



## Is Captive Insurance Simple or Complex?

**YES!**

Simply stated, Captive Insurance is insurance. So how is it complex? Understanding potential moving parts such as lines of coverage offered, different types of Captives availability, ownership of your captive, parties involved, investment of Captive assets, re-deployment of assets, and knowledge and understanding of how all these and additional variables work together may be either simple and / or complex.

Here are some examples of different components of Captive Insurance companies:

### **Insurance**

Simple: First, last, and always Captive Insurance is insurance and part of a business's risk management program. Premiums are paid, claims are made when a loss occurs, and paid when coverage is in place.

Complex: There are over 65 different exposures which can be underwritten. The unique nature of your business allows personalized selection of coverages most important to you.

### **Ownership**

Simple: Ownership of your captive can be as simple as an LLC.

Complex: Your current and future structuring, goals and relationships create multiple opportunities of how and where in your organizational chart your captive should be owned.

### **Investment**

Simple: Your insurance company assets should be managed for desired return and risk tolerance. These funds are your insurance company assets and must be invested as such.

Complex: How, when, and where these assets are managed are critical as compliance is much more complex than typical investment accounts. If it were simple, your investment advisors would have introduced this solution to you.

## Re-deployment of assets

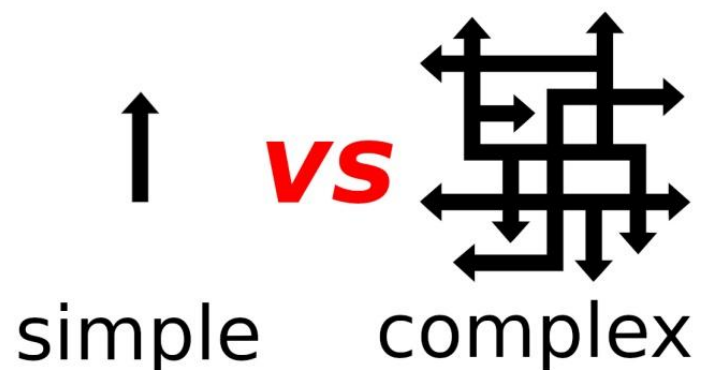
Simple: Captive surplus may be distributed in the future at long-term capital gains rates.

Complex: There are advanced re-deployment opportunities in a variety of ways dependent on sequence, timing, and proper compliance.

## Turn-key process

Simple: A turn-key process from education, implementation, maintenance, and eventual shut down is in place.

Complex: Time, pressure, priorities, and understanding can make the turn-key process seem more complex than it is.



## Teamwork

Simple: It takes a well-oiled machine to create an insurance company. Each member of our team should be part of your team. These teams are coordinated together by experience, knowledge and a collaborative mindset. It's our expertise. Our team includes administrators, legal, investment, actuaries, underwriters, and most importantly – you the business owner.

Complex: Lack of communication, transparency and action disrupts the team limiting the effectiveness of each member.

## Variables

Simple: You and your business are unique. Your understanding, experience, and future goals are simple, unique and personal to you.

Complex: A one size fits all Captive solution isn't available. The profitability, size, number of employees, goals of business owners and their intentions are different. The variety of options and applications vary from owner to owner and business to business.

Captive Insurance is simple and complex, personal as well as a very powerful solution! Captive Insurance is a solution to complete your risk management program, a solution to retain more of

your earnings, a solution to solve your long-term financial goals, incentives, and intentions.

Captive insurance **simply** is

# Your Link to Security!

## About ALINK Captive Insurance Services

ALINK Captive Insurance Services helps business owners make informed decisions to create a Captive Insurance Company, facilitates the many steps necessary to install a Captive, assists captives in matching their assets to their expected liabilities, and provides ongoing administration and compliance services to keep the captive in good standing.

## Our Mission

We are a Capital Preservation and Risk Management organization, specializing in the utilization of Captive Insurance Companies to help business owners protect, build and achieve their financial success.

Through Risk Management and by aligning with the best partnerships and strategies, we help business owners achieve their goals. We have been helping business owners manage risk through captive ownership since 2010 by providing superior expertise, and full-service, turn-key captive management services.

**Rich Ericson, President**

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