

WHAT IS A CAPTIVE?

A captive is an insurance company that issues coverage for specific risks to a business for which coverage from commercial insurance carriers may be unavailable or unaffordable.

Instead of paying premiums to a commercial insurance carrier, you pay premiums to your captive. Any money that is not utilized or paid in claims stays in reserves, is investable, and may become profit in your captive.

With a captive insurance company that you own, you manage risk well and you create equity through low claims and prudent investment.

A captive is a smart risk management insurance structure that, when executed in compliance with state insurance regulations and IRS guidelines, may provide more cost effective business risk coverage while simultaneously building equity.

CAPTIVE BENEFITS

Captive insurance companies are, first and foremost, an effective risk management tool for successful business owners and professionals. Under appropriate circumstances, ownership of a captive can also play an important role in financial and estate planning, especially for family-owned businesses.

Captives can be owned by LLCs, partnerships, corporations, trusts, key employees, family members, and individuals, thus adding potential benefits beyond risk management, including asset protection, wealth preservation, and maximizing the transfer of wealth to heirs.

Additionally, captives can play an important role in protecting against unexpected downturns in revenue. Variations in business revenues year after year could be covered by appropriate insurance to guard against losses in less successful years. Proper understanding of the additional risk created in abnormally successful years may allow the business owner to pre-fund potential liability.

CaptiveOne Advisors will help develop your captive insurance strategy, so that you can reap the rewards of captive ownership.

CAPTIVEONE

CaptiveOne is a family of companies that offers captive assessment, formation and management services. Our team brings together the best and brightest minds in the field of captive insurance to establish US-domestic captives. Our experienced captive insurance professionals take care of every detail so that you obtain the maximum benefits available from captive ownership.

Regulatory compliance is paramount to a captive insurance strategy. The CaptiveOne family of companies offers advisory and management services by the best and brightest minds in the field of captive insurance to establish domestic captives and provide comprehensive management services, including accounting, claims processing, and continuing advice on premium reserve management.

CaptiveOne specializes in domestic, not offshore, captives for its clients.

CaptiveOne takes care of the entire captive process for you. We (1) set up the captive; (2) can arrange for a loan to cover the initial set up costs; (3) coordinate all of the underwriting so that commercially reasonable premiums are charged for coverage to protect against your business's particular risk; (4) oversee the administration of claims; (5) manage compliance issues relating to the formation and operation of the captive; (6) file the captive's annual tax return; and (7) report to you on a consistent and frequent timeline—year after year, after year.

We will include your trusted business advisors, such as lawyers and CPAs, in the process so that your captive insurance company is designed to best meet your needs.

The CaptiveOne team of experienced captive insurance professionals will take care of all the details so that you obtain the maximum benefits available from captive ownership.

CaptiveOne™