

Invoices are issued to the company based on policy issued for stated coverages and limits.

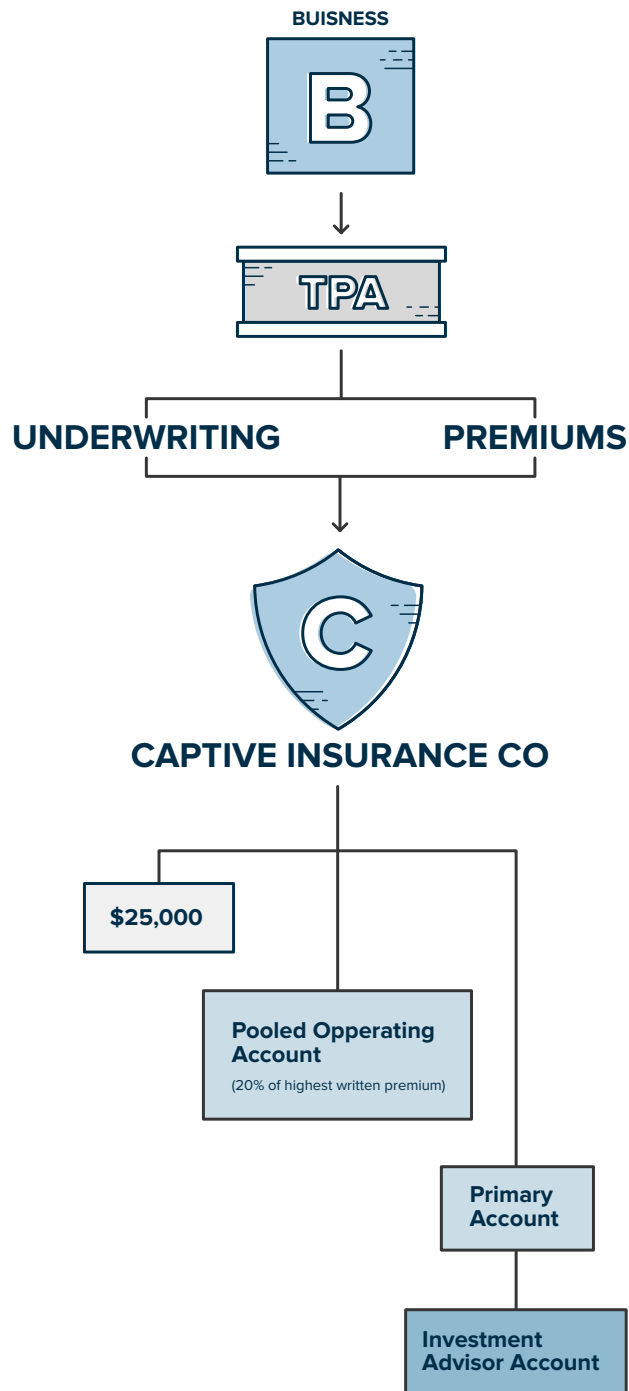
The use of a TPA allows for single premium billing and allocated gross remittance to contracted parties for underwriting fees, which are billed as premium plus over the insurance premium paid to CaptiveOne Management. Premiums are remitted to the carrier, in this case American Casualty Reinsurance of Delaware LLC.

Premium is allocated through participation treaty to Captive Insurance Co. a series of American Casualty Reinsurance of Delaware LLC.

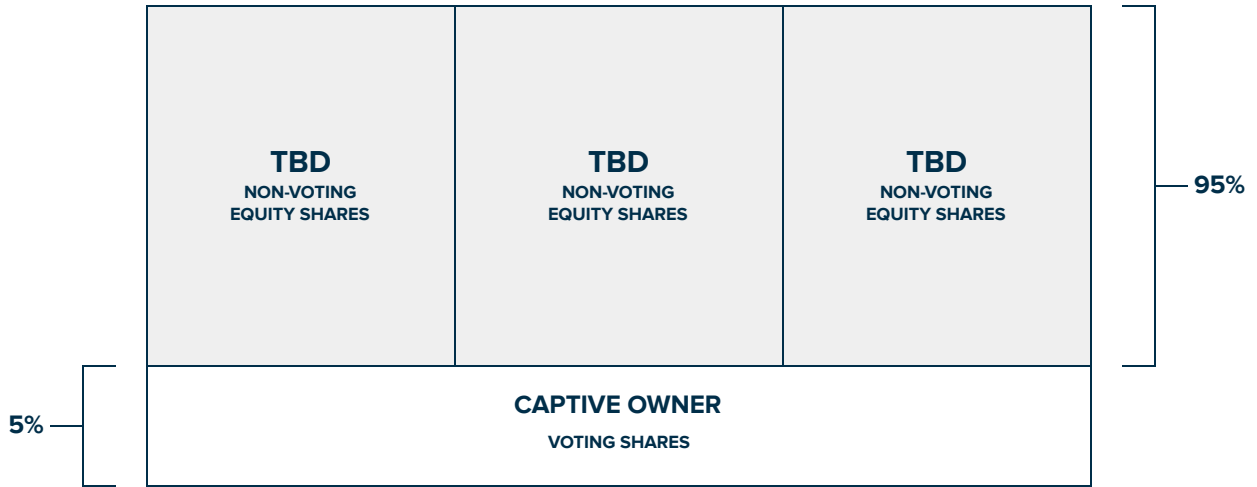
Premiums are allocated to the internal account managed by Administrator. Funds are used to facilitate claims, as advances to other syndicate members, and as working capital as needed to maintain the captive.

All funds credited to the pooled operating account and under control of administrator are returned to captive owner at dissolution or the expiration of the SOL for final premium year of the captive.

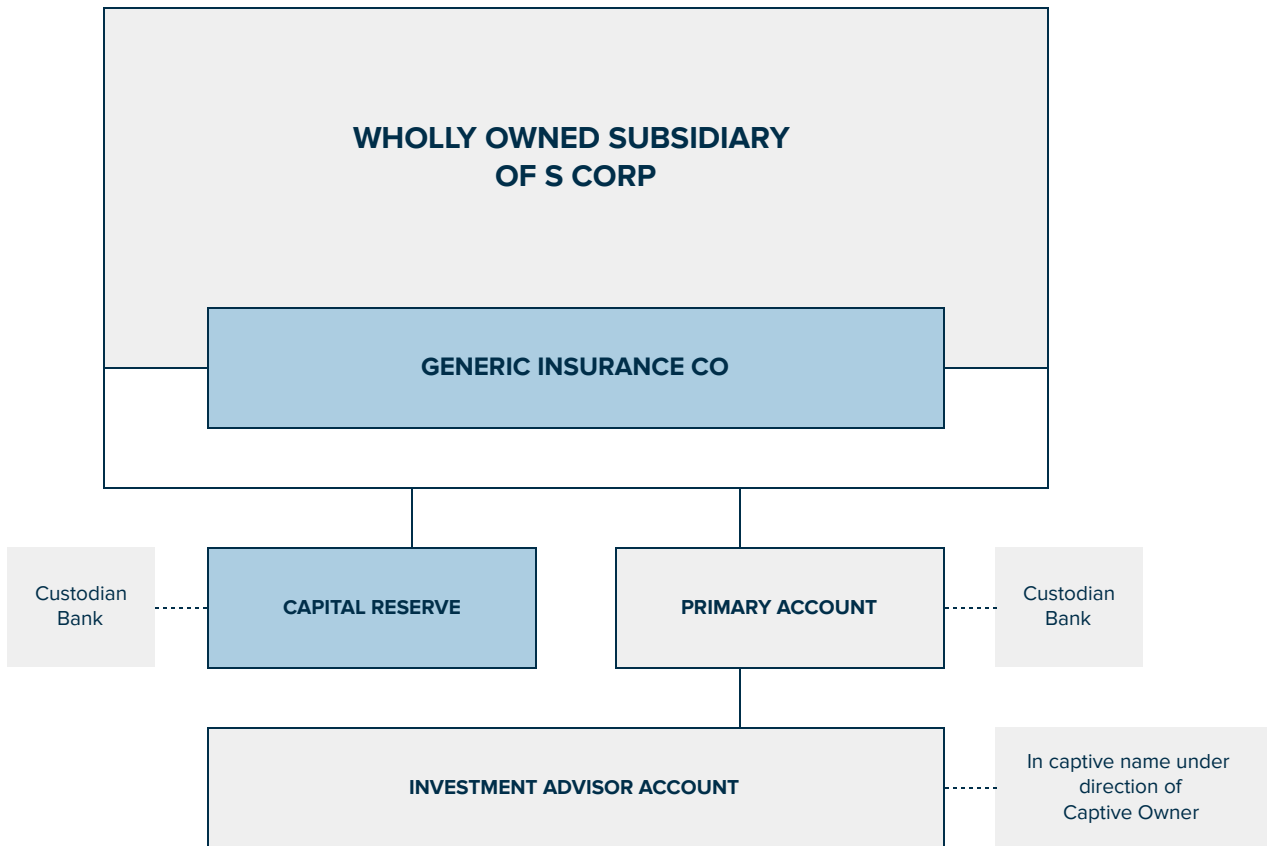
The primary account will act as depository for reserves and surplus. This account is generally a pass-through. Once funds are cleared, generally under 30-45 days, funds may be directed to an investment account titled in the name of the captive. This account has similar signatory permissions as the capital reserve account, and only the owner may request a distribution. Any distributions must be cleared with the jurisdiction first. After it has been determined that the distribution will not effect the solvency of the captive, it will be cleared.

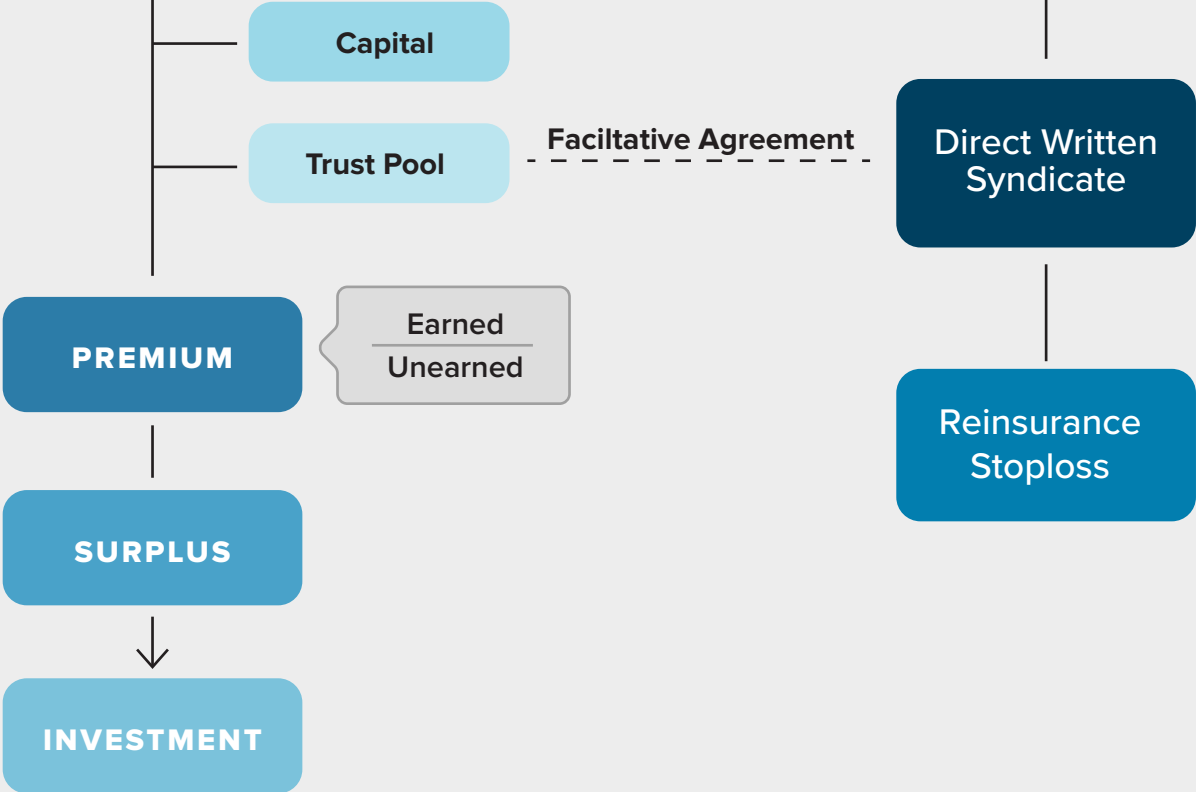


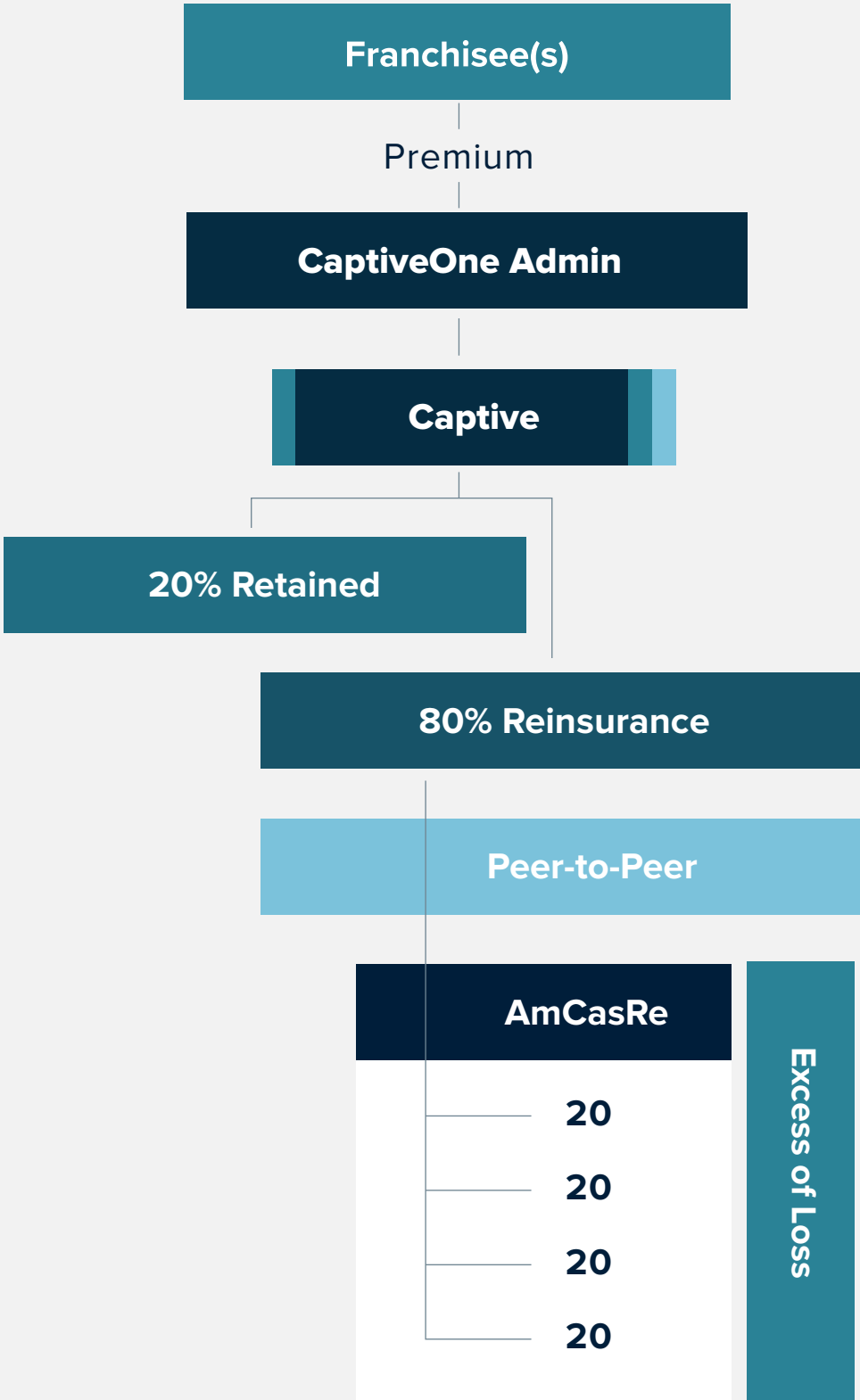
# Holding Co



## S CORP HOLDING COMPANY







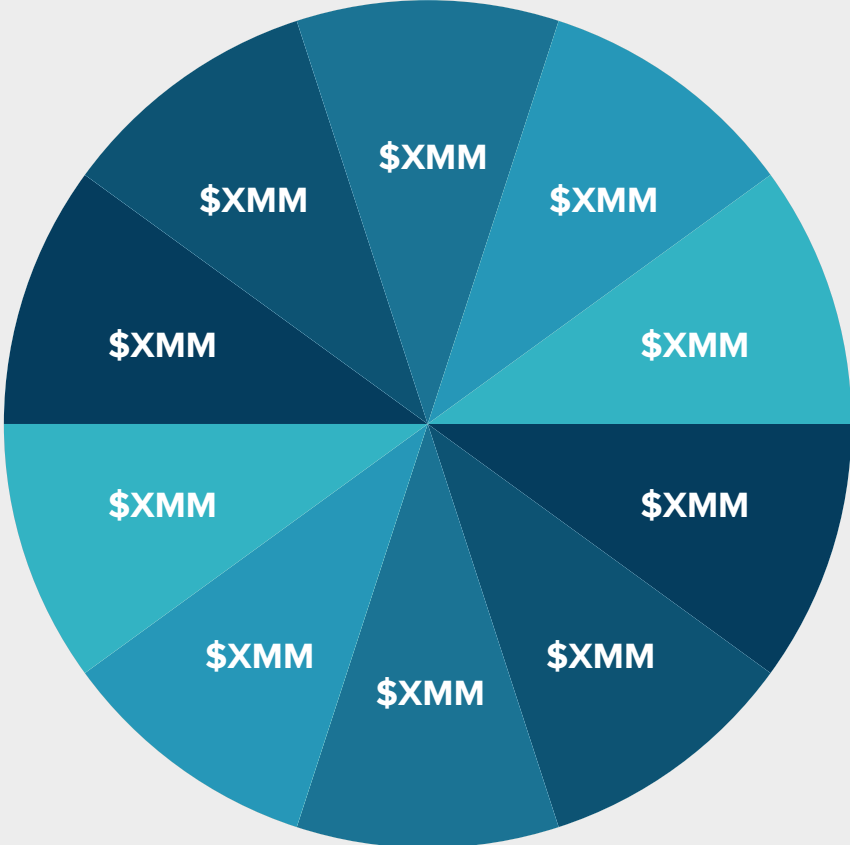
YEAR 1

YEAR 2

YEAR 3

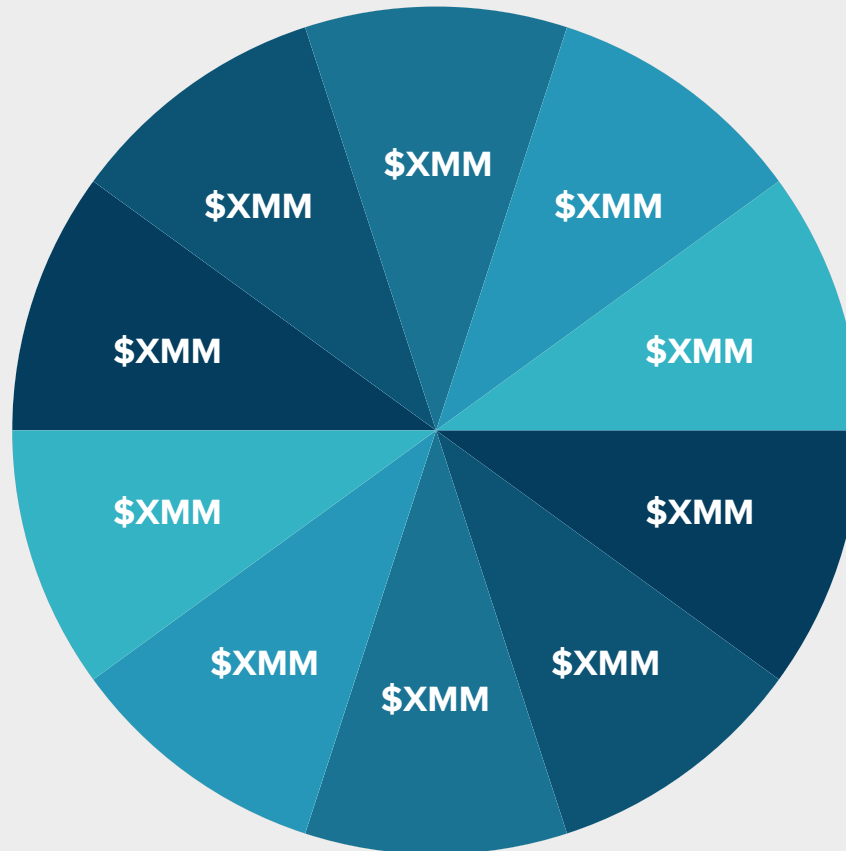
YEAR 4

Premium  
<Pooled Capital>

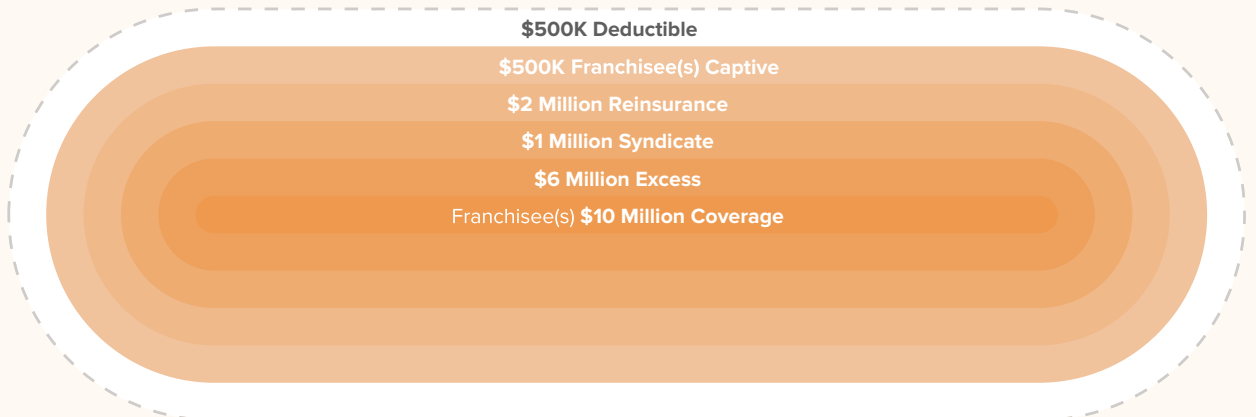


Syndicated  
Direct Insurance

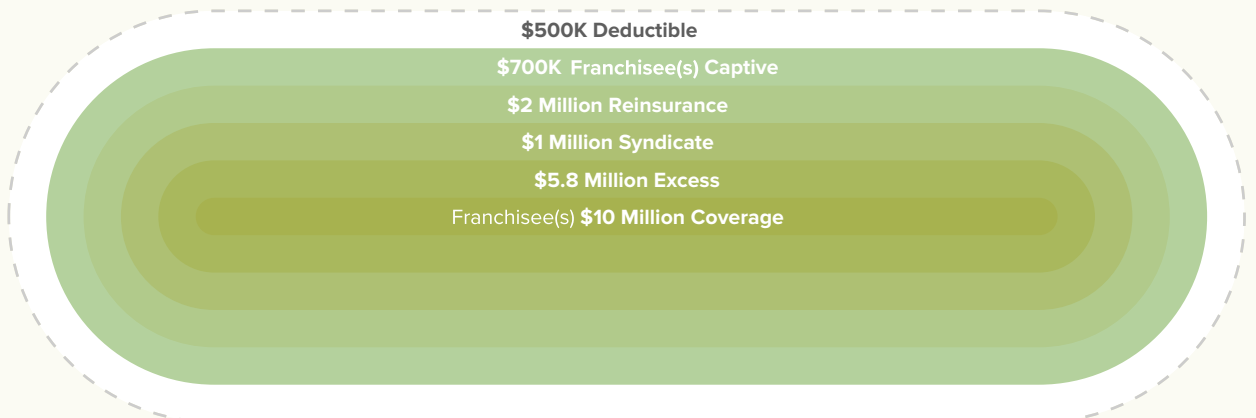
YEAR 1	YEAR 2	YEAR 3	YEAR 4
Premium <Syndicate Reserve> <Reinsurance Reserve> <hr/> Surplus	Premium Starting Equity <Syndicate Reserve> <Reinsurance Reserve> <hr/> Surplus	Premium Starting Equity <Syndicate Reserve> <Reinsurance Reserve> <hr/> Surplus	Premium Starting Equity <Syndicate Reserve> <Reinsurance Reserve> <hr/> Surplus



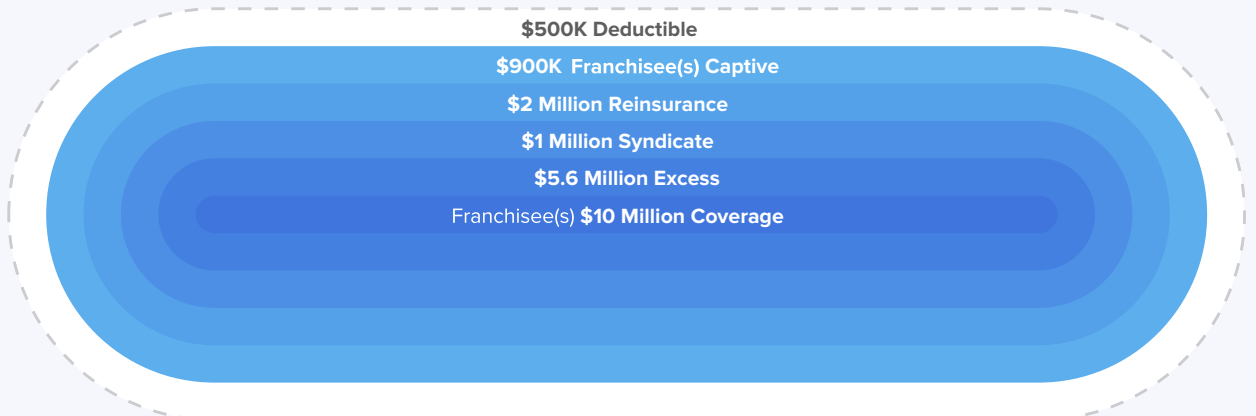
YEAR 1



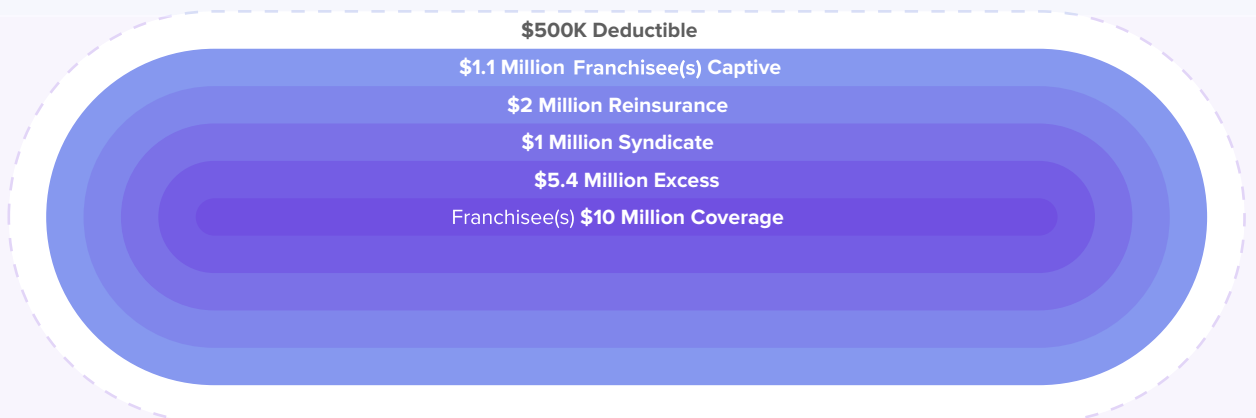
YEAR 2

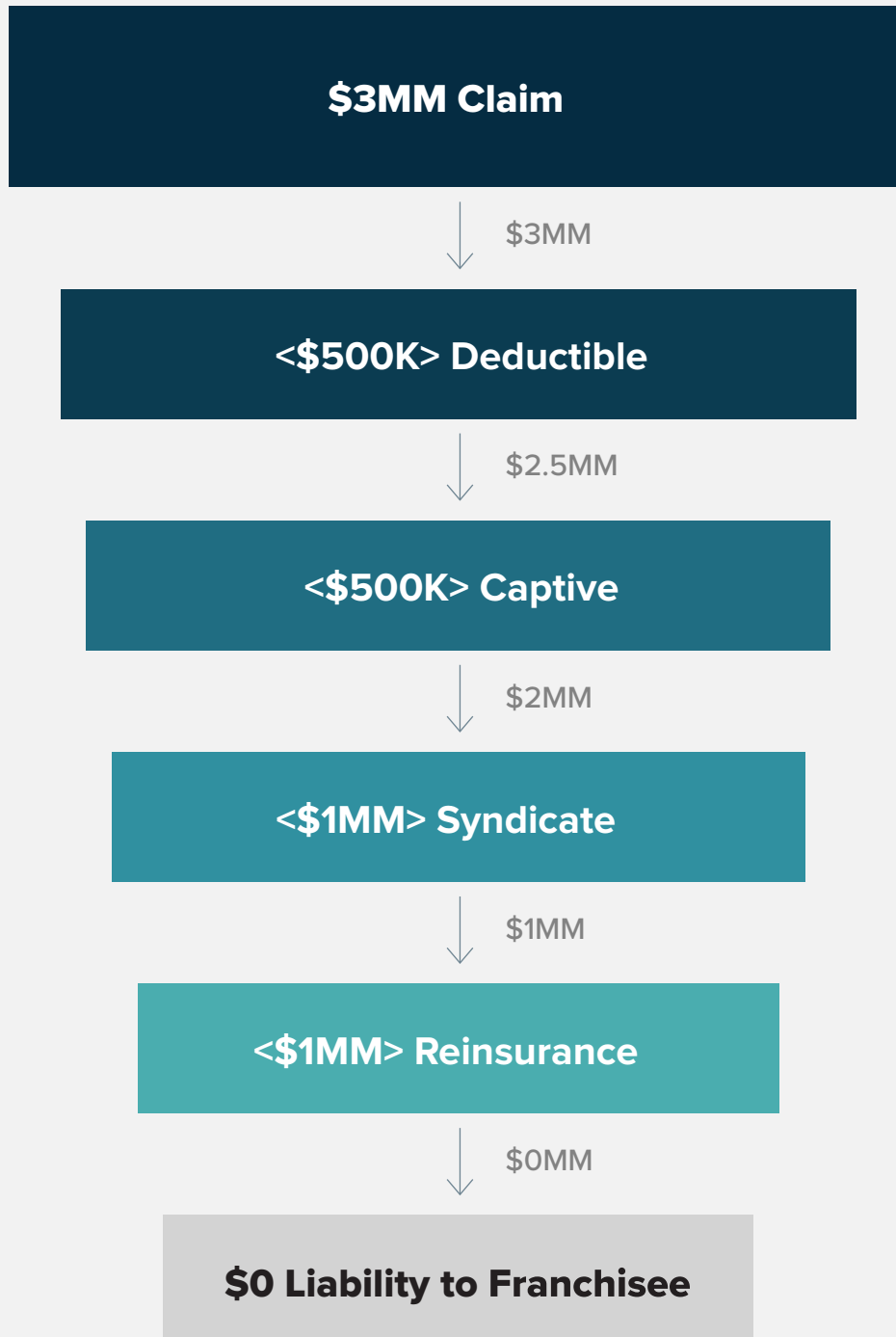


YEAR 3



YEAR 4





\*PREMIUM PAID IN ADVANCE OR FINANCED



