AM Best

November 2026

AM Best's Alternative Risk Transfer Market News



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AM Best's Alternative Risk Transfer Market News
A Three-Month Review

AM Best has been covering the captive sector for several decades. Today we rate approximately 200 captive ventures in multiple jurisdictions.

Although a rating on a captive is comparable to any other rating issued by AM Best, we recognise that captives serve special purposes and typically have an operating style that differs from the conventional market.

A rating can be of benefit to a captive by demonstrating its financial strength and its best practice performance to a variety of stakeholders, such as fronting insurers, reinsurers and a parent not otherwise engaged in insurance.

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Rating Actions

AM Best Affirms Credit Ratings of OneNexus Oklahoma Captive Corp.

AM Best has affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-" (Excellent) of OneNexus Oklahoma Captive Corp. (OneNexus) (Oklahoma City, OK). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect OneNexus' balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management (ERM).

OneNexus is a protected cell captive insurer domiciled in Oklahoma, which was incorporated in 2021. In 2023, OneNexus began providing contractual liability insurance policies (CLIP) for its direct parent, OneNexus, LLC. OneNexus, LLC enters into agreements with energy companies to cover costs associated with decommissioning oil and gas wells. OneNexus guarantees a defined benefit amount to the owner/operator of the wells at the time the well is chosen/required to be decommissioned.

OneNexus' very strong balance sheet strength assessment is supported by its strongest risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR) and reflects permanent regulatory capital in the form of a letter of credit pledged by a highly rated reinsurance company. The balance sheet strength assessment also reflects the low asset risk from the investment portfolio composed of fixed income securities, short-term investments, cash and cash equivalents. Reserves are actively monitored by management through the company's risk modeling system.

Operating performance is assessed as adequate. OneNexus has limited historical operating results as a start-up company. However, early results are considered adequate as it posted positive earnings in 2024 and 2025. Underwriting earnings are projected to grow as OneNexus ramps up operations.

OneNexus' business profile is assessed as limited given high product concentration in its niche business. Partially mitigating the company's high product concentration is the quality of specialized data and analytics resident within OneNexus. Growth in the business will depend largely on regulatory requirements requiring financial assurance by oil and gas operators, as well as market acceptance.

The OneNexus ERM framework is assessed as appropriate, with internal and external risks subject to regular monitoring.

The stable outlooks reflect AM Best's expectation that OneNexus will execute its business plan, while maintaining an overall balance sheet assessment in the very strong range, supported by risk-adjusted capitalization at the strongest level, as measured by BCAR.

August 21, 2026

AM Best Affirms Credit Ratings of Paramount Insurance, Inc.

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of Paramount Insurance, Inc. (Paramount) (Honolulu, HI). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Paramount's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management.

The analysis is conducted based on the weakest-link approach with Paramount, the core, along with Kona Global and Cardinal Assurance, the cells, which incorporates qualitative and quantitative metrics for each entity within the cell company. The very strong balance sheet strength assessment is supported by the strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR), at the risk-taking core, Paramount, along with each cell, Kona Global and Cardinal Assurance. The organization historically has exhibited solid surplus growth over the last 10-year period, despite sizable dividends to the intermediate parent, Webcor L.P. Financial flexibility is afforded through the intermediate parent, and if warranted, the ultimate parent, Obayashi Corporation (Obayashi) [OTCMKT: OBYCF], which wholly owns each entity.

Historically, operating performance exhibited strong underwriting metrics with elevated results in each of the last two periods driven by lower premium volumes. Business profile is considered limited as each entity provides similar coverage within the immediate parent's commercial construction activities. Enterprise risk management appears to be appropriate for the size and scope of the organization.

Implicit, and if needed, explicit support, is provided from Obayashi to Paramount and the entities within its structure. The structure is fully embedded within each respective immediate parent's noninsurance operations.

The stable outlooks reflect the expectation that Paramount and each cell within its structure will maintain a balance sheet strength assessment of very strong, which is supported by the strongest level of risk-adjusted capitalization, along with prudent reserving and capital management philosophies. In turn, the outlooks also assume that the level of implicit and explicit support by Obayashi will be provided to each entity within the structure equally, if needed. Although Kona Global is currently inactive, AM Best expects that it will be capitalized to support its five-year business plan at the strongest risk-adjusted capitalization level prior to it writing business. Should Kona Global's risk-adjusted capitalization fall below AM Best's expectations, or if there is a perceived view that the ultimate parent's ability or willingness to support its cells (including Kona Global and Cardinal Assurance) is diminished, negative rating action could result.

August 26, 2026

AM Best Affirms Credit Ratings of Delvag Versicherungs-AG

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of Delvag Versicherungs-AG (Delvag) (Germany). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Delvag's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management (ERM).

Delvag is the captive insurer for Deutsche Lufthansa Aktiengesellschaft (Lufthansa), a global aviation group domiciled in Germany.

The captive's balance sheet strength is underpinned by its risk-adjusted capitalisation, which remained at the strongest level at year-end 2025, as measured by Best's Capital Adequacy Ratio (BCAR). AM Best expects the captive's prospective risk-adjusted capitalisation to be maintained at the strongest level and be supported further by a profit and loss absorption agreement with Lufthansa, which provides Delvag with added balance sheet protection. The balance sheet strength assessment also factors in Delvag's conservative and prudent reserving practices, as well as its good liquidity profile. A partly offsetting factor is Delvag's moderately high dependence on reinsurance to protect its aviation fleet business. However, the associated credit risk is mitigated by the use of a financially strong and diverse reinsurance panel.

Delvag has a good historical earnings track record, as demonstrated by a five-year weighted average combined ratio of 85.7% (2021-2025), as calculated by AM Best, supported by a good balance of underwriting and investment incomes during most years. The combined ratio for 2025 increased to 96.1% (2024: 86.6%), as calculated by AM Best, due to a combination of a lower net premium base and further reserve build-up, as well as claim experience.

Delvag's profile is enhanced by its strategic importance to and integration within the Lufthansa group. Lufthansa has reconfirmed the importance of Delvag recently as part of the group's ERM strategy. The company continues to leverage its expertise in the aviation and transport sectors to write a book of third-party business alongside its core Lufthansa portfolio.

August 26, 2026

AM Best Affirms Credit Ratings of INPEX Insurance, Ltd.

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of INPEX Insurance, Ltd. (IIL) (Bermuda). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect IIL's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management.

IIL's risk-adjusted capitalisation is assessed at the strongest level, as measured by Best's Capital Adequacy ratio (BCAR). The company's balance sheet strength is supported by its low net underwriting leverage and a highly conservative and liquid investment portfolio. Despite IIL's distribution plan of accumulated surplus to the parent company, INPEX CORPORATION (INPEX), IIL is expected to maintain a sufficient capital buffer to support its book of business. IIL has relatively high reinsurance dependence; however, its credit risks are partially mitigated by the good credit quality of its reinsurance panel. The company also secures stable reinsurance capacity from Everen Limited (Everen), an energy sector-dedicated mutual insurance company.

IIL's operating performance assessment reflects its strong underwriting results with an adjusted five-year average combined ratio of below 30% (2021-2025) excluding the accrual of theoretical withdrawal premium, as calculated

by AM Best. Although IIL's accrual of theoretical withdrawal premium for the membership of Everen will likely add some pressures on the bottom line, AM Best expects IIL to deliver a strong underwriting performance with a prudent approach in underwriting and retention over the medium term. IIL's top line revenue remained stable in 2025, but various new projects by INPEX are expected to generate additional premium income within a few years. The company's investment income is expected to remain strong over the medium term, due to favorable interest rate environment.

IIL is a single-parent captive of INPEX, which is the largest oil and gas exploration and production company in Japan. IIL underwrites energy-related operational and construction risks with coverage that mainly encompasses property damage, third-party liability and operator's extra expenses for its parent group. Although there is some product/geographic concentration, AM Best expects that the company's business will become increasingly diversified following INPEX's expanding global footprint and IIL's plan to underwrite new risks.

Negative rating actions could occur if IIL's operating performance deteriorates to a level no longer supportive of the current assessment. In addition, any significant deterioration in INPEX's credit profile, including its operating profitability, financial leverage and interest coverage levels, could lead to downward pressure on IIL's ratings. Positive rating actions could occur if IIL demonstrates sustained improvement in its balance sheet strength metrics, while consistently delivering strong underwriting results.

August 27, 2026

AM Best Removes From Under Review With Negative Implications and Affirms Credit Ratings of GUNA Re

AM Best has removed from under review with negative implications and affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-" (Excellent) of GUNA Re (Cayman Islands). The outlook assigned to these Credit Ratings (ratings) is stable.

The ratings reflect GUNA Re's balance sheet strength, which AM Best assesses as strong, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management.

The removal of GUNA Re's under review with negative implications status reflects the resolution of the uncertainty surrounding the company's balance sheet strength, following a capital injection from its ultimate parent, ITOCHU Corporation (ITOCHU). In May 2026, GUNA Re recorded significant capital erosion arising from accounting treatment issues in the novation of an underwriting portfolio from the existing entity, NEWGT Reinsurance Company, Ltd. (NEWGT) to GUNA Re, which was viewed as NEWGT's re-domiciled entity established in the Cayman Islands in February 2026. GUNA Re took immediate remedial actions to improve its capital position, including the suspension of new business underwriting, as well as seeking internal approval for capital support to replenish its capital from ITOCHU. On 19 August 2026, the company received a capital injection from ITOCHU, which fully restored its capital to the initial capitalisation level set out in its business plan. AM Best expects GUNA Re's risk-adjusted capitalisation to remain at the strongest level over the intermediate term, as measured by Best's Capital Adequacy Ratio (BCAR) based on its business plan, following this capital injection.

AM Best considers GUNA Re to be a re-domiciled entity rather than a start-up company, reflecting the continuity of NEWGT's management team and its established operating track record. Management remains focused on the growth of third-party business in line with the business plan, with an intention to carefully control the pace of business expansion alongside appropriate capital management. AM Best will continue to monitor GUNA Re's risk-adjusted capitalisation and operating performance closely during this business expansion phase.

Negative rating actions could occur if GUNA Re's aggressive expansion into third-party business leads to a deterioration in its business profile, driven by stronger competition and reduced underwriting control inherent to a traditional single-parent captive business model. Negative rating actions also could arise if there is a material decline in its risk-adjusted capitalisation from heightened underwriting risk due to an aggressive business expansion or an excessive dividend payout to ITOCHU. Although unlikely in the near term, positive rating actions could occur if GUNA Re demonstrates sustainable improvement in its underwriting and operating profitability for a period of time, while maintaining a robust level of risk-adjusted capitalisation.

September 4, 2026

AM Best Affirms Credit Ratings of Rembrandt Insurance Company, Ltd.

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of Rembrandt Insurance Company, Ltd. (Rembrandt) (Bermuda), a captive (re)insurer of Vitol Holding B.V. (Vitol), a group engaged in the trading of energy-related products. The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Rembrandt's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management.

Rembrandt's balance sheet strength is underpinned by its risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). AM Best expects Rembrandt's risk-adjusted capitalisation to remain comfortably at the strongest level, supported by low net underwriting leverage, excellent internal capital generation and a conservative investment portfolio. The company has considerable reliance on its reinsurance panel, in line with its business model; however, this is mitigated somewhat by the panel's sound credit quality.

Rembrandt's strong operating performance is demonstrated by its five-year (2021-2025) weighted average return on equity of 38.2%, which has been driven primarily by the company's excellent underwriting results, as evidenced by a five-year weighted average combined ratio (as calculated by AM Best) of 17.9% over the same period. In addition, the higher interest rate environment in recent years has resulted in good returns on the company's conservative investment portfolio. Losses due to the ongoing conflict in the Middle East have been limited due to the captive's reinsurance programme.

Rembrandt has a concentrated insurance portfolio that is focused on the core operations of Vitol, with approximately 90% of its premiums derived from marine cargo and liability risks. The company is embedded within Vitol's risk management framework, however, covers only part of its parent's insurance needs. Rembrandt's written premium volumes fluctuate based on the value of crude oil, which has been elevated recently, particularly in light of the Middle East conflict.

September 11, 2026

AM Best Affirms Credit Ratings of COSCO SHIPPING Captive Insurance Co., Ltd.

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of COSCO SHIPPING Captive Insurance Co., Ltd. (COSCO SHIPPING Captive) (China). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect COSCO SHIPPING Captive's balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management. The ratings also reflect the captive insurer being a strategically important member of its parent, China COSCO SHIPPING Corporation Limited (COSCO SHIPPING), and the wide range of support provided by COSCO SHIPPING in areas such as business development, risk management, and managerial and capital support.

COSCO SHIPPING Captive's balance sheet strength is underpinned by its risk-adjusted capitalisation being well above AM Best's minimum requirement for the strongest assessment level, as measured by Best's Capital Adequacy Ratio (BCAR). The captive's balance sheet strength assessment considers its very low underwriting leverage, conservative investment strategy, and comprehensive reinsurance programme. AM Best expects the profitable group-related business and stable investment return to continue to support the capital growth through profit accumulation.

COSCO SHIPPING Captive has consistently delivered positive earnings since 2017 and achieved an average return-on-equity ratio of 5.3% over the past five years (2021-2025). The captive's underwriting performance benefits from stable premium contribution of the marine hull business, favourable reinsurance commission income and low acquisition costs, albeit offset by marginal net loss experience due to a small net earned premium base. The captive's investment performance remained stable with a net investment yield (including capital gains) of 2.9% in 2025. The captive maintains a conservative investment appetite, with a strong focus on fixed-income-oriented assets that provide a stable stream of investment income.

COSCO SHIPPING Captive's underwriting book primarily consists of marine hull business for the parent group and its affiliates. Other business lines include liability, commercial property, cargo, motor, accident and health. The captive leverages direct and internal broker channels to serve the group's insurance needs efficiently, while enhancing visibility into underlying risks and supporting overall risk management.

Negative rating actions could occur if there is a material deterioration in COSCO SHIPPING Captive's operating performance. Negative rating actions also could arise if there is a reduced level of support from COSCO SHIPPING or a significant deterioration in COSCO SHIPPING's financial strength or credit profile. Positive rating actions may occur if the captive demonstrates sustained and favourable operating performance while supporting its current business profile assessment.

September 11, 2026

AM Best Affirms Credit Ratings of National Grid Insurance Company (Isle of Man) Limited

AM Best has affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-" (Excellent) of National Grid Insurance Company (Isle of Man) Limited (NGICL or the captive), a captive insurer of National Grid plc (NG). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect NGICL's balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management.

NGICL's balance sheet strength is underpinned by its risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). AM Best expects the captive's BCAR scores to remain comfortably above the minimum required for the strongest assessment, reflecting its strategy to maintain sufficient capital buffers to absorb potential volatility stemming from its exposure to low frequency, high severity losses. The assessment also reflects the captive's conservative investment portfolio, which is allocated primarily to money market funds with solid liquidity and excellent underlying credit quality. However, the captive's reinsurance dependence is considered to be high, driven by the large policy limits needed by NG. Counterparty credit risk is mitigated partially by the strong credit quality of NGICL's reinsurance panel.

NGICL has a track record of adequate operating performance, generating a five-year (2022-2026) weighted average return on equity of 9.4%. Earnings over the cycle have improved, underpinned by prudent underwriting evidenced by a five-year weighted average combined ratio of 53.7%, compared with a 10-year weighted average of 69.2%. Prospectively, AM Best expects the captive's underwriting performance to be favourable over the longer term, albeit subject to potential volatility given its high net line sizes relative to its premium base.

NGICL's business profile assessment reflects its key role in supporting NG's risk management strategy as its principal captive. The captive is well-integrated into the group's overall risk management framework, providing a broad range of primarily property damage, business interruption, casualty and cyber covers to meet NG's insurance needs.

September 16, 2026

AM Best Withdraws Credit Ratings of Saturn Insurance Inc.

AM Best has withdrawn the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-" (Excellent) of Saturn Insurance Inc. (Saturn) (Burlington, VT), following its dissolution. Saturn was a captive insurer of BP p.l.c. (bp) [NYSE: BP], an integrated global energy company. At the time of the withdrawal, the outlook of these Credit Ratings (ratings) was stable.

The withdrawal follows the company's request to no longer participate in AM Best's interactive rating process following its dissolution and surrender of its insurance licence to the Vermont regulator. Saturn's assets and liabilities have now been transferred or novated as part of the dissolution process.

AM Best's procedure is for a final rating opinion to be produced in conjunction with a rating withdrawal. However, a final rating opinion could not be produced for Saturn as all of its insurance liabilities have been settled.

AM Best remains the leading rating agency of alternative risk transfer entities, with more than 200 such vehicles rated throughout the world. For current Best's Credit Ratings and independent data on the captive and alternative risk transfer insurance market, please visit www.ambest.com/captive.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's Recent Rating Activity web page. For additional information regarding the use and limitations of Credit Rating opinions, please view Guide to Best's Credit Ratings. For information on the proper use of Best's Credit Ratings (BCR), Best's Performance Assessments (PA), Best's Preliminary Credit Assessments (PCA) and AM Best press releases, please view Guide to Proper Use of Best's Ratings & Assessments.

AM Best is a global credit rating agency, news publisher and data analytics provider specializing in the insurance industry. Headquartered in the United States, the company does business in over 100 countries with regional offices in London, Amsterdam, Dubai, Hong Kong, Singapore and Mexico City.

September 15, 2026

AM Best's Alternative Risk Transfer Market News

AM Best Affirms Credit Ratings of Jupiter Insurance Limited

AM Best has affirmed the Financial Strength Rating of A (Excellent) and Long-Term Issuer Credit Rating of "a" (Excellent) of Jupiter Insurance Limited (Jupiter) (Guernsey), a captive insurer of BP p.l.c. (bp) [NYSE: BP], an integrated global energy company. The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Jupiter's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management. In addition, the ratings factor in a neutral impact from the company's ultimate parent, bp.

Jupiter's balance sheet strength is underpinned by its risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). AM Best expects Jupiter's BCAR scores to remain comfortably at the strongest level prospectively, reflecting the company's strategy to maintain sufficient capital buffers to absorb potential volatility stemming from the company's exposure to high-severity, low-frequency losses. In line with bp's current strategy to retain risks where possible, Jupiter does not purchase any outward reinsurance cover. A partially offsetting factor to the balance sheet strength assessment is the captive's concentrated investment portfolio, of which 99% is accounted for by short-term intragroup deposits.

Jupiter has a track record of reporting positive operating results, demonstrated by a five-year (2021-2025) weighted average return-on-equity of 9.4%. Earnings are supported by robust underwriting profits, as evidenced by a weighted average combined ratio of 28.6%, and are supplemented by solid investment income. Prospective operating performance is subject to volatility, driven by the large line sizes offered by the captive, relative to its premium income.

Jupiter's neutral business profile reflects its position within bp's risk management framework as its principal captive insurer. The company's underwriting risks consist mainly of onshore and offshore property damage and business interruption cover, on bp assets globally.

September 16, 2026

AM Best Affirms Credit Ratings of Ardellis Insurance Ltd.

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of Ardellis Insurance Ltd. (Ardellis) (Bermuda). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Ardellis' balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management (ERM).

Ardellis is a wholly owned subsidiary of UFP Industries, Inc., and provides reimbursement coverage for medical stop-loss, workers' compensation, general liability, automobile physical damage liability, property and trade credit receivables to its parent and its subsidiaries. In addition, Ardellis provides medical stop-loss, excess property and excess general liability coverages for third parties. As of Dec. 31, 2025, approximately 62% of Ardellis' premium represented unaffiliated business.

Ardellis' balance sheet strength remains at the very strong level, supported by the strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR). On a five- and 10-year average basis, Ardellis' combined and operating ratios have outperformed the general property/casualty industry, driven by the company's safety and loss control practices, management's underwriting expertise and low overhead. AM Best considers Ardellis' ERM framework and risk management capabilities appropriate for its risk profile. Additionally, Ardellis benefits from being an integral part of its parent's ERM framework.

September 16, 2026

AM Best Assigns Credit Ratings to Lasso Healthcare Insurance Company

AM Best has assigned a Financial Strength Rating of A++ (Superior) and a Long-Term Issuer Credit Rating of "aa+" (Superior) to Lasso Healthcare Insurance Company (Lasso) (Indianapolis, IN). The outlook assigned to these Credit Ratings (ratings) is stable.

The ratings reflect Lasso's balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, neutral business profile and very strong enterprise risk management (ERM).

The very strong balance sheet assessment reflects Lasso's strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR), as well as its conservative investment portfolio. The assessment also considers the financial support provided by its parent, HCC Life Insurance Company (HCC Life).

The adequate operating performance assessment reflects the historical performance of the established captive

program medical stop-loss business that will transition to Lasso. Although Lasso has yet to issue policies under its current strategy, HCC Life has written the underlying business for approximately 15 years, during which it has generated positive operating results. Management expects profitability to continue through the initial transition and deployment on Lasso paper. The continuity of personnel, management and operating infrastructure should support a smooth transition of the business.

The very strong ERM assessment for Lasso reflects Lasso's integration into the established ERM framework of HCC Life and the broader Tokio Marine organization. Lasso will utilize the same management, systems, economic modeling and risk-management infrastructure as HCC Life. Lasso also benefits from established reinsurance oversight and participates in a whole-account quota-share arrangement within the Tokio Marine organization.

Finally, the ratings also recognize the operational and financial support provided by Lasso's parent, ultimate parent and affiliated entities within the Tokio Marine organization. By helping alleviate the channel conflict at HCC Life, Lasso now assumes a role in supporting Tokio Marine's broader international strategy and diversification of revenues and customer segments.

September 17, 2026

AM Best Withdraws Credit Ratings of WellPoint Insurance Services, Inc.

AM Best has affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-" (Excellent) of WellPoint Insurance Services, Inc. (WISI) (Honolulu, HI). The outlook of these Credit Ratings (ratings) is stable. Concurrently, AM Best has withdrawn these ratings as the company has requested to no longer participate in AM Best's interactive rating process.

The ratings reflect WISI's balance sheet strength, which AM Best assesses as adequate, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management.

The affirmation of WISI's ratings reflects continued capital and surplus growth through year-end 2025 and into early 2026. WISI's risk-adjusted capitalization, as measured by Best Capital Adequacy Ratio (BCAR), remained at the strongest level at year-end 2025. Furthermore, WISI plans the near-term capital growth to be supported through positive earnings and no dividends to the parent company.

AM Best acknowledges the company's considerable financial flexibility through a parent company supported by its commercial paper program, parent company cash and a revolving credit facility. Furthermore, Elevance Health has more-than-sufficient financial strength to provide additional support to WISI if needed. Elevance Health has demonstrated explicit and implicit support of WISI in past years. WISI's importance to the parent has increased in recent years as the volume of business in the core and the cell has expanded. WISI benefits from the parent's operational resources and expertise.

WISI is a Hawaii-domiciled captive and a wholly owned subsidiary of Elevance Health, Inc. (Elevance). WISI was established close to two decades ago primarily for the purpose of formalized self-insurance and an instrument of corporate risk management. In the past several years, Elevance expanded the volume of errors and omissions coverage placed with WISI as the market for this line of business has hardened considerably. In addition, WISI established a segregated cell five years ago to assume Federal Employee Program (FEP) health care premium from Elevance affiliates to optimize capital at statutory entities. Furthermore, the cell structure provides a formal separation of FEP from other WISI business and provides transparency for Hawaii's regulators.

September 23, 2026

AM Best Revises Issuer Credit Rating Outlook to Positive for Palms Insurance Company, Limited; Affirms Credit Ratings of Palms Specialty Group's Members

AM Best has revised the outlook to positive from stable for the Long-Term Issuer Credit Rating (Long-Term ICR) and affirmed the Financial Strength Rating (FSR) of A (Excellent) and the Long-Term ICR of "a" (Excellent) of Palms Insurance Company, Limited (Palms) (George Town, Cayman Islands). The outlook of the FSR is stable. Concurrently, AM Best has affirmed the FSR of A- (Excellent) and the Long-Term ICR of "a-" (Excellent) of Palms Specialty Insurance Company, Inc. (Palms Specialty) and its reinsured affiliate, Sabal Specialty Insurance Company, Inc. (Sabal Specialty). The outlook of these Credit Ratings (ratings) is stable. Both companies are collectively referred to as Palms Specialty Group and are domiciled in Delaware.

The ratings of Palms reflect its balance sheet strength, which AM Best assesses as strongest, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management (ERM).

The ratings of Palms Specialty Group reflect its balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate ERM.

Both companies are wholly owned by NextEra Energy Capital Holdings, Inc. (NEECH), which, in turn, is wholly owned by NextEra Energy, Inc. (NextEra) [NYSE: NEE]. Palms is a single-parent captive, which underwrites the insurance risks of NextEra and its affiliates, providing specialized direct and assumed property, casualty, workers' compensation, automobile liability and employers' liability coverages. Palms Specialty, formed in 2022, is a specialty insurer focusing on U.S. excess and surplus lines accounts, providing coverage for specialty property, professional lines and other specialty lines with manageable gross limits within the risk management structure of its parent.

The balance sheet strength assessment of strongest for Palms is supported through its strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR). In addition, Palms has increased its surplus in each of the past five years through organic growth, allowing the captive to maintain sufficient capital in supporting its ongoing obligations. The adequate operating performance assessment reflects a five-year average for both combined and operating ratios that outperform AM Best's captive composite. Palms continues to generate favorable underwriting results and benefits from its low underwriting expense structure as a single parent captive.

The very strong balance sheet strength assessment for Palms Specialty Group is based on its strongest level of risk-adjusted capitalization, as measured by BCAR. AM Best expects that Palms Specialty Group will continue to maintain supportive risk-adjusted capital levels as it continues to grow. The adequate operating performance assessment is based on the company's favorable operating ratio since inception, in addition to its clearly defined business plan and income statement projections that contemplate a level of implementation and execution risk as the group scales up. AM Best views Palms Specialty Group's business profile as limited, given the execution risk associated with the continued growth of its business and the degree of competition in its selected market.

Negative rating action could occur for Palms Specialty Group if its balance sheet strength or operating performance materially differ to the downside from its current business plan and expectations. Palms and Palms Specialty Group both benefit from the parent company's established and tested ERM framework and processes that continue to evolve with further improvements tailored to both companies. The ratings also reflect the role of Palms and Palms Specialty Group within the risk management structure of its parent company.

September 24, 2026

AM Best Affirms Credit Ratings of Dorinco Reinsurance Company

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of Dorinco Reinsurance Company (Dorinco) (Midland, MI), which is the captive reinsurance company of The Dow Chemical Company (Dow). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Dorinco's balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management. Dorinco is a wholly owned subsidiary of Liana Limited, which is ultimately a wholly owned subsidiary of Dow.

The very strong balance sheet strength assessment is supported by Dorinco's risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR), which remains at the strongest level. Dorinco has demonstrated historically favorable reserve levels, a conservative investment strategy and favorable liquidity measures that are enhanced by its ultimate parent, Dow, which provides financial flexibility. Dorinco is expected to remain unaffected by its parent's increased leverage and reduced interest coverage. Nonetheless, Dow Inc. recently began to show meaningful improvement on its margins.

The ratings also reflect Dorinco's operating performance, which AM Best assesses as adequate. The company has a long track record of favorable operating performance. Dorinco compares favorably with the industry in terms of combined ratio, operating ratio and return on equity on a five- and 10-year basis.

Additionally, the ratings reflect Dorinco's business profile, which AM Best assesses as neutral. Dorinco issues direct property and liability insurance policies to Dow and certain related companies, and it participates in property/casualty reinsurance treaties covering Dow and related parties with other insurance companies. Approximately 68% of Dorinco's premium is derived from reinsuring uncorrelated non-standard auto third-party business. The diversification that this provides enhances Dorinco's business profile.

Dorinco's risk management capabilities are aligned with its risk profile. Dorinco is a single-parent captive that is well-integrated within the Dow group and plays a fundamental role in managing the group's risk exposures.

September 25, 2026

AM Best Affirms Credit Ratings of Sigurd Rück AG

AM Best has affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-" (Excellent) of Sigurd Rück AG (Sigurd) (Switzerland). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Sigurd's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management. The ratings also factor, in the form of drag, Sigurd's association with its parent company, Saipem S.p.A. (Saipem). Sigurd is a captive reinsurer of Saipem and a key element of the Saipem group's risk management framework.

Sigurd's very strong balance sheet strength assessment is underpinned by its strongest level of risk-adjusted capitalisation, as measured by Best's Capital Adequacy Ratio (BCAR). AM Best expects Sigurd will maintain healthy capital buffers in excess of the strongest threshold, supported by good earnings retention. Moderate exposure to potential catastrophe losses is mitigated partially by a comprehensive retrocession programme with retrocessionaires of superior credit quality. Sigurd is exposed to concentration and credit risk due to a cash-pooling agreement with the Saipem group, which represents a key offsetting rating factor. As of 31 December 2025, the funds that Sigurd allocated to the cash-pooling arrangement with Saipem accounted for 40% and 56% of its total assets and capital and surplus, respectively.

Sigurd has a record of strong operating performance, evidenced by a five-year (2021-2025) weighted average return-on-equity and combined ratio of 9.5% and 74.2%, respectively (as calculated by AM Best). Profitability has been supported by a low and stable expense ratio and a good, albeit volatile, loss ratio.

Sigurd's business profile assessment benefits from its role as an important risk management tool for its parent, along with moderate geographic and product diversification derived from Saipem's wide range of commercial activities. Sigurd is expected to remain an important risk management tool for the foreseeable future.

October 1, 2026

AM Best Revises Issuer Credit Rating Outlook to Negative for Queen City Assurance, Inc. and Vine Court Assurance Incorporated

AM Best has revised the outlook to negative from stable for the Long Term-Issuer Credit Rating (Long-Term ICR) and affirmed the Financial Strength Rating (FSR) of A (Excellent) and the Long-Term ICR of "a+" (Excellent) of Queen City Assurance, Inc. and Vine Court Assurance Incorporated, both domiciled in Burlington, VT, and collectively referred to as Queen City Assurance Group (the group). The outlook of the FSR is stable.

The Credit Ratings (ratings) reflect the group's balance sheet strength, which AM Best assesses as strongest, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management (ERM).

The negative outlooks reflect AM Best's concerns regarding the deterioration in the group's underwriting performance in recent years, which, if sustained, could pressure operating performance such that it no longer supports the current assessment. The group's underwriting results weakened in 2024, due to an uncharacteristically high level of property losses, and deteriorated further in 2025, driven by elevated casualty losses, including adverse reserve development, as well as pressure from the medical expense containment program. However, overall earnings remained positive, underpinned by solid investment income.

The group's level of risk-adjusted capitalization is assessed at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). In addition, the group consistently maintains strong liquidity measures while adhering to a conservative investment philosophy. The ratings also consider the financial flexibility afforded to the companies via their publicly traded parent, The Kroger Co. (Kroger) [NYSE: KR], one of the largest companies in the food retail industry. The neutral business profile assessment reflects a broadly diversified range of coverages that the group provides Kroger across its extensive operations. AM Best recognizes the group as an integral part in Kroger's overall ERM framework, with financial resources and support available to them as single-parent captives providing tailored insurance coverage for property/casualty risks. AM Best expects the parent's ability and willingness to support the captives will not change.

October 8, 2026

AM Best Affirms Credit Ratings of Triple Crown Assurance Co.

AM Best has affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-" (Excellent) of Triple Crown Assurance Co. (TCA) (Dallas, TX). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect TCA's balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management (ERM).

TCA is a captive insurance company wholly owned by Southwest Airlines Co. (SWA), a Texas-based company that operates Southwest Airlines, a major passenger airline in the United States and near-international markets.

TCA continues to maintain the strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR). While the company's BCAR scores declined below acceptable levels as of year-end 2025 due to a $160 million dividend to SWA, management addressed the shortfall through a $100 million capital contribution in the first quarter of 2026, as well as retaining earnings produced in the first half of 2026. Moving forward, AM Best expects the captive's earnings to be fully retained without any dividends provided to its parent. Partially offsetting rating factors include a majority of capital being attributable to a loan back arrangement with its parent, the company's higher-than-average underwriting leverage metrics and its elevated credit risk exposure. The loan back is repayable upon demand, with limited counterparty risk due to SWA's investment grade credit quality as well as its affiliation and alignment of interests with its captive. The elevated credit risk exposure relates to the company's previous participation in a contractual reinsurance arrangement with several creditworthy captives. Despite exiting the agreement in late 2024, TCA will continue to have quarterly transactions on the remaining loss reserves for its participating treaty years until ultimately commuted.

TCA's operating performance has been profitable over the most recent five-year period. Underwriting gains in four of the five most recent years have been augmented by consistent and growing net investment income. In 2025, the company reported a modest underwriting loss due to increased loss experience on its medical expense cost containment (MECC) line of business. While MECC has been profitable for the captive over the long term, increased healthcare-related expenditures pressured loss costs in 2025. Underwriting results have shown improvement through the first half of 2026 and are expected to be favorable in the years ahead. TCA's business profile assessment considers its role as a single-parent captive providing various coverages for its only policyholder, SWA.

The company's ERM is considered appropriate as an extension of the ultimate parent's ERM. TCA is an integral component of SWA's ERM program as it provides specific insurance coverage to SWA more efficiently than the traditional market.

October 9, 2026

AM Best Revises Issuer Credit Rating Outlook to Positive, Affirms Credit Ratings of Sura Re Ltd.

AM Best has revised the outlook to positive from stable for the Long-Term Issuer Credit Rating (Long-Term ICR) and affirmed the Financial Strength Rating (FSR) of B++ (Good) and the Long-Term ICR of "bbb" (Good) of Sura Re Ltd. (Sura Re) (Bermuda). The outlook of the FSR is stable.

The Credit Ratings (ratings) reflect Sura Re's balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management (ERM).

The revision of the Long-Term ICR outlook to positive from stable reflects the company's continued organic capital growth, supported by prudent capital management and consistent earnings generation. These factors have enabled the company to increase its capital base to more than USD 20 million while maintaining its risk-adjusted capitalization at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). Additionally, a recent capital contribution from shareholders further strengthens the company's capital position and supports the implementation of the captive's business strategy. AM Best expects the company to continue strengthening its capital base while prudently executing its growth strategy and maintaining capital levels commensurate with its evolving risk profile.

Sura Re is a Bermuda-based captive reinsurer fully owned by Suramericana S.A. (Suramericana) (Colombia), an insurance group that is 81.1% owned by Grupo de Inversiones Suramericana S.A. (Grupo Sura). Sura Re was established in Bermuda as a Class 3A insurer in December 2015, and in April 2022, received approval from the regulator to operate as a Class C insurer. Sura Re's main objective is to participate in property/casualty and life/health businesses, which are underwritten by Suramericana's affiliates across Latin America (i.e., Chile, Colombia, México, Panama and Dominican Republic), and help the group achieve its strategic regional goals. AM Best recognizes the greater relevance that Sura Re is aiming to achieve in Suramericana's overall regional strategy, which is reflected with Suramericana's expanded geographic scope.

AM Best assesses Sura Re's balance sheet strength as very strong, underpinned by its strongest level of risk-adjusted capitalization, as measured by BCAR. During 2025, pricing risk remained the primary driver of Sura Re's capital requirements, a trend that AM Best expects to continue as the company takes on a more prominent role within the group. The company's asset liability management and liquidity positions are adequate; both are supported by a conservative investment policy focused on maintaining liquidity to cover Sura Re's obligations in terms of tenure and currency. To date, the company has not taken on any credit obligations, which reduces pressure on its earnings and cash flow. The absence of dividend distributions also supports capital retention.

In 2025, Sura Re reported positive net results for the seventh consecutive year since its inception, with a net result of USD 1.6 million. Operating performance was characterized by profitable technical results, with a combined ratio below 100%, although it increased compared with the previous year due to a higher loss ratio, partially offset by an improvement in the operating expense ratio (net/net). Profitability was driven by underwriting and strengthened by investment results.

AM Best remains attentive to macroeconomic conditions and its impact on the company's investment results. The captive nature of Sura Re, within one of the largest insurance groups in Latin America, provides flexibility in terms of growth and premium risk to manage its capital efficiently. AM Best assesses operating performance to be adequate for the current ratings.

AM Best assesses Sura Re's ERM practices as appropriate, as the ERM framework is developed and the risk management capabilities are aligned with its risk profile. Additionally, Sura Re's risk culture is deeply rooted and aligned with Suramericana's enhanced management practices.

Positive rating actions may occur if the improvement in the company's fundamentals prove sustainable, while capital continues to grow commensurately with its evolving risk profile. Negative rating actions could occur due to a sustained adverse trend in operating results. Negative rating actions could also take place if the company's capital base deteriorates or fails to keep pace with its evolving risk profile as result of business underperformance, significant capital outflows or less prudent capital management.

October 16, 2026

AM Best Affirms Credit Ratings of Stellar Insurance, Ltd.

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a+" (Excellent) of Stellar Insurance, Ltd. (Stellar) (Bermuda), an indirectly wholly owned subsidiary of the Saudi Arabian Oil Company (SAOC). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Stellar's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management. The ratings also reflect, in the form of rating enhancement, Stellar's strategic importance to its parent, SAOC.

Stellar's balance sheet strength is underpinned by its risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). Stellar's risk-adjusted capitalisation is expected to remain at the strongest level prospectively, supported by low net underwriting leverage, excellent internal capital generation and a comprehensive reinsurance programme. Similar to other captive insurers, the company maintains a simplified investment strategy, with approximately three-quarters of assets held in the form of a promissory note from its parent company. Terms of the note allow for quick access to funds, with liquidity supplemented by the remaining assets being held in high-quality fixed interest securities. Stellar remains reliant on reinsurance to provide high gross underwriting limits, although the associated counterparty risk is mitigated by the use of a diversified panel of financially strong reinsurers.

Stellar has demonstrated strong operating results over recent years, driven by robust underwriting profits in the absence of large losses. The company's four-year (2022-2025) weighted average IFRS 17 net/net combined ratio, as calculated by AM Best, was 2.6%, including reserve releases during the period, reflecting the company's conservative reserving approach. Stellar continued to generate strong profits in 2025 and the first half of 2026, driven by healthy underwriting and investment income. The captive has experienced minimal impact from the current conflict in the Middle East to date. AM Best expects the company's performance to remain strong, although subject to potential volatility in the long term due to its exposure to high severity, low frequency losses in its energy programme.

Stellar is a single-parent captive insurer of SAOC, playing a key role within the overall risk management framework of its parent. The captive provides transfer solutions for risks originating from SAOC's operations, as well as the operations of its affiliates and joint ventures.

October 22, 2026

AM Best Affirms Credit Ratings of Maxseguros EPM Ltd.

AM Best has affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-" (Excellent) of Maxseguros EPM Ltd. (Maxseguros) (Bermuda). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Maxseguros' balance sheet strength, which AM Best assesses as strongest, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management.

The stable outlooks reflect Maxseguros' role within Empresas Públicas de Medellín E.S.P.'s (EPM) strategy, which results in financial flexibility for its balance sheet strength, as well as operating synergies that support profitable growth.

Maxseguros, established in Bermuda in 2008, is a single-parent captive insurer wholly owned by EPM, which is owned by the Colombia municipality of Medellín. EPM is the largest power generation and multi-utility company in Colombia. Maxseguros provides reinsurance to the EPM group, covering property damage and business interruption, commercial crime, cyber risk, directors and officers, errors and omissions and general liability exposures.

Maxseguros' risk-adjusted capitalization stands at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR), and supported by a comprehensive and adequate reinsurance program, coupled with a conservative investment policy and limited premium risk exposure. While Maxseguros has some reinsurance dependency, the company's well-set underwriting and technical capabilities have allowed it to position itself as a key participant within EPM's reinsurance panel, and the high level of security of the panel helps mitigate credit risk.

Maxseguros' capacity to adjust its retentions and successful commission structure have allowed the company to maintain combined ratios well within premium sufficiency levels, and profitability has been further strengthened by investment income.

Positive rating actions could take place if Maxseguros' operating performance reflects a consistent, upward trend of profitable underwriting and investment results that reflect a sustainable business model, improving its metrics to compare favorably with a strong assessment level. Negative rating actions could occur if there is a material shift in the risk profile or role within EPM, which undermines the stability and profitability of Maxseguros, including increased activity in cash outflows to the parent. Negative rating actions also could arise if Maxseguros' operating performance deteriorates due to increased retentions, to a point that it is no longer supportive of the ratings and causes erosion in the company's capital base.

October 22, 2026

AM Best Affirms Issue Credit Ratings of 321 Henderson Receivables V LLC

AM Best has affirmed the Long-Term Issue Credit Ratings (Long-Term IRs) of "aaa" (Exceptional) on the $74,646,000 Class A-1 8.00% Fixed Rate Asset Backed Notes, Series 2008-3 and the $9,389,000 Class A-2 8.00% Fixed Rate Asset Backed Notes, Series 2008-3 as well as the Long-Term IR of "a" (Excellent) on the $4,695,000 Class B 10.00% Fixed Rate Asset Backed Notes, Series 2008-3, issued by 321 Henderson Receivables V LLC (the issuer), a special purpose Nevada limited liability company. The outlook of these Credit Ratings (ratings) is stable.

The issuer was formed for the purpose of acquiring receivables from an affiliate; conducting activities required for maintaining and servicing the receivables; creating trust and/or other entities for the purpose of securitizing the receivables; issuing securities related to the securitization; and organizing other activities incidental to the performance of the aforementioned items.

Proceeds from the issuance of the notes, along with contributed equity capital, were used to purchase a pool of structured settlement and annuity receivables (receivables) from an affiliate and to fund the initial reserve requirement. The initial pool of receivables consisted of 1,844 contracts totaling approximately $189.2 million in payment obligations from 107 insurance companies. As of Aug. 31, 2026, the pool of receivables totaled approximately $41.2 million in payment obligations from 46 insurance companies. Nearly all the receivables were pursuant to a court order.

As of September 2026, the outstanding balance of the Class A-1 Notes is $13,089,069; the outstanding balance of the Class A-2 Notes is $1,617,824; the outstanding balance of the Class B Notes is $4,695,000.

These rating actions reflect qualitative and quantitative considerations, including the default probabilities that are derived from stochastic modeling that incorporates updates on the Long-Term Issuer Credit Ratings (Long-Term ICRs) of the insurance carriers; the updated financial data; and remaining collateral information, including the reduced payment obligations of Guaranty Associations Benefits Company, a not-for-profit captive insurance company formed for making payments to the payees and certificate holders of the liquidated Executive Life Insurance Company of New York. The transaction's performance, in terms of note balance paydown and receivable collection, is in line with AM Best's modeled expectations.

The ratings and the outlooks could be affected negatively if one or more of the following occurs: a reduction in the remaining scheduled payments; deterioration of the Long-Term ICR of the remaining insurance carriers; an increase in the level of the write-off activity; and a breach in ongoing surveillance or compliance benchmarks. However, the rating of the Class B notes could be upgraded once principal begins paying down if there is continued improvement on the underlying cash flows.

These are structured finance ratings.

October 28, 2026

AM Best Affirms Credit Ratings of Eni Insurance S.p.A.

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of Eni Insurance S.p.A. (EIS) (Italy), a captive of Eni S.p.A. (Eni), a multinational energy company based in Italy. The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect EIS' balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management.

AM Best expects EIS' risk-adjusted capitalisation to be maintained with a comfortable buffer at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). An offsetting rating factor in the balance sheet strength assessment is EIS' reliance on reinsurance to underwrite large risks; however, the risks associated with this reliance are mitigated by long-standing relationships with reinsurers of excellent credit quality.

EIS' prospective performance is expected to be strong, in line with the historical performance of Eni Insurance Designated Activity Company, evidenced by a five-year weighted average combined ratio of 40.4% (2021-2025), as calculated by AM Best. Prospective performance is subject to volatility due to potential large losses from the property account. However, underwriting volatility on a net basis should be moderated by the captive's comprehensive reinsurance programme.

As a single-parent captive, EIS is well-integrated within Eni's risk management framework and maintains its active role in overseeing and containing the group's insurance costs. Additionally, the captive enables the group to centralise claims information and establish effective internal reporting for Eni.

October 29, 2026

AM Best Assigns Credit Ratings to Balboa Reinsurance, Ltd.

AM Best has assigned a Financial Strength Rating of B++ (Good) and a Long-Term Issuer Credit Rating of "bbb+" (Good) to Balboa Reinsurance, Ltd. (Balboa Re) (Turks and Caicos). The outlook assigned to these Credit Ratings (ratings) is stable.

The ratings reflect Balboa Re balance sheet strength, which AM Best assesses as strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management.

The ratings also reflect BalboaRe's strong level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR), supported by an appropriate reinsurance program and conservative investment policies. The company's affiliation with Seguros e Inversiones, S.A. (SISA) with the guarantee it provides, give synergy and highlights the importance of the company to the group. Offsetting these positive rating factors are the captive nature of the company, as it has limits to its business profile.

Balboa Re was founded in 2001, and under Turks & Caicos regulations, has authorization to operate as a full captive insurance company. Balboa Re will primarily participate in providing reinsurance coverage for insurance programs associated with the portfolios of Banitsmo, the largest banking entity of the group.

The business of Banitsmo has proven to be profitable presenting proven premiums sufficiency, and as it is now part of BSC Financial Group in Central America and Panama, Balboa Re will benefit from this business showing stability and consistency of profit generation.

Negative rating actions could occur if the company becomes less strategically important to its parent. Also, negative rating actions could take place if Balboa Re's capital base deteriorates or fails to keep pace with an evolving risk profile as a result of business underperformance, significant capital outflows or less prudent capital management. Positive rating actions may occur if the improvements in Balboa Re's fundamentals prove sustainable, while capital continues to grow.

October 30, 2026

Domiciles

Texas Comptroller Offering Temporary Tax Amnesty to Unlicensed Captive Insurers

The Texas Comptroller of Public Accounts said it is offering a tax amnesty to unlicensed captive insurance companies and insureds who want to voluntarily comply with state tax laws.

Nonadmitted captive insurance companies those not licensed under that states Insurance Code, Chapter 964 are subject to the state's Unauthorized Insurance Premium Tax, the comptroller's office said in a recent state tax bulletin. The tax is 4.85% of the gross premiums charged for insurance that covers people, property or activities located in Texas.

The insured becomes jointly responsible for the tax if the captive insurer does not pay it when due.

The comptroller's office said all penalties and fees will be waived and the program covers the 2022, 2023, 2024 and 2025 insurance tax years. Those looking to join the amnesty have until Dec. 31 to file forms with the state to qualify.

"The comptroller's office will notify certain franchise taxpayers that may be affiliated with a nonadmitted captive insurance company," the bulletin said. "You do not need to receive a notice to be eligible for this amnesty program. If you receive such a notice and are not affiliated with a nonadmitted captive insurance company, no further action is necessary."

Earlier this year, The Maryland General Assembly passed bills that will temporarily pause collection of premium taxes from captive insurers of nonprofit organizations and allow conversion of certain mutual insurance holding companies (BestWire, April 14, 2026).

Senate Bill 890 will put a two-year moratorium on a 3% premium tax, related fees, penalties and interest generated by the procurement of coverage from a captive insurer by a nonprofit entity located in Maryland, according to the bill's text.

It also requires the Maryland Insurance Administration to study the use of captive insurers by nonprofit entities.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
August 11, 2026

Jeometri Insurance Managers Gets Guernsey Approval for Protected Cell Company

The Guernsey Financial Services Commission has granted a license to Jeometri Insurance PCC Limited, a protected cell company run by Jeometri Insurance Managers (Guernsey) Limited.

Jeometri said in a post on LinkedIn that the new facility offers clients a "ring-fenced" entry point into captive insurance in Guernsey, a jurisdiction it said was a "pioneer" in the PCC structure. The island remains a "global leader" in captive insurance management and alternative risk transfer, Jeometri said in the post.

Ring-fenced refers to financially or legally segregating a specific asset or pot of money.

The company said cell facilities have become more popular as an alternative form of captive insurance, particularly for middle-market businesses.

"This license is a natural extension of Jeometri's insurance management capability," Darren Wadley, managing director, said in the post. "It gives our clients a straightforward, well-governed route into captive insurance through Guernsey at lower cost and with less complexity than a standalone entity."

Jeometri said new cells can be formed quickly, lower administrative and governance costs, segregate each cell's assets provide scalable risk transfer and lower administrative burdens compared to other captive structures.

Captive insurers are in some cases outperforming commercial peers, in part as they are able to drill down into the needs of those they insure, Sharon Marks, director, AM Best, said recently. (BestWire, Aug. 6, 2026). Marks added that owners of captives are increasingly viewing them as more of a strategic risk asset.

AM Best-rated captives have collectively generated about $8.2 billion in total savings from 2021 to 2025, she said. A total of about $4.1 billion of that came from surplus appreciation during the time frame and another $4.1 billion came from dividends to members and parent companies.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
August 14, 2026

Bermuda Monetary Authority Registers Seven New Insurance Entities in July

The Bermuda Monetary Authority registered seven new insurance entities in July, bringing its total to 42 for this year.

The roster of new registrants included captive Hector Insurance Ltd., a class 1 carrier, meaning a single-parent captive that underwrites solely the risk of its owners and/or affiliates of the owners. Class 1 insurers are required to maintain minimum capital and surplus equal to or in excess of minimum solvency margins with a $120,000 floor, BMA said on its website.

Another captive, Brotherhood Denominational Reinsurance SAC Ltd., also received a license as a class 2 insurer, which the BMA lists as multi-owner captives owned by unrelated entities. Under BMA guidelines, class 2 captives underwrite only risks of the owners and their affiliates, or risks arising out of their business or operations.

They have a capital and surplus floor of $250,000 and can also write as much as 20% of premiums from risks not related to owners and affiliates.

The list also included West Grove Re Ltd., which registered as a class E insurer, meaning a long-term insurer with assets of more than $500 million and a capital and surplus floor of $8 million, according to BMA guidelines.

It also counted Grove Re Ltd., which registered as a class 3A insurer, meaning a small commercial insurer whose percentage of unrelated business represents 50% or more of net premiums written, where unrelated business net premiums are under $50 million.

The lone intermediary on the list was agent Nephila Capital Ltd.

Mangrove Property Insurance Co. said earlier this month it was launching Grove Re Ltd. to support the carrier's long-term risk management and underwriting (BestWire, Aug. 12, 2026). The wholly owned sidecar was licensed in Bermuda as a Class 3A insurer, the company said at the time.

It will underwrite and operate on an aligned basis, "enhancing our capital efficiency, strengthening our risk management and access to reinsurance and third-party capital and reinforcing our long-term stability," Chief Executive Officer and Founder Stephen Weinstein said in a statement.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
August 20, 2026

South Carolina Department of Insurance Expands Captive Division as Licensing Grows

The South Carolina Department of Insurance plans to expand its captives division as the ranks of licensed companies grows, said Andrew Noga, director of captives.

The department has added 14 new captive insurers through mid-August in addition to 15 in all of last year, Noga said in an emailed statement. Noga said the division intends to grow its captives division by strengthening its team amid the growing market.

"South Carolina has been a trusted presence in the captive insurance market since 2000 and is currently home to 245 active captives," Noga said. "With more than 25 years of experience, we have built a strong and respected captive program focused on providing a high level of professionalism and service."

In another state, the Alabama Department of Insurance said recently it lifted the temporary moratorium on the creation of captive insurers and domestic risk retention groups (BestWire, July 2, 2026). The moratorium ended on June 30, and the insurance department said it started accepting and processing applications on July 1.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
August 25, 2026

Utah Insurance Department: Captive Formations Grow Through August

The Utah Insurance Department logged 54 captive formations this year through Aug. 31, outpacing the prior year.

The formations included 28 pure captives, along with four associations, two sponsors and 20 cells, a spokesman said in an email. During the same period in 2025, the UID reported a total of 39 formations that included 29 "pures," three sponsors and 16 cells.

Utah reported 640 total licensed risk-bearing entities as of Aug. 31, up from 485 in the same period a year earlier.

Total formations for all of 2025 were 172 and the UID reported 605 total licensed RBEs. The formations included 41 pure captives, five sponsors and 126 cells.

In another U.S. state, the South Carolina Department of Insurance plans to expand its captives division as the ranks of licensed companies grows, said Andrew Noga, director of captives (BestWire, Aug. 25, 2026).

The department said it had added 14 new captive insurers through mid-August in addition to 15 in all of last year,

Noga said in an emailed statement. Noga said the division intends to grow its captives division by strengthening its team amid the growing market.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
September 11, 2026

Regulator: Oklahoma's Roster of Captive Insurers, Industry Premiums, Both Grew in 2025

The Oklahoma Insurance Department saw captive insurance premiums in the market swell by more than two-thirds last year, and it licensed 14 new captive insurers in 2025, according to state figures.

Oklahoma had 74 licensed captive insurers at the close of 2025, up ten from the prior year. Four captives were dissolved in 2025, netting the increase of 10.

Captive insurance premium increased 66.7% in 2025 to $696.63 million, compared with a year earlier. Of that total, $388.8 million was in so-called direct premium and another $307.9 million was in the form of assumed (reinsurance) premium, according to the OID.

"The significance I see is that the captive insurance world period is now recognizing Oklahoma as a captive domicile," said Steve Kinion, who has served as the state's captive insurance director since 2022. "I don't mean just as of today or yesterday. I mean probably as of the last three to four years. We've made great strides in building the Oklahoma brand."

Kinion said four of the state's five largest captive insurers come out of the energy sector, which is a driver of the state's economy. Captive gross tax and fee revenue increased 23% over 2024 to reach $953,245, according to OID documents.

The 74 total insurers is higher than in 2017, which was previously the year with the state's highest total of licensed captives at 73. The state saw an ebb to a low of 40 in 2020 and has since increased growth from 45 when Kinion joined the OID from Delaware.

He credited Oklahoma Insurance Commissioner Glen Mulready with expanding the state's captive regulatory infrastructure as fostering the growth.

In another U.S. state, Utah, the Utah Insurance Department logged 54 captive formations this year through Aug. 31, outpacing the prior year (BestWire, Sept. 11, 2026).

The formations included 28 pure captives, along with four associations, two sponsors and 20 cells, a spokesman said in an email. During the same period in 2025, the UID reported a total of 39 formations that included 29 "pures," three sponsors and 16 cells.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
September 14, 2026

Louisiana Propagates Rules to Update Captive Framework

The Louisiana Department of Insurance put out new rules covering the captive insurance sector and directed by the Creating Holistic Options in Coverage for Enterprise and Self-Insurance law.

Passed in 2025, the CHOICES Law touches across captive insurance rules to update formation, licensing, regulation and taxation rules for domestic captive insurance companies and risk retention groups, according to a summary of law.

The updated rules refresh and create definitions and extend public record exceptions to books and other materials for examination, according to the Louisiana Register entry covering the rule changes.

The new law also defines and regulates branch captives and affiliated reinsurance companies and sets application fees and rules for redomestication into the state, the Louisiana Register said.

Additionally, the updates include new requirements for paid-in capital and surplus requirements. Pure captive insurers saw their requirements reduced from $500,000 to $250,000, while association captive insurance companies had requirements cut from $1 million to $500,000, according to the Louisiana State Legislature.

Further, risk retention groups are now required to maintain paid-in capital and surplus of $1 million and branch captive insurance companies must maintain $250,000 in capital and surplus.

The update also requires captive insurers to hold at least one annual meeting in Louisiana and to provide the commissioner with a trust receipt from a bank located and doing business within the state, according to the summary.

Previously rules only required banks to do business in Louisiana, but they did not have to be located there.

Attempt to gain comment from the Captive Insurance Companies Association was not immediately successful.

Captive insurance is becoming an increasingly popular option, and not just for pricing advantages but also due to the amount of control, customization and direct oversight they offer, said Sharon Marks, an AM Best director (BestWire, Aug. 6, 2026).

(By Steve Hallo, senior associate editor, BestWire: Steve.Hallo@ambest.com)
September 23, 2026

Law Firm: UK Captive Insurance Consultations Seek Mid-2027 Regime Launch

September 30, 2026

Recently released captive insurance regime consultations by U.K. regulators would create a distinct regulatory framework for single-parent or "pure" captives with lower capital requirements, streamlined governance and reporting, and a target authorization period of four to six weeks, according to international law firm Dentons.

"The overall direction is deliberately proportionate, with the regulators proposing a strong but streamlined authorization gateway followed by relatively light-touch ongoing supervision," the firm said in a statement. "This reflects their assessment that single-parent captives generally present lower risks than conventional commercial insurers."

The United Kingdom's Financial Conduct Authority and the Bank of England's Prudential Regulation Authority both announced consultations on a proposed captive insurance regime at the same time.

"We're consulting, alongside the Prudential Regulation Authority, on a new bespoke regulatory framework for captive insurance in the U.K.," the FCA said in a statement. "The two papers together form a coherent overall framework for captive insurance in the U.K."

Both the FCA and PRA consultations close on Oct. 14, the regulators said.

Dentons said the regulators are targeting implementation in mid-2027.

The FCA said there are currently no captive insurers established in the United Kingdom. Businesses wishing to use this structure typically set up captives in other jurisdictions, the regulator said.

"Our proposals would introduce a proportionate conduct framework for single-parent captives sometimes called 'pure' captives, that reflects their distinct business model and lower risk profile, making the U.K. a more attractive location for businesses to establish or relocate a captive insurer," the FCA said.

The regulator said its consultation is mainly aimed at existing insurers and reinsurers, particularly those exploring captive insurance structures, ceding business to them or reinsuring them; insurance intermediaries providing, or planning to provide, insurance and risk management services to corporates; advisory firms, including captive managers who support clients in feasibility studies and applications for establishing captives; professional services providers, including legal, actuarial, and advisory firms; trade bodies and industry groups; and other regulators and public authorities with an interest in the U.K. insurance market.

Protected cell companies are not included at this stage and are intended to form the second stage of the regime, with the regulators planning a further consultation once the necessary primary legislation is in place, Dentons said.

"The proposals are significant because a U.K. captive would no longer effectively be regulated as a conventional commercial insurer subject to the broader Solvency U.K. framework," Dentons said. "Instead, the PRA proposes a separate category of U.K. captive insurer, reflecting the regulators' assessment that a captive which predominantly insures the risks of its own corporate group poses materially different risks from an insurer writing third-party business."

The PRA proposes a captive capital requirement equal in effect to the highest of £100,000 ($132,673), 10% of net written premiums or 10% of net insurance liabilities, Dentons said. The £100,000 baseline must be met with Tier 1 paid-in capital such as fully paid ordinary shares, retained earnings and other reserves.

Capital above the floor could also be met with Tier 1 paid-in capital or with qualifying Tier 2 contingent capital,

including letters of credit written by one or more banks and parental or group support agreements, the firm said.

"The regime is considerably broader where the captive acts as reinsurer," Dentons said. "Compulsory lines, defined employee benefits for group employees and certain risks involving individuals can be written on a reinsurance basis, preserving a conventional primary insurer between the captive and the protected policyholder or beneficiary."

Life insurance other than the defined employee benefit business would be prohibited, Dentons said. Captives could not insure investment risks or regulatory fines.

The U.K. insurance regulator's recently released consultation paper on a bespoke regulatory framework for single-parent insurance captives in the United Kingdom is expected to create a captive regime that compares well with other established captive domiciles, according to an AM Best commentary (BestWire, Aug. 25, 2026).

In a new Best's Commentary, "U.K. Plans for a New Flexible and Competitive Captive Insurance Regime Take Shape," AM Best notes that while U.K.-domiciled corporations are likely to consider establishing captives in the United Kingdom given the flexibility around capital and operational structures, taxation is expected to be a key consideration.

Patrick McCrystal, financial analyst and one of the authors of the commentary, said, "For U.K. corporates, the proposed captive regime could mean keeping risk management and governance within the country and avoiding offshore governance complexities. Nonetheless, for parent companies, taxation is expected to be a key consideration. U.K. captives are expected to be subject to a standard U.K. corporate tax rate whilst some of the other established domiciles have lower tax rates."

(By David Pilla, news editor, BestWire: David.Pilla@ambest.com)
September 23, 2026

IRS Requests Pause to Microcaptive Lawsuit Briefings

September 22, 2026 The Internal Revenue Service is asking the 5th Circuit Court of Appeals to stay briefings in one lawsuit challenging its microcaptive rules while a separate, yet similar, lawsuit plays out.

The IRS requested to stay briefings in Ryan LLC v. IRS while proceedings in Drake Plastic Ltd. Co. et al v. IRS plays out, according to a motion from the federal agency.

In January 2025, the IRS published final rules covering what it referred to as "abusive" microcaptives (BestWire, Jan 21, 2025). Quickly after the rules were released, Ryan filed its lawsuit over allegations that propagation of the new rules violated the Administrative Procedure Act and the rules went against Congress' expressed encouragement of captives, according to the complaint.

Drake Plastic leveled similar allegations in its lawsuit, which resulted in a portion of the rules being vacated (BestWire, April 23, 2026). Drake Plastic appealed the portion of the decision that upheld other parts of the rules, according to the IRS' most recent filing.

Opening briefs in the Drake Plastic case were heard on Aug. 10, and the government response is due Oct. 9, the motion to stay said. Opening briefs in Ryan are not due until Oct. 28.

The IRS said staying proceedings in Ryan will conserve resources of the court and litigants and streamline the proceedings. Prior to filing the motion, the IRS conferred with Ryan, with the latter saying it would oppose any motion to stay.

In support for staying Ryan, the IRS said both cases were brought under the same statute, challenge the same regulations and seek the same relief. By allowing Drake Plastic to proceed, the court can avoid hearing the same briefs and arguments twice.

Further, the IRS said the ruling in Drake could significantly narrow Ryan's appeal or make it entirely moot. It also makes practical sense as Drake filed its appeal first, the agency said.

Drake will also result in rulings on both regulations in question, while Ryan's challenge challenges just one, the IRS said.

"At a minimum, an opinion in Drake Plastics will be instructive for the parties in determining how best to move forward with this appeal," the IRS wrote in its motion.

The IRS' microcaptive rules require issuing insurance or annuity contracts to account for more than 50% of the entity's business during the tax year, according to the Federal Register. Reinsurance activities would also meet this requirement.

The entity's contracts must also meet all portions of a four-part test for insurance set by the courts. The test looks at contracts for risk shifting, risk distribution, insurable risk and insurance "in the commonly accepted sense," the Federal Register said. Additionally, net written premiums or direct written premiums, if greater, cannot exceed $2.2 million per taxable year.

The rules are of increasing importance as more businesses look to microcaptives as traditional carriers tighten underwriting standards, increase premiums and add exclusions for risks such as cyber, supply chain disruption and certain liability exposures, according to the SRA 831(b) Admin, a microcaptive plan administrator.

The IRS declined to comment, citing the ongoing litigation.

(By Steve Hallo, senior associate editor, BestWire: Steve.Hallo@ambest.com
September 23, 2026)

Bermuda Monetary Authority Registers Four New Insurance Entities in August

The Bermuda Monetary Authority registered four new insurance entities in August, bringing its total to 46 for the year-to-date period.

Among the new registrants was Valuation Guarantee Ltd., which was registered by the BMA as a class 1 carrier, meaning a single-parent captive that underwrites solely the risk of its owners and affiliates of the owners.

Class 1 guidelines require the carriers to maintain minimum capital and surplus equal to or in excess of minimum solvency margins with a floor of $120,000, under guidelines from the BMA website.

AFC Captive Insurance Co. Ltd., also a captive, was registered as a class 2 insurer, or a multi-owner captive owned by unrelated entities. Under BMA guidelines, class 2 captives underwrite only risks of the owners and their affiliates, or risks arising out of their business or operations. Ide8 Ltd. was also registered as a class 2 insurer.

M Financial Global Services, Ltd. was the sole intermediary on the list. M Financial was registered as a broker, the BMA said.

The Oklahoma Insurance Department saw captive insurance premiums in the market swell by more than two-thirds last year, and it licensed 14 new captive insurers in 2025, according to state figures (BestWire, Sept. 14, 2026).

Oklahoma had 74 licensed captive insurers at the close of 2025, up ten from the prior year. Four captives were dissolved in 2025, netting the increase of 10.

Captive insurance premium increased 66.7% in 2025 to $696.63 million, compared with a year earlier. Of that total, $388.8 million was in so-called direct premium and another $307.9 million was in the form of assumed (reinsurance) premium, according to the OID.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
September 24, 2026

IMAC: Cayman's Insurance Regulator Approves Eight Entities in Third Quarter

Regulators in the Cayman Islands licensed eight new international insurers in the third quarter, bringing to 28 the total of approvals for the year, according to the Insurance Managers Association of Cayman.

The Cayman Islands Monetary Authority issued one Class B(i) captive license and seven Class B(iii) licenses in the period spanning July and September, IMAC said in a statement. The statistics have yet to be uploaded to the CIMA website and CIMA could not be immediately reached for comment.

The new licenses bring the total issued in 2026 to 28, after 20 were approved during the first half of the year, IMAC said. CIMA also advised a further 11 applications are currently under review, while a number of applications have been approved in principle, which includes one new insurance manager.

"Cayman's established regulatory framework, depth of industry expertise and strong professional services infrastructure remain key factors in its appeal as one of the world's leading insurance domiciles," said James Trundle, chair of IMAC, in a statement. "With a healthy pipeline of applications and continued interest from international markets, we are optimistic about the industry's outlook for the remainder of 2026."

The latest round of new licensees brings the total to 720 Class B, C, and D insurance companies, representing approximately $62 billion in premiums written, and $203 billion in total assets, IMAC said. Since the beginning of 2026, premiums written have increased by $11 billion, while total assets have grown by $27 billion.

The National Association of Insurance Commissioners earlier said it received an application for Qualified Jurisdiction status from the Cayman Island Monetary Authority (BestWire, Aug. 21, 2026).

The application, which was delivered Aug. 7, is limited at this time to Class D insurers working in nonlife property/casualty business, the NAIC said. The application is now moving through the association's committee process, with the Mutual Recognition of Jurisdictions Working Group having first review.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
October 20, 2026

Bermuda Supreme Court: Captive Managers Owe No Duty of Care to Shareholders

The Supreme Court of Bermuda ruled captive insurance managers do not have a duty of care to shareholders of the covered holding companies.

The underlying complaint involves Aon Insurance Managers (Bermuda) Ltd. and a series of captives created to cover automobile dealerships in the United States, the supreme court's ruling said.

In February 2020, the dealership group's email system was breached and hackers sent bogus emails to Aon with false wiring instructions for dividend payments, the ruling said. Aon followed through on six of the fraudulent wire requests.

This prompted the holding companies, acting as shareholders, and related parties to make negligence claims against Aon. The lawsuits claimed Aon should have identified warning signs associated with fraudulent payment instructions.

In rejecting the plaintiffs' claims, the court pointed to contractual framework that directed Aon's responsibilities were owed to the companies that retained it and any benefits for strictly for those direct clients, not any third-party. As such, the duty of care extended to the clients, but not to individual shareholders.

Shareholder plaintiffs contended Aon created an independent duty of care when the captive manager dealt directly with them. However, the court said those interactions were part of the manager's work representing the holding companies and did not create a separate duty of care.

Finally, the court said as the shareholders' losses were economical, they could pursue claims against the companies that declared the dividends.

Attempt to gain comment from Aon plc was unsuccessful.

(By Steve Hallo, senior associate editor, BestWire: Steve.Hallo@ambest.com)
October 20, 2026

Research

Best's Briefing: Underwriting Discipline, Lower Costs Mean Captives Outperform Commercial Peers

Captive insurers are in some cases outperforming commercial peers, in part as they are able drill down into the needs of those they insure.

Sharon Marks, director, AM Best, said owners of captives are increasingly viewing them as more of a strategic risk asset.

AM Best-rated captives have collectively generated about $8.2 billion in total savings from 2021 to 2025, she said. A total of about $4.1 billion of that came from surplus appreciation during the time frame and another $4.1 billion came from dividends to members and parent companies.

"We used to see spikes in captive usage when the commercial pricing spiked," Marks said. "Now we see owners increasingly value not just the pricing arbitrage, which is an important piece, but also value the control, the customization, and the direct oversight the captives provide. And as I mentioned previously, we do see many parents expanding the use of their captives beyond traditional products."

Marks was speaking as part of an AM Best analytical briefing on the trends currently shaping the captive insurance industry, which includes single-owner captives, cell companies and risk-retention groups.

A July Best's Market Segment report found that of the 220 rated captive companies globally, around 70% are

domiciled in the United States, with the Caribbean accounting for another 17% and the remainder spread out around the world.

Medical professional liability represented the largest line at 38% of those companies, followed by other liability and commercial casualty at 34%; commercial property, 9%, and workers compensation, 6%, according to the report. Major corporations traditionally use the insurers to cover risks that are low frequency but high severity like property losses and catastrophe events.

Captive premium levels grew about 7% at year-end 2025 and over the last five years growth stood at 64.5%, AM Best said.

Christine Brown, deputy commissioner, captive division, in Vermont, said her state's history among the first and the largest captive domicile in the United States gives it credibility in the market but it has stayed relevant through a willingness to evolve with the market. The needs of captive owners have shifted, she said.

Hawaii enacted a new framework for captive insurance companies that will eliminate certain regulatory examination mandates and delineates between captive insurers and risk retention groups (BestWire, July 17, 2026).

Act 255, formerly Senate Bill 2043, stipulates regulatory captive insurers that are not risk retention groups are subject to examination no later than five years after being licensed, according to the bill's text. Following that initial exam, all future exams will occur strictly at the insurance commissioner's discretion. This provision is active July 1 and runs through Dec. 31, 2031.

Kourtnie Beckwith, a senior financial analyst at AM Best, said rated captives are generally driven by a "very strong" awareness of risks because of how close they remain to their owners and parent organizations.

"When lines of business are brought into the captive, they have likely been in the commercial market for quite some time, so they are very comfortable with the risk and the exposure," Beckwith said. "They know what that book of business looks like. They know how it performs, and loss expenses have been a lot lower in captives."

Recent years have seen an uptick in loss & LAE expenses, though.

"Overall, they remain strong," Beckwith said. "What really sets them apart is their underwriting expenses. There are expenses that captives don't have that the commercial market does, like distribution costs and marketing costs."

Ian Davis, president of the Vermont Captive Insurance Association, said his group annually works with regulators in that state to pivot as needed to remain apace with the needs of the industry.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
August 6, 2026

Best's Commentary: AM Best Comments on Proposed Captive Regime in United Kingdom

The U.K. insurance regulator's recently released consultation paper on a bespoke regulatory framework for single-parent insurance captives in the United Kingdom is expected to create a captive regime that compares well with other established captive domiciles, according to a new AM Best commentary.

In a new Best's Commentary, "U.K. Plans for a New Flexible and Competitive Captive Insurance Regime Take Shape", AM Best notes that while U.K.-domiciled corporations are likely to consider establishing captives in the United Kingdom given the flexibility around capital and operational structures, taxation is expected to be a key consideration.

Patrick McCrystal, financial analyst and one of the authors of the commentary, said, "For U.K. corporates, the proposed captive regime could mean keeping risk management and governance within the country and avoiding offshore governance complexities. Nonetheless, for parent companies, taxation is expected to be a key consideration. U.K. captives are expected to be subject to a standard U.K. corporate tax rate whilst some of the other established domiciles have lower tax rates."

To access a complimentary copy of this commentary, please visit http://www3.ambest.com/bestweek/purchase.asp?record_code=367856.

AM Best is a global credit rating agency, news publisher and data analytics provider specializing in the insurance industry. Headquartered in the United States, the company does business in over 100 countries with regional offices in London, Amsterdam, Dubai, Hong Kong, Singapore and Mexico City.

August 25, 2026

Companies

Real Property Captive Launches With Aim to Bring Captives to Middle Real Estate Market

A real estate investor, who is in the process of launching Real Property Captive, said his aim is to bring that structure into the middle market of the real estate world, in which it hasn't typically been a player.

Angad Guglani said he's been an investor for about a decade, first starting in college, which he said made him a customer of insurance by default. He said he didn't really think much of it until his portfolio got big enough that he needed a master policy and had a difficult time finding one.

When he did, Guglani said he referred his friends to the unnamed insurer.

"The light bulb went off when I realized that 20% of the entire book of business of this program was my friends," he said. "Then I learned shortly thereafter they were collecting a 30% seeding commission, the MGA that wrote this program. People are making hundreds of thousands of dollars on a recurring basis, for what?"

He compares insurance to a water vessel: The most efficient structure is one with the least leakage. Normal coverage is leaky he said, with commissions for brokers and insurers taking up a portion of every dollar paid in premiums. With captives, there is little leakage, Guglani said.

So, he got the idea for Real Property Captive.

The largest section of real estate investors in the United States is concentrated around the middle market, he said, with only the biggest relying on captive insurance. After initially considering founding a managing general agent, he decided the largest real estate companies and 90% of Fortune 500 companies have captives, which he settled on as the way to go.

Historically, smaller investors haven't been able to take part in the captive structure due to capital requirements, the often-fractured nature of the segment and the need to insure multiple properties, Guglani said.

"I tried creating an informal group to get a captive going, it was unsuccessful, and I realized what we need in our industry is we need a legitimate bonafide group captive, and we should build it for the standards of 2026," Guglani said. "Knowing what we know now, knowing what transparency is out there, knowing how efficient it is to distribute and infer information about a program, we should build the most, I call it the most efficient property program ever created."

The platform has $7 billion of committed premium with a total pipeline of about $37 billion, he said.

The current structure sees Real Property Captive aggregate that principal and the captive takes a working risk layer of up to $10 million, which Guglani said consists of $5 million for property and $5 million for general liability. The captive then purchases a shared and layered reinsurance tower above that.

To ensure lender compliance, that is being handled out of Bermuda through a fronted program, he said.

"We're in talks with three markets and we're waiting for kind of who's willing to do the best terms and has the best policy for them," he said of the fronting insurers. "Our coverage is designed to be compliant with even the most stringent lender requirements, which is Fannie Mae, Freddie Mac, HUD loans."

Guglani calls commissions "misaligned" and said he thinks they'll disappear over the next 10 years. He encourages members of his program to move toward a fee-based payment model.

"If you're an owner or an organization that believes in risk management, skin in the game, not filing frivolous claims, you want a captive because it aligns your incentives," he said. "The most disruptive part of our program is we're a direct distribute program. So, we have no qualms marketing to every single person in our target market."

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
September 15, 2026

Tangram Insurance Services Launches Captive Program Targeting Fuel, Propane Distributors

Managing general agent program manager Tangram Insurance Services said it has launched Forge Energy, a captive program designed for fuel and propane distributors.

Tangram said in a statement that distributors operate in a risk environment that is particularly complex due to large mixed fleets, constant pollution exposure and a hardened auto market that puts them together with higher-risk peers.

Forge Energy was designed to challenge that dynamic by offering a tailored alternative risk solution that combines experience underwriting in the fuel and propane industry with capacity provided by Coaction Specialty Insurance Group. The program returns underwriting profit to well-run operators, caps indemnity loss exposure at $350,000 per claim and provides transparent premium allocation that the standard market does not offer, the captive said.

"Forge Energy represents a natural evolution of our downstream energy strategy," Krissy Kyjovsky, executive vice president at Tangram, said in a statement. "We've spent years building our expertise in this space, and this captive allows us to better align risk, reward, and long-term performance, giving high-quality operators more control and a sustainable path forward."

Forge Energy is open to retail and wholesale fuel distributors, heating oil distributors, liquefied petroleum gas and compressed natural gas distributors, gasoline and diesel distributors, and limited appetite for carriers of refined fuel products, the statement said. It offers a comprehensive casualty program with general liability and commercial auto, including pollution.

Tangram said it also supports the program with complimentary coverages outside of the captive, including property, excess liability, and guaranteed cost workers' compensation. Tangram Insurance Services, a national MGA program manager, is part of Balavant Insurance Group.

Balavant said last year it acquired TIMBY Insurance Solutions, an inland marine program manager (BestWire, Oct. 6, 2025). TIMBY Specialty was founded in 2021 in Everett, Washington, and its offerings included contractors' equipment, motor truck cargo and warehouse legal liability, the companies said in a statement.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
September 18, 2026

MSH Launches Employee Benefits Captive Advisory Division Elucin

MSH, a subsidiary European corporate insurance and reinsurance brokerage Diot-Siaci Group said it has launched Elucin, a new Luxembourg-based entity focused on employee-benefits captives.

Elucin is designed to support international groups and their captive insurers, including those domiciled outside of Europe, the firm said in a statement. Elucin said the programs are coordinated centrally and implemented locally through the client's existing networks and brokers.

Elucin will operate from feasibility planning to ongoing EB captive management, the firm said.

"More and more international companies are looking to reinsure their employee benefits through captives, and they need specialist expertise to navigate this constantly evolving landscape," Cédric Charpentier, chief executive officer of the Diot-Siaci Group, said in a statement. "Through Elucin, we will make this expertise available to our clients worldwide, regardless of where they operate or where their captives are based."

Frédéric Grand, EB global practice lead and CEO of MSH, will play an active role in Elucin, it said.

Sven Roelandt and Zulu Khan will lead the organization. Roelandt has more than 20 years' international experience in the field of employee benefits, notably in senior management roles at Zurich, Insurope, Generali Employee Benefits and Aon, where he established and led the global business dedicated to employee benefits captives, Elucin said.

Khan will lead the underwriting and operations functions and spearhead the firm's expansion into the North American market, according to Elucin. The company said he brings underwriting expertise gained across insurers, captive managers and brokers, with previous roles at Axa, Generali, Granite Management and Aon.

Earlier, Marsh launched Marsh Nexus Captive Solution, which it said would support multinational organizations manage rising costs and risk associated with employee benefits programs (BestWire, June 16, 2026). Marsh Nexus Captive Solution will operate through Marsh's Mangrove Protected Cell Co., domiciled in Washington, D.C., and targeted to clients who spend more than $3 million annually on providing benefits outside the United States.

The company said in a statement some organizations lack the scale or resources to create sustainable benefits programs through risk retention solutions such as captives.

(By Terrence Dopp, senior associate editor, Best's Review: Terry.Dopp@ambest.com)
October 15, 2026

Executives

Willis Appoints Head of Captive and Insurance Management Solutions, Ireland

Willis, a WTW business, appointed Gerard Owens to succeed Trevor Madden as head of captive and insurance management solutions, Ireland, effective Nov. 1.

Madden will lead Willis' captive and insurance management solutions business in Singapore.

Owens has more than 25 years of experience in the insurance and reinsurance industry, with extensive expertise in captive management, financial and regulatory reporting, risk management, compliance and business development, the company said.

Owens has led teams responsible for the management and oversight of captive insurers and reinsurers operating in Ireland. He has worked closely with organizations on the establishment, expansion and optimization of captive insurance programs, having held a number of senior positions at Willis since 2017, according to a company statement.

Earlier, Willis Re appointed Conduit Holdings Chief Executive Officer Neil Eckert as CEO (BestWire, Sept. 9, 2026).

(By Barbara Edwards, BestWire: Barbara.Edwards@ambest.com)
September 10, 2026

Allianz Commercial Appoints Ex-AIG Exec Global Head of Captive Fronting and Captive Solutions

Allianz Commercial has appointed Stephen Morton to succeed Brian McNamara as global head of captive fronting and captive solutions, effective March 1, 2027.

McNamara will retire at the end of September.

Morton will continue to expand Allianz Commercial's global captive solutions portfolio and services. He has more than 30 years of experience in the insurance industry, mostly spent in the multinational and captive area, the company said.

Before joining Allianz, Morton was most recently American International Group's global chief underwriting officer, fronting and multinational, and prior to that has held a number of senior roles at AIG, including head of complex multinational solutions, and various regional multinational and captive leadership roles, based in Bermuda, London and Paris, according to a company statement.

In August, Allianz Commercial appointed Emma Woolley as president global specialty and U.K. region (BestWire, Aug. 21, 2026).

Underwriting entities of Allianz SE have current Best's Financial Strength Ratings of A+ (Superior).

(By Barbara Edwards, BestWire: Barbara.Edwards@ambest.com)
September 22, 2026

Methodology Sources:

AM Best remains the leading rating agency of alternative risk transfer entities, with more than 200 such vehicles rated throughout the world. For current Best's Credit Ratings and independent data on the captive and alternative risk transfer insurance market, please visit www.ambest.com/captive.

The methodology used in determining these ratings is Best's Credit Rating Methodology, which provides a comprehensive explanation of AM Best's rating process and contains the different rating criteria employed in the rating process. Best's Credit Rating Methodology can be found at www.ambest.com/ratings/methodology.

View a general description of the policies and procedures used to determine credit ratings. For information on the meaning of ratings, structure, voting and the committee process for determining the ratings and monitoring activities, please refer to Understanding Best's Credit Ratings.

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AM Best's Alternative Risk Transfer Market News

View the Value of an AM Best Captive Rating

Overviews of Best's Credit Ratings for Captives and Best's Credit Rating Process:

- Best's Credit Ratings for Captives: An Overview
- Best's Credit Rating Process

Best's Captive Reports:

- New Domiciles are Changing the Landscape for the European Captive Insurance Segment
- Best's Market Segment Report: Growing Captive Insurance Market Highlights Risk Management Expertise
- Best's Market Segment Report: Captive Insurer Numbers Set to Grow in Europe as More Jurisdictions Seek to Lure Companies
- Best's Market Segment Report: Captives' Flexibility and Control Enable Them to Outperform Commercial Peers
- Market Segment Report: Rated BCIB Captives Continue Strong Performance in Comparison to Commercial Casualty Composite
- Best's Special Report: Europe's Captive Segment Poised for Growth Amid Hardening Insurance Conditions
- Best's Market Segment Report: Commercial Market Dislocation Could Provide New Opportunities for Captives to Fill the Void
- Market Segment Report: Captive Insurer Numbers Set to Grow in Europe as More Jurisdictions Seek to Lure Companies
- Market Segment Report: Feasibility and Utility Sustain Rated Captives' Excellent Profitability

AM Best Briefings:

- Captives & Cell Companies: Revisions to 'Alternative Risk Transfer (ART)' Criteria on Vimeo
- AM Best's Briefing - Captives' Flexibility and Control Enable Them to Outperform Commercial Peers
- Rating a Captive: The Interactive Rating Process from Data Analysis to Rating Committee Decision

Preparing for a Captive Rating Meeting:

- Captive Insurance Sample Meeting Agenda for a Best's Credit Rating
- Captive Insurance Data Requirements for a Best's Credit Rating

AM Best's latest captive market news, ratings announcements, domicile and regulations, and strategies:

- News of the Alternative Risk Markets from AM Best

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