



**ALINK**  
Captive Insurance Services

# Fruit Cocktail!



Fruit cocktail is healthy, it has the best fruits, all combined together, it tastes great and the flavor of each individual fruit enriches and compounds the overall flavor of this fine dish. Fruit cocktail can be eaten as a snack, for breakfast, lunch or dinner. Fruit cocktail typically isn't the main dish, yet it compliments almost every dish.

In other words, Fruit Cocktail is versatile. An amateur chef may just have bananas and oranges, with a touch of apples. A more experienced chef would have these staples, yet add the right mix of raspberries, grapes, pineapple and more. Although the general recipe may be standard, very few fruit cocktail dishes are exactly the same, nor should they be. Each should be designed with purpose and intent.

Captive Insurance has many analogies, and today it's **Fruit Cocktail!**

Because the general recipe for Captive Insurance is simply insurance, many business owners miss out on the opportunity and versatility Captive insurance creates for every qualified business owner to enjoy. There are both immediate and long term enjoyments this Fruit Cocktail provides. Immediately, Captive insurance provides insurance for the operating company. Immediately, premiums are redirected to an owner's own insurance company. Long term, a new profit center is created and wealth begins to accumulate. Long term, these assets may be redeployed.

No two Captive Insurance Companies are the same. Each Captive insurance company created should be created uniquely, to insure a business's unique risk management needs, or exposures. These risks may change over time and these risks may be more or less expensive as the operating business expands or contracts, or employee count increases or decreases.

Versatility allows flexibility in its purpose.

Captive Insurance isn't the main dish, or at least it doesn't typically start that way. Captive insurance initially may seem like bland bananas of risk management, yet in reality, Captive insurance really enhances not only the risk management of a company, but also creates a new resource center, which can and should be used for a variety of key uses such as retirement, buy-outs, expansion, charitable giving, and more.

Many fruit cocktails (Captive types) are available: Group, Series, or Single Parent Captives are common, yet each has significant differences. All insure risk of an operating company, all transfer risk, yet transfer that risk differently, and all have different amounts of control and flexibility.

For operating companies who self-insure or partially insure their medical benefits or workman's comp, insuring a layer of stop-loss in a Captive insurance company maximizes these self-funded benefits in a variety of ways.

1. Efficiency. Reserving for potential claims through Captive Insurance is more efficient.
2. New Profit center. Premiums equal profit and insurance companies should be profitable.
3. Claims. Only pay claims of your employees, which you are responsible for anyway.
4. Flexibility. Reserves, distributions, and adjustments are flexible.
5. May add other lines of coverage to the Captive.
6. Control. Flexibility of ownership, intent, purpose, and premiums are determined by the Captive owner(s).

Bananas, apples, oranges, grapes, raspberries, allow business owners to customize and create an incredible fruit cocktail. Every qualifying business should have one.

These three words simply and accurately describe Fruit Cocktail; flexible, powerful, and delicious! Captive insurance is

## Your Link to Security!



**Rich Ericson, President**

ALINK Captive Insurance Services

- Direct: 720-213-0583 • Email: [Rich@ALINKcis.com](mailto:Rich@ALINKcis.com)  
[www.ALINKcis.com](http://www.ALINKcis.com)