, LLC.
314 N. Last Chance Gulch, Suite 305
Helena, MT 59602

Active Captive Management, LLC.
220 Continental Drive, Suite 112
Newark, DE 19713

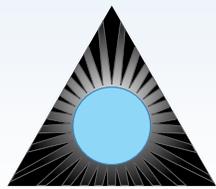
Active Captive Management, LLC.
321 S. Boston Ave, Suite 300
Tulsa, OK 74103

Active Insurance Management, Limited
P.O. Box 733 Hunkins Water Front Jewels
Charlestown, Nevis

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MANAGEMENT

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