



do you wanna
know a
secret?

Captive Insurance, It's no longer a secret

As business owners today are exposed to Captives for the first time, the typical response is, "Why haven't I heard of this before? **Is it a secret?**" In actuality, it never was a secret, as business owners have been using Captive Insurance for decades. Captive Insurance is however, an important tool for many business owners despite the unfamiliarity of these complex insurance companies. Within that complexity, though, there are significant opportunities for reduced risk, business expansion, as well as wealth accumulation all while insuring the operating company risk.

This 80-year-old insurance vehicle has become cost effective for more business owners now. Increased opportunities and revenue from Captive Insurance companies also means more challenges regarding proper structuring and regulation. Proper administration of the insurance, as well as the assets of the insurance company must be structured and managed properly in accordance with State Department of Insurance regulations and IRS guidelines. Although familiar to the elite in the past, and unfamiliar to most, Captive Insurance has now become available to a far wider range of business owners in a cost efficient manner. Thirty-six out of fifty U.S. states are actively seeking captive business with their departments of insurance. Even though there has been, and will be scrutiny of Captive Insurance, the

industry continues to thrive as these companies are being used by more and more business owners each year.

To find out if Captive Insurance is a legitimate option for your business, take the necessary time and **action** to educate yourself about Captive Insurance and learn what risks you currently have that may or may not be covered by traditional commercial policies – risks that are informally self-insured, under-insured, or not insured at all. These risks could include: business interruption, regulatory change, loss of a key supplier or key employee, and 65 others. The risks you insure are unique to **your** business.

The current Captive insurance industry in the United States is a multi-Billion dollar business. And now we have Congressional clarity. Recent legislative action has given direction to increase the premium limits to \$2.3 million – and the ability to increase these limits more in the future. Again confirming, as they have done in the past, properly structured Captive Insurance companies are effective risk management tools for business owners.

Make this the year that you implement Captive Insurance – securing your risk and building wealth in the process. The question should not be “**is it a secret?**” The question should be, “**How can I get started?**”

and create **Your Link to Security!**

Rich Ericson – President

ALINK Captive Insurance Services

*720-213-0583 * www.ALINKCIS.com