

Health Care Mutual Captive Insurance Co.

Payment Plan

Health Care Mutual is a policyholder owned, Georgia domiciled, captive insurance company. As such, for the first two policy years you must contribute a “surplus share” equal to 15% of the estimated premium to participate. The surplus share is a loan to Health Care Mutual. You receive a surplus note from Health Care Mutual as evidence that this money is owed you, and your CPA will likely record it as an asset on your books (consult with your CPA regarding the accounting treatment of your surplus share). It does not go toward your annual premium, and it is refundable if you discontinue your coverage per the terms of the surplus note. Your premium will be billed in 11 monthly installments, with the first installment due 30 days after policy inception. There is no finance charge. An illustration of our payment plan assuming a \$10,000 annual premium is as follows:

New Policy

Surplus Share (15% of \$10,000 premium)	\$ 1,500.00
Expense Constant	170.00

Total Due At Policy Inception	\$ 1,670.00

11 Monthly Installments Beginning In 30 Days (\$10,000 divided by 11)	\$ 909.09
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1st Renewal

Surplus Share (15% of \$10,000 premium)	\$ 1,500.00
Expense Constant on Renewal Policy	170.00

Total Due On 1 st Renewal	\$ 1,670.00

11 Monthly Installments Beginning In 30 Days (\$10,000 divided by 11)	\$ 909.09
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