

CAPTIVE & ALTERNATIVE RISK PROGRAMS REDUCE COSTS, TAKE CONTROL, CREATE STABILITY

What is Captive Insurance?

A captive insurer is an insurance company that is wholly owned and controlled by its insureds. Its primary purpose is to insure the risks of its owners and its insureds benefit from the captive insurer's underwriting profits.

Captive & Alternative Risk Services



Captive Review, Consulting & Placement

Don't do it alone. Let us review, consult and place coverage as needed.



Reinsurance Negotiating

Are you already taking significant risk? Let us place your reinsurance.



Alternative Services

We can source actuarial, legal accounting, domicile, or management as needed.



Program Development & Management

We can build a new program or manage and develop one you already have.

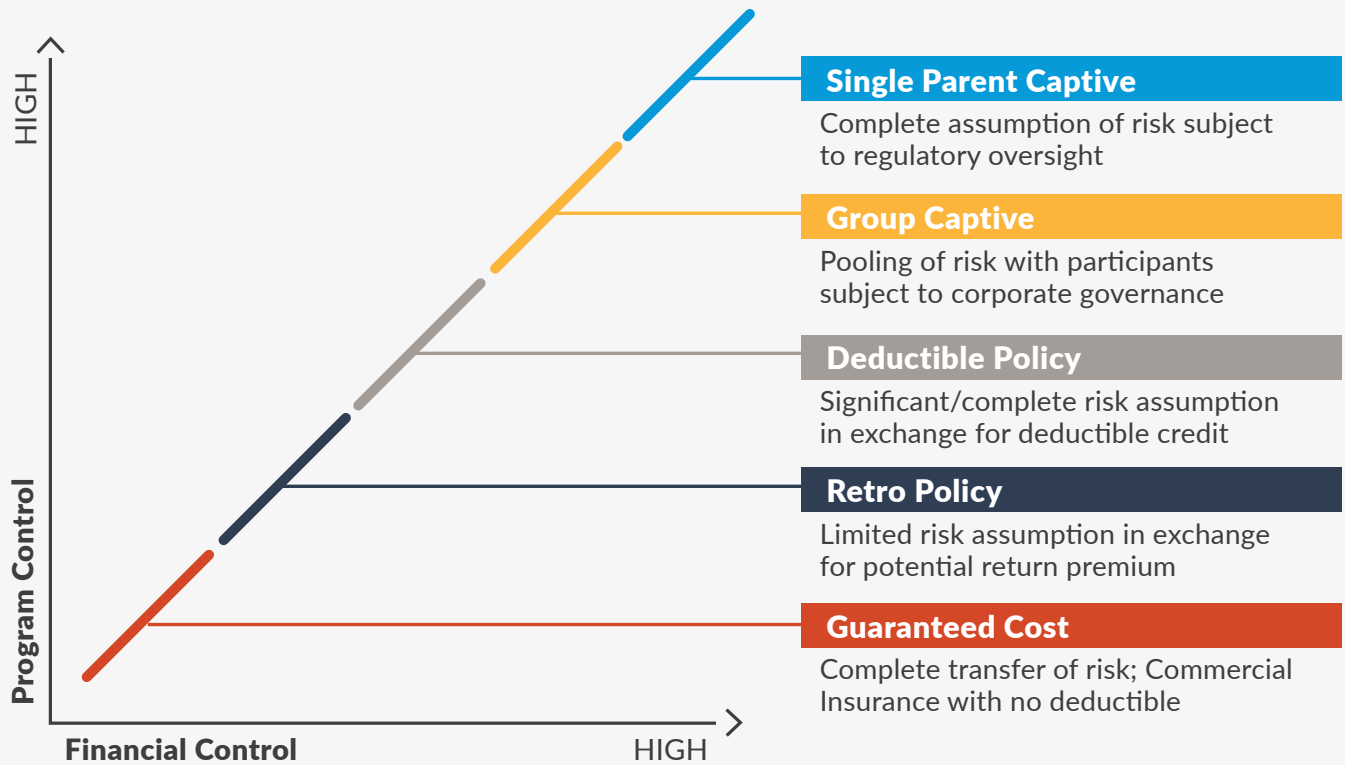
What Can a Captive Do For You?

Advantages of Alternative Risk

- ✓ Return of unused premium + investment income
 - Potential lower costs
 - Lower net effective cost
- ✓ Risk control, safety practices & culture
- ✓ Create leverage against insurers
- ✓ Program and coverage flexibility
- ✓ Control over your destiny
 - Freedom and flexibility
 - Insulation from "the pool" of other risks
- ✓ Customized insurance coverages & program design
- ✓ Reduce expenses associated with Employee Benefits

Alternative Risk Transfer (ART)

The combination of retained and transferred risk to produce lower net effective costs and more control for you.



What Drives Captive Growth?

Minimize Insurance Costs

- » Reduce insurance cost
- » Capture underwriting profit
- » Combine Property & Casualty and Employee Benefits expenses

Control Risk

- » Greater control over claims
- » Increased coverage
- » Incentives for loss control
- » Control the cost of risk

Pricing Stability

- » Minimize unpredictable insurance pricing
- » Mitigate shock losses
- » Provide stability and asset protection



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)



Ideal Candidates for Captives

- ✓ Profitable businesses with some appetite for risk
- ✓ Best-in-class operators seeking to capitalize on excellent loss history
- ✓ Operations desiring to lower and control cost of risk over time
- ✓ Businesses with difficult- to-insure risks



Is a Captive Right for Me?

- ✓ Pay at least **\$150,000** in Auto Liability, General Liability, and Workers' Compensation
- ✓ **50%** five year loss ratio or better
- ✓ Have safety and risk management programs already in place
- ✓ Comfortable with taking on, sharing risk
- ✓ Motivated by consistency, control

Questions? Talk to a trusted advisor.

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