



## CAPTIVE INSURANCE BULLETIN NO. 8

**TO: All Captive Managers, Auditors, and Actuaries Accredited in Delaware, and all Members of the Delaware Captive Insurance Association**

**RE: Accounting Standards Update 2015-09**

**DATED: November 17, 2017**

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The Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2015-09 (ASU 2015-09). This is an accounting guidance that applies to all insurance companies that issue short-duration insurance contracts and who also prepare their financial statements in accordance with U.S. generally accepted accounting principles (GAAP). Most captive insurance companies in Delaware file financial statements on a GAAP basis.

For Delaware domiciled captive insurance companies, the ASU amendments are effective for annual periods beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017.

The Commissioner has been advised that detailed claim development disclosures are already provided by captive insurers in the annual statement.

Accordingly, this bulletin acknowledges that, in the event that a qualified audit opinion is issued based solely on non-compliance with ASU 2015-09, the Department will not take action against the captive insurance company or require the captive insurance company to prepare and file additional information regarding the qualified opinion unless other significant issues are noted by the Department.

Questions concerning applications and implementation of these new procedures may be directed to Steve Kinion, Director of the Bureau of Captive and Financial Insurance Products, at [steve.kinion@state.de.us](mailto:steve.kinion@state.de.us) or 302-577-5258.

A handwritten signature in blue ink that reads "Trinidad Navarro".

Trinidad Navarro  
Insurance Commissioner

*NOTE: This Bulletin is intended solely for informational purposes. It is not intended to set forth legal rights, duties, or privileges, nor is it intended to provide legal advice. Readers should consult applicable statutes and rules and contact the Delaware Department of Insurance if additional information is needed.*