



South Carolina Department of Insurance

MARK SANFORD
Governor

SCOTT H. RICHARDSON
Director of Insurance

Memorandum

TO: All Captive Managers and Service Providers

FROM: Leslie Jones, Deputy Director
Market, Actuarial and Alternative Risk Transfer Services

SUBJECT: Extension of Registration Date for Captive Risk Retention Groups

DATE: June 16, 2010

I. PURPOSE

On June 7, 2010, R. 265 (S.1224) (the "Act") became effective upon signature by the Governor. The Act amended South Carolina's captive insurance laws as required by new accreditation standards promulgated by the National Association of Insurance Commissioners to make certain other laws applicable to captive risk retention groups domiciled in South Carolina. In this connection, Section 12 of the Act amended Section 38-90-160 to include a new subsection (C), pursuant to which each captive risk retention group which constitutes part of an insurance holding company system is made subject to provisions of the Insurance Holding Company Regulatory Act of South Carolina (the "Holding Company Act"), including the registration provisions of Section 38-21-130.

Pursuant to Section 38-21-130, each insurer which is subject to registration under the Holding Company Act shall register with the South Carolina Department of Insurance within fifteen days after it becomes subject to registration, and annually thereafter by March first of each year for the previous calendar year, unless the director or his designee for good cause shown extends the time for registration, and then within the extended time. The purpose of this memorandum is to extend the time for initial registration for all captive risk retention groups subject to Section 38-21-130.

II. EXTENSION

Pursuant to Section 38-21-130, the deadline for the initial registration of each captive risk retention group subject to the Holding Company Act would be June 22, 2010. However, in order to provide all captive risk retention groups sufficient time to evaluate the applicability of Section 38-21-130 and to comply with the provisions of the Act and the Holding Company Act, pursuant to the authority granted to the director or his designee in Section 38-21-130, such deadline is hereby extended to July 15, 2010, for good cause.

III. QUESTIONS

Questions regarding this memorandum should be submitted in writing to:

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