



What is Captive Insurance?

A captive insurer is an insurance company that is wholly owned and controlled by the organization insured. The primary purpose of a captive is to insure the risks of the organization, while also enabling the owner to benefit from the captive insurer's underwriting profits.

What a Captive Can Do For You

- › Return of unused premium + investment income
- › Potential lower costs
- › Lower net effective cost
- › Risk control, safety practices and culture
- › Create leverage against insurers
- › Program and coverage flexibility
- › Control over your destiny
- › Freedom and flexibility
- › Insulation from risk pool
- › Customized insurance coverages and program design

Why a Captive Makes Sense

- › Higher degree of control over insurance options, markets, terms and conditions
- › Provides leverage when searching for insurance partners
- › Provide a better return on committed capital (or collateral), optimizing investment strategies
- › Reduce total cost of insurance and risk
- › Protecting human capital and providing employee benefit incentives
- › Provide a vehicle to solve other issues

Common Types of Captives

Single Parent/Wholly Owned/Equity Captive

Special Purpose Vehicle (SPV)

Risk Retention Group (RRG)

Group/Association Captive

Agency Captive

Sponsored (Rent-a-Captive)