



CAPTIVES – CONTROL, FLEXIBILITY AND THE ART OF RISK MANAGEMENT.

WHY IS CONTROL SO IMPORTANT IN A CAPTIVE?

Simply put, control allows insureds to structure their insurance program to meet their own requirements. In fact, for the majority of risk managers, control – over claims and safety, unstable markets, a fickle economy – is the primary reason why they are attracted to captives in the first place.

This is especially true of unbundled captives which place even more control in the hands of the insureds. Allowing them a greater say in what many refer to as their “insurance destiny.” Other benefits include:

- Ownership of captives by insureds.
- Greater say over claims handling and safety management.
- Potential for improved customized risk management structure.
- Control over who manages the captive – allows for the possibility of partnering with a particular captive consultant/manager familiar with your business.
- Coverage that’s tailored to fit your needs and appetite for risk.

FLEXIBILITY AND FINANCIAL GAIN.

Flexibility provides captives with two key benefits. The ability to tailor coverage to meet exact program needs. And a high degree of latitude as to the type of risk it can insure, if structured and financed adequately.

This, in turn, leads to:

- Financial stability – when managed correctly, captive programs tend to provide a financial return and safer work environment as a result of lower losses.
- Appropriate spread of risk with predictable losses.

- Claims control – by using a captive, insureds can un-bundle claims administration services to Third Party Administrators (TPAs), who work hand-in-hand with them to manage claims.
- Good loss experience and loss control programs – underwriting results managed via targeted and rigid loss control and safety programs.

WHY AT DISCOVER RE, FLEXIBILITY IS SYNONYMOUS WITH CONTROL.

At Discover Re, our business is 100% unbundled. This is how we give our customers greater control. It’s what allows them greater flexibility in their choice of TPA partners. And it’s what made us the authority on unbundled captives.

By working with a wide variety of business partners, we provide insureds greater control over who they want to help manage their captive. Greater access to reinsurance markets is yet another way we put more choices and control back where it belongs. In the hands of our clients. With 17 years in the business, we stand ready to provide excellent service to our clients – as well as the fact that we are 300 employees strong, and our organization is licensed in all 50 states with broad filings.

Our ability to be highly flexible is beneficial on a number of different levels. First it allows us to tailor each deal to a client’s individual appetite for risk. Second, it can help us manage different kinds of risk within that captive. Finally, in a world where control, flexibility and creativity are at a premium, we enable our clients to elevate risk management to an art, providing our clients with a true advantage.

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