

# Group Captive Benefits for Retail Brokers

## There's an art >>>>> to the work we do.

Being an owner-member of a captive provides distinct advantages for a wide range of companies, most notably increased control over insurance costs.

### KEEPS COMPETITION AWAY

- When competing brokers learn that your client is in a captive, they often stay away.
- Since captive members own and control their captive, they have a vested interest in their insurance program and are less likely to leave.
- You can focus on deepening your client relationships rather than continuous account marketing.

### MORE REVENUE TO YOU

- Captives are an excellent door opener for prospecting new accounts, because participants can receive 100% of the underwriting profit, a feature not available in the traditional market.
- Your current captive clients become ambassadors for the program. They will help in identifying prospects and supporting their program—benefiting you and them.
- Group captives are exceptional solutions for good risks within difficult classes.



## Why a Group Captive Is Beneficial for the Retail Broker

Artex manages numerous group captive programs in the United States—each open to new members—that have been designed specifically to meet the needs of midmarket employers. They have consistently demonstrated the ability to perform well in soft markets and excel in hard markets.

## SIMPLIFY RENEWALS

- Captive members are owners of their program and rarely feel the need to explore the market.
- Loss-rated premiums promote a year-over-year rate stability and smooth the effects of market fluctuations.
- Renewal terms are typically provided 45 days prior to renewal, which means no last-minute surprises.
- The carrier evaluates the captive as a whole, thus insulating the client's specific experience in any single year and reducing any concerns about nonrenewal.

## BENEFITS FOR YOUR CLIENTS

Group captives are ideal for financially secure, middle-market companies with a commitment to risk control and safety.

### The major benefits to the clients of group captives are:

- **Control over claims:** Each client gains more control over claim settlement decisions and benefits from risk control workshops tailored to the member's needs.
- **Control over premiums:** Premiums are based on the client's own loss history, and are therefore not subject to cyclical market fluctuations.
- **Policyholder return:** Underwriting profit and investment income are returned to the policyholders.
- **Strength in numbers:** Allows the captive to take advantage of the combined membership to leverage operating and insurance costs.

## THE ART OF RISK

At Artex, we believe there is more to alternative risk management. As a trusted leader and provider of diverse (re)insurance and ILS solutions, our global team operates at the intersection of art and science—where creative thinking meets expertise and superior outcomes are made. That's how we're able to fully understand our clients' needs and deliver the most comprehensive solutions available.

Established in more than 35 domiciles internationally, we're here to help you make empowered decisions with confidence, reduce your total cost of risk and improve your return on capital. At Artex, we believe in finding you a better way.

Artex provides risk transfer consultation and alternative risk management solutions for our clients. When providing analysis, recommendations or advice regarding risk implications and risk transfer strategy, we offer it as general recommendations for risk mitigation and to limit financial exposures. Any statement or information provided is for informational purposes and is neither intended to be, nor should it be interpreted as, insurance broker, tax, financial, legal or client-specific risk management or mitigation advice. We recommend consultation with tax, legal and financial advisors for business-specific advice for your company.

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The Artex logo features the word "Artex" in a bold, sans-serif font. The letters "A", "r", "t", and "e" are in a dark blue color, while the letters "x" and "s" are in an orange color.

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