



Presentation developed for
Business Leaders



ReInsuranceTM
SPECIALTIES

Business Solution



Adopted by Congress, 831(b) Election (captive insurance) as the solution for business owners to a) self-insure risks; b) maintain premium that would otherwise go to large insurance companies



831(b) captives serve clients in all 50 states. Business leaders are actively leveraging this *powerful, flexible and popular* business tool

**92% of Fortune 500 companies use some form of a captive*

**90% of Automobile Dealers use captives for Ext Warranties*



Reinsurance is a tool used by
Business Leaders seeking to



manage business risks



protect assets



build wealth

Who Benefits from a Captive?



- All Businesses have risk
- All industries
 - Physicians/Medical Groups
 - Manufacturers
 - Construction
 - Health Care
 - Oil & Gas
 - Transportation
 - Wholesale
 - Auto
 - Retail
 - Professional Services Firms (Architects, Real Estate Brokerage, etc.)
 - Accounting Firms
 - Agriculture/Farming
 - Banking
 - Consulting
 - Dentists
 - Distribution
 - Entertainment
 - Environmental
 - Family Office
 - Financial Services/Investment Advisory
 - Franchise
 - Government Contracting
 - Law Firms
 - Pharmacies
 - Professional Athletes & Entertainers
 - Restaurants
 - Technology Firms
 - Many others not listed above

Typical risks covered by Captives



Top Insured Risks	Other Insurable Risks		
Business Interruption	Audit Liability	Environmental Liability	Labor Cost/Strike
Collections/Receivables	Builders Risk “2 – 10” Warranties	Errors & Omissions	Litigation Expense/Dispute Resolution
Commercial Limits/Exclusions	Commercial Property/ Inland Marine	Exclusions from current policies	Malpractice Liability
Coronavirus/Pandemics	Construction Delay & Defect	Fiduciary Liability	Patent/Copyright/Trademark
Cyber Risk/Data Loss/ Ransomware	Consumer Boycott	Foreign Operations Insurance	Pollution and Mold
Deductible Reimbursement	Credit Default	Government Action Liability	Product Recall
Loss of Key Client/Contract	Directors & Officers	Health Insurance/Stop Loss	Property & Natural Disaster
Loss of Key Employee	Disability	Independent Distributor’s Liability	Subcontractor Default
Loss of Key Supplier	Embezzlement	Intellectual Property Infringement	Terror or Acts of War
Product Warranty/Insurance	Eminent Domain Insurance	Inventory/Cargo Loss	Trade Secrets
Regulatory Change	Employment Practice Liability	Kidnap/Ransom/Extortion Liability	Unfair Competition Liability
Rental Income Replacement	Brand/Reputation Protection	Legacy risks of acquired organizations	
Sexual Harassment/Discrimination			

:30 Second Value Proposition



Business Owner
profits by
\$1,000,000

Keeps \$630,000
(profit/income)

Pays \$370,000 in
Federal Taxes
(applying high tax
bracket at 37%)



Business Owner
remits \$1,000,000
in Premium to their
100% owned
Insurance Company

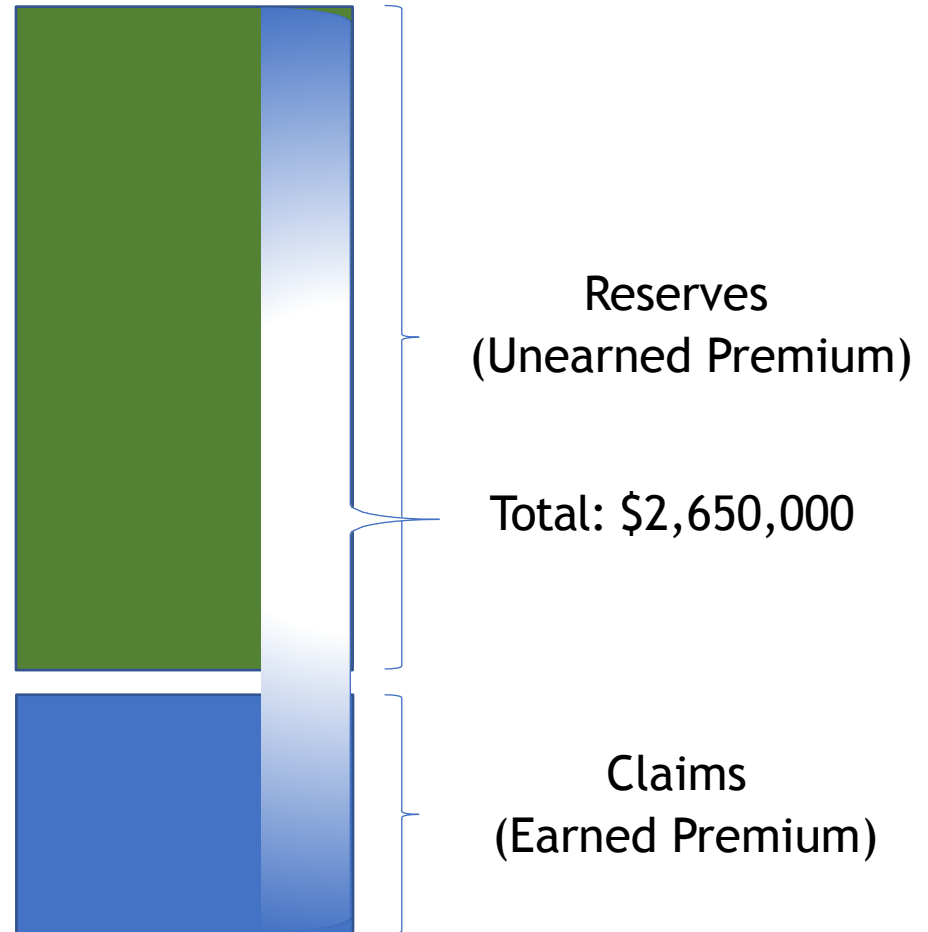
This Premium is a
business expense
taxed at 0% (not taxed
as profit or income)

Captive Insurance

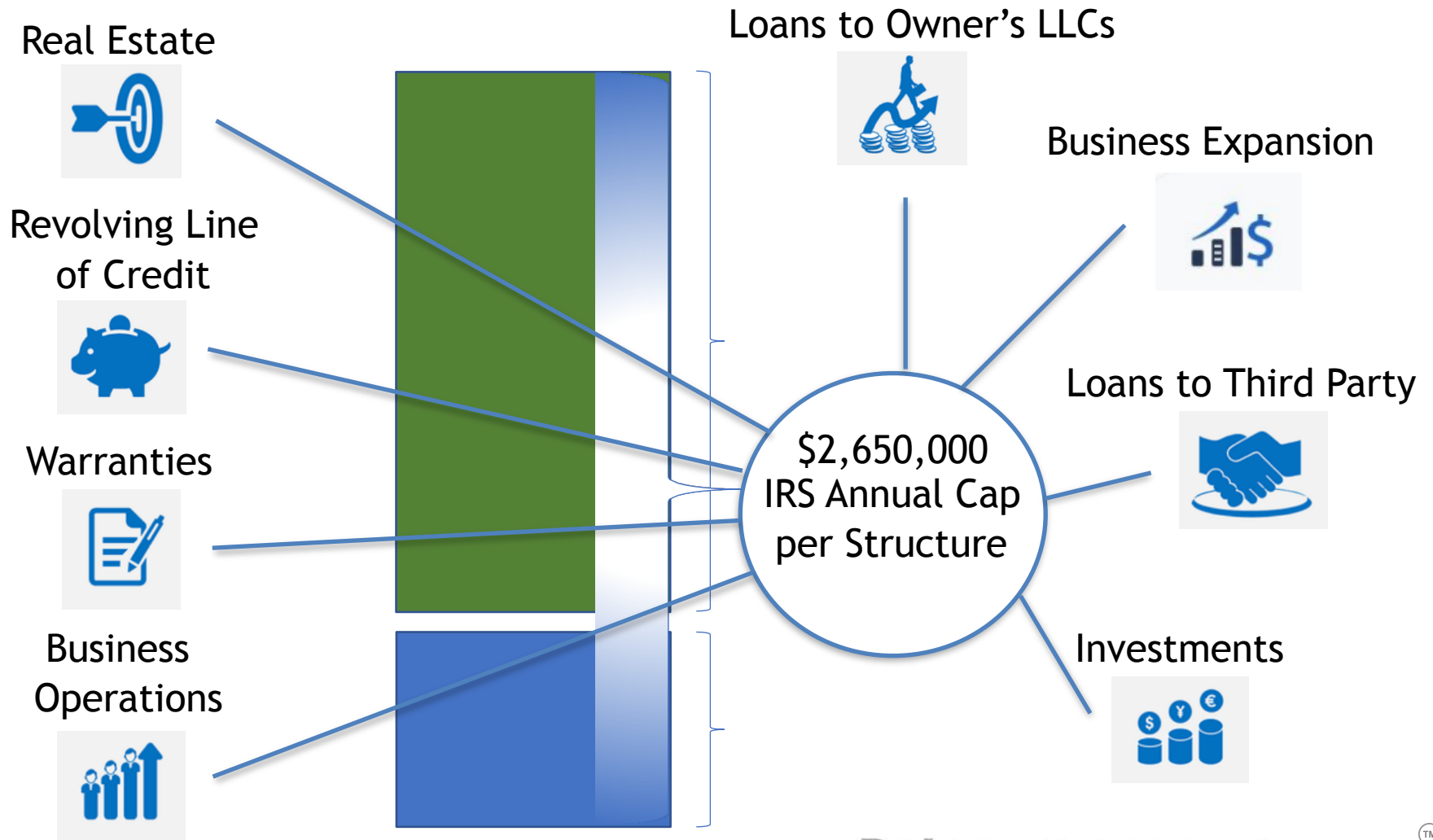


Insured (Reinsurance Company Owner) can access **100%** of funds for many opportunities

Monies placed in Premium are **NOT** taxed as Profit; The Insured (Reinsurance Company Owner) adjudicates all claims and manages 100% of funds



Captive Insurance



Loan Scenario

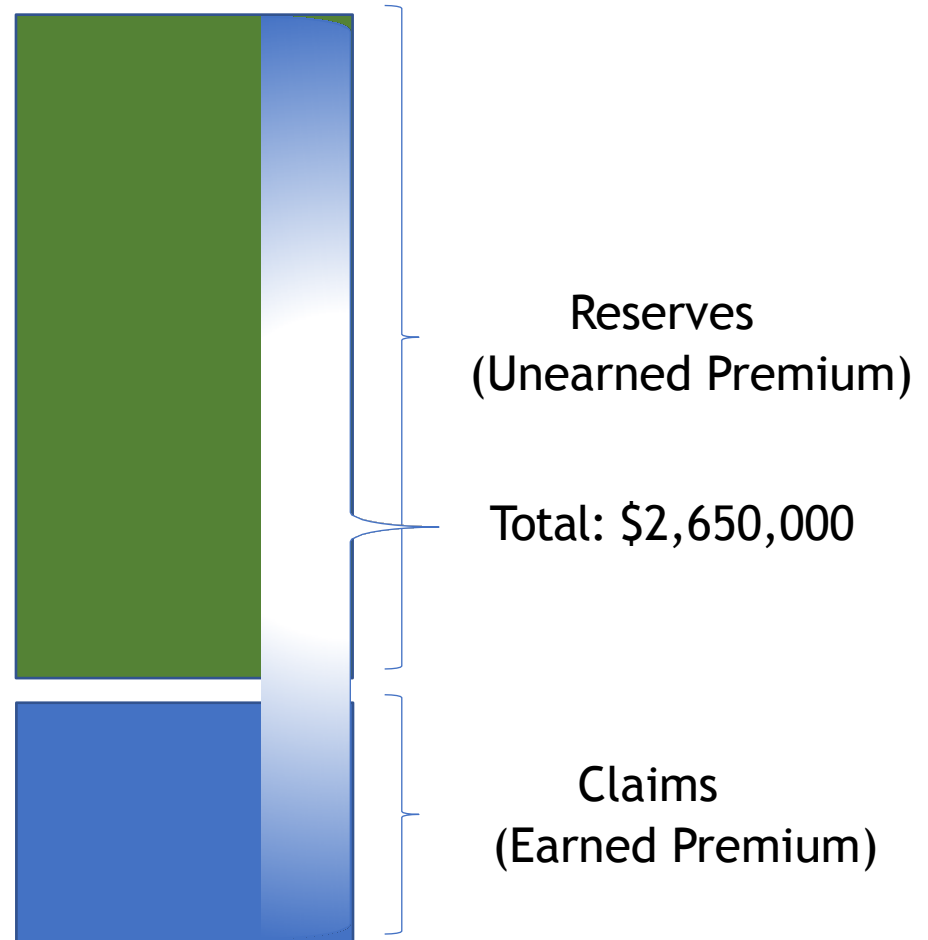


Reinsurance Company Owner
(Insured) wishes to purchase real
estate adjacent to his property

Insured takes out \$1,000,000 loan from
his/her Reinsurance Company

Reinsurance Company Owner
(Insured, Borrower) determines
terms: pays Reinsurance Company
back \$100,000 each year (X 10) at 3%
simple interest

Adequate quantity of funds
remain in Claims Reserve to
satisfy 'unearned' Premium



Captive vs Retirement Plans



	Captive	IRA	ROTH	401K	SEP
Business Benefit with Deduction	Y	N	N	N	N
High Income Earners Can Participate	Y	N	N	Y	Y
No Contribution Limits (actuary)	Y	N	N	N	N
No Required Minimum Distribution	Y	N	Y	N	N
No Early Withdraw 10% Penalty	Y	N	N	N	N
Distribution Taxes at Lower Rates (cap gains vs ordinary income)	Y	N	Y	N	N
Stepped Up Basis at Death	Y	N	N	N	N
No Required Withdraws after Death	Y	N	N	N	N



The Process

ReInsurance SPECIALTIESTM

We engage Third Party Actuaries...



...to determine insurable risks associated with your industry/your specific organization

This activity is handled by independent and certified (licensed) professionals working with the Business Owner



INSURED: ██████ PAIN CONSULTANTS
CAPTIVE INSURANCE PROGRAM - Underwriting Summary

EXHIBIT 1

SUMMARY OF PROJECTED ULTIMATE LIMITED LOSSES

Line of Insurance (1)	50% Confidence Gross Basis Projected Ultimate Limited Losses Expected Scenario (2)	90% Confidence Gross Basis Projected Ultimate Limited Losses Adverse Scenario (3)	Recommended Loss Premium (Premium After inclusion of Captive Expenses - Both Operating and Pooling) (4)	Suggested Policy Limits (Per Occurrence) (5)	Suggested Policy Limits (Policy Aggregate) (6)
ADMINISTRATIVE ACTIONS ("AA")	18,166	36,332	41,716	500,000	500,000
BUSINESS INTERRUPTION ("BI")	22,500	45,000	51,669	500,000	500,000
COMMUNICABLE DISEASE LIABILITY ("CDL")	32,803	65,606	75,328	1,000,000	1,000,000
DIRECTORS & OFFICERS ("DO")	12,361	24,722	28,386	500,000	500,000
EMPLOYMENT PRACTICES LIABILITY ("EPL")	13,611	27,222	31,256	500,000	500,000
LEGAL EXPENSE ("LG")	21,666	43,332	49,754	250,000	500,000
LOSS OF RECORDS ("LOR")	32,494	64,988	74,619	500,000	500,000
REGULATORY CHANGES ("RG")	47,500	95,000	109,079	500,000	500,000
REPUTATIONAL RISKS ("RR")	51,944	103,888	119,284	1,000,000	1,000,000
Total	253,045	506,090	581,090		
				Overall aggregate limit for all policies combined	
					5,500,000

INSURED: [REDACTED]
CAPTIVE INSURANCE PROGRAM - Underwriting Summary

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Line of Insurance (1)	50% Confidence Gross Basis Projected Ultimate Limited Losses Expected Scenario (2)	90% Confidence Gross Basis Projected Ultimate Limited Losses Adverse Scenario (3)	Recommended Premium (4)	Suggested Policy Limits (Per Occurrence) (5)
ADMINISTRATIVE ACTIONS ("AA")	35,302	70,604	74,123	1,000,000
BUSINESS INTERRUPTION ("BI")	37,083	74,166	77,863	1,000,000
CONTRACTUAL LIABILITY ("CL")	71,667	143,334	150,478	2,000,000
DIRECTORS & OFFICERS ("DO")	55,000	110,000	115,483	2,000,000
EMPLOYMENT PRACTICES LIABILITY ("EP")	40,834	81,668	85,739	1,000,000
HOURLY WAGE VIOLATIONS ("HW")	34,584	69,168	72,616	1,000,000
LEGAL EXPENSE ("LG")	37,494	74,988	78,726	500,000
LOSS OF KEY CUSTOMER / CONTRACT ("LKC")	205,000	410,000	430,435	3,000,000 #
PERFORMANCE STANDARDS ("PS")	23,182	46,364	48,675	500,000 %
PRODUCT / SERVICE REWORK ("PSR")	15,000	30,000	31,495	250,000
REGULATORY CHANGES ("RG")	85,000	170,000	178,473	2,000,000
REPUTATIONAL RISK ("RR")	87,501	175,002	183,725	2,000,000
SUBCONTRACTOR DEFAULT ("SD")	24,722	49,444	51,908	1,000,000

Total 752,369 1,504,738 1,579,738

Notes:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

INSURED: [REDACTED]
CAPTIVE INSURANCE PROGRAM

EXHIBIT 1

SUMMARY OF PROJECTED ULTIMATE LIMITED LOSSES

	Line of Insurance (1)	50% Confidence Gross Basis Projected Ultimate Limited Losses Expected Scenario (2)	90% Confidence Gross Basis Projected Ultimate Limited Losses Adverse Scenario (3)	Ultimate Indicated Premium Adverse Scenario (4)	Policy Limits (Per Occurrence) (5)	Policy Limits (Aggregate) (6)	Deductible (Specific) (7)
(A)	ADMINISTRATIVE ACTIONS	150,000	300,000	305,574	5,000,000	5,000,000	-
(B)	BUSINESS INTERRUPTION	45,000	90,000	91,672	5,000,000	5,000,000	-
(C)	CONTINGENT LIABILITY	120,000	240,000	244,459	5,000,000	5,000,000	-
(D)	CYBER RISK	54,000	108,000	110,007	5,000,000	5,000,000	-
(E)	EMPLOYMENT PRACTICES LIABILITY	56,250	112,500	114,590	5,000,000	5,000,000	-
(F)	ENVIRONMENTAL LIABILITY	270,000	540,000	550,033	5,000,000	5,000,000	-
(G)	GENERAL LIABILITY - DIFFERENCE IN CONDITIONS	270,000	540,000	550,033	5,000,000	5,000,000	-
(H)	HIJACKING	9,000	18,000	18,334	1,000,000	1,000,000	-
(I)	HOURLY WAGE VIOLATIONS	18,000	36,000	36,669	1,000,000	1,000,000	-
(J)	LOSS OF EQUIPMENT, INVENTORY AND LIVESTOCK	81,000	162,000	165,010	3,000,000	30,000,000	-
(K)	LOSS OF KEY BUSINESS RELATIONSHIP	225,000	450,000	458,361	5,000,000	5,000,000	-
(L)	MECHANICAL BREAKDOWN BUSINESS INTERRUPTION	18,000	36,000	36,669	1,000,000	1,000,000	-
(M)	PROPERTY - DIC	72,000	144,000	146,676	5,000,000	5,000,000	-
(N)	REGULATORY CHANGES	270,000	540,000	550,033	5,000,000	5,000,000	-
(O)	REPUTATIONAL RISK	360,000	720,000	733,378	5,000,000	5,000,000	-

Total	2,018,250	4,036,500	4,111,500
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Annual Revenues
No of Ees
No of Trucks

All Entities Comb.
150,000,000
300
100

How we are Different



Unlike our competitors, we do **NOT** use...



Trusts



Exorbitant (and hidden)
fees relative to your
Reinsurance Company



Trustees



Trust Agreements



State Involvement



**Reinsurance
Specialties™ gives
Business Owners
100% access, control
at a flat percentage fee**



Procedural Roadblocks

Key Benefits



We serve 500 clients with a best-in-market platform...



NO Trusts

100% access to
premium funds



1/2 the Cost of Competitors

15% flat fee for
administrative services



Tribal Sovereignty

No State oversight,
fees or taxes



Clients pick the Bank
where remitted premium
funds are deposited



Asset Protection

Client's Insurance Co. not
reported to State Secretary



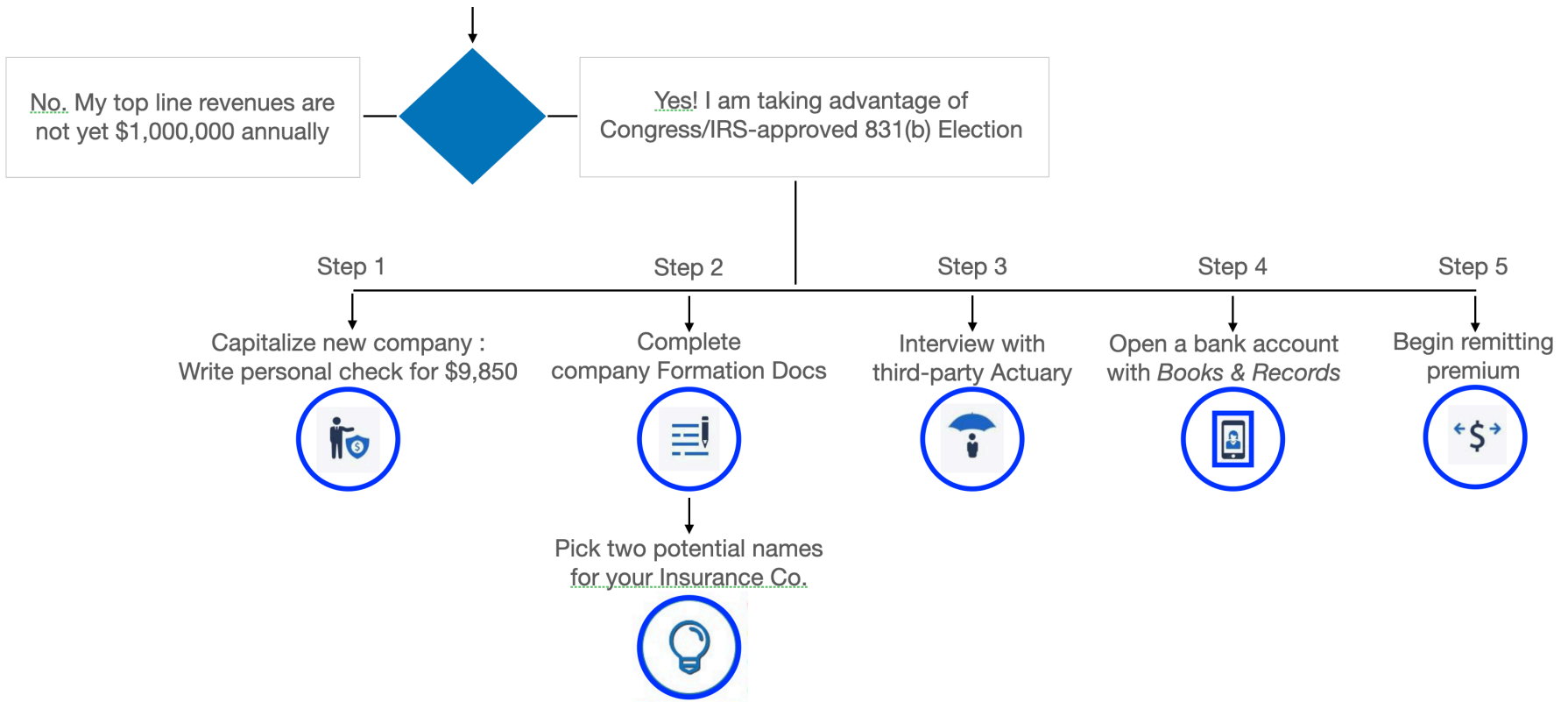
Next Steps

ReInsurance SPECIALTIESTM

Onboarding Flow



Business Leader



Low Risk Investment



Warren Buffett and the Insurance Business: A 52-Year Love Story

Here's the story of Warren Buffett's first insurance acquisition and why there were many more that followed.

STOCKS
Berkshire Hat...
NYSE:BRK-A
\$350,620.00 \$-3,380.00
(-0.95%)



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[Author Bio](#)



Berkshire Hat...
NYSE:BRK-B
\$232.92 \$-1.24 (-0.53%)

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75% of Warren Buffett's wealth is associated with Insurance and Reinsurance.

“I have a 52-year love affair with this low-risk investment”

- *The Motley Fool*, Apr 23, 2019