

## Multiple Entities, Common Ownership

### Challenge

Two separate entities were insured under common ownership, but each had a separate insurance program. Although both had multiple construction classifications, one had a significantly higher severity exposure. Each needed its own Workers' Compensation policy to maintain separate experience modification factors and rates. The classes of business made the insured's casualty insurance program highly sensitive to market rate fluctuations.

### Goal

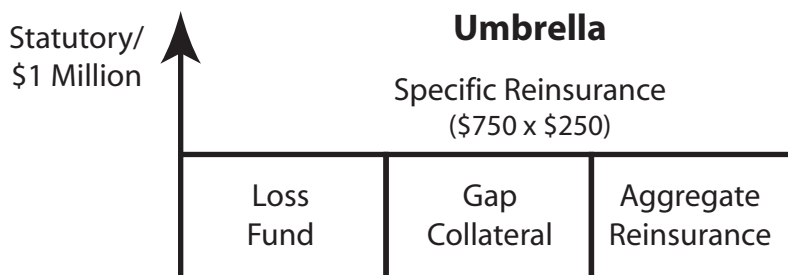
The owner's goal was a single insurance program that included both entities and provided pricing stability. The financial strength of the insured along with the owner's focus on risk management made for an ideal alternative-risk customer.

### Solution

The solution was a rental captive program with an A rated insurance carrier, with the owner assuming some risk in a combined insurance program. The owner maintained the existing guaranteed cost policy structure of each entity, but the new structure allowed for a single captive retention of \$350,000 for both entities' Workers' Compensation, General Liability, and Automobile Liability coverage.

### Benefits

- ✓ Pricing Stability
- ✓ Common effective date
- ✓ Third-party claims administrator
- ✓ Unbundled loss-control services
- ✓ Potential for future underwriting profit distribution



Dana Marino  
(p) 484.690.3603  
dmarino@yourcaptive.com

West Des Moines  
3001 Westown Parkway  
West Des Moines, IA 50266  
(p) 888.753.9254  
(f) 515.221.8888

Philadelphia  
150 S. Warner Road, Suite 100  
King of Prussia, PA 19406  
(p) 484.690.3601  
(f) 484.690.3636

Vermont  
67 Suncrest Terrace  
Colchester, VT 05446  
(p) 802.872.8104