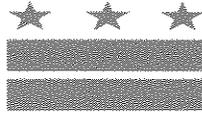


**Government of the District of Columbia**  
**Department of Insurance, Securities and Banking**



**Thomas E. Hampton**  
**Commissioner**

**NOTICE**

**TO:** All Captive Managers Approved in the District of Columbia

**FROM:** Dana Sheppard  
Associate Commissioner  
Risk Finance Bureau

**SUBJECT:** Annual Meeting of the Board of Directors in the District of Columbia

**DATE:** June 11, 2009

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This Notice is being sent to all approved captive managers in the District of Columbia to remind you and your clients that each captive insurer licensed in the District of Columbia is required to hold an annual meeting of its board of directors in the District of Columbia. See D.C. Official Code § 31-3931.11(d).

At least a quorum of the board of directors shall physically come to the District of Columbia to conduct the annual meeting. The company shall maintain minutes of the board meeting, which shall be made available to the Commissioner for inspection during an examination of the company, or at such other reasonable times as the Commissioner may request. Those directors that are unable to physically attend the meeting in the District of Columbia may participate via teleconference.

A captive insurer may submit a written request for a waiver of the annual meeting of the board of directors. The request must be supported by facts and circumstances establishing good cause to grant the request. I am aware that circumstances such as scheduling conflicts, serious illness, etc. arise during the year that may make it difficult or impossible for some directors to attend the board meeting in the District of Columbia. For these reasons, I encourage you to advise your clients not to schedule the annual board meeting late in the year. Waiver requests will be granted infrequently.

Finally, the Commissioner has the authority to impose an administrative fine not to exceed \$5,000.00 for violations of the captive law. Habitual offenders of the meeting requirement may also face a temporary suspension or permanent revocation of their certificate of authority for failing to comply with this Notice.

Please do not hesitate to contact me on (202)727-5074, or by email: [dana.sheppard@dc.gov](mailto:dana.sheppard@dc.gov) if you have any questions about this Notice.