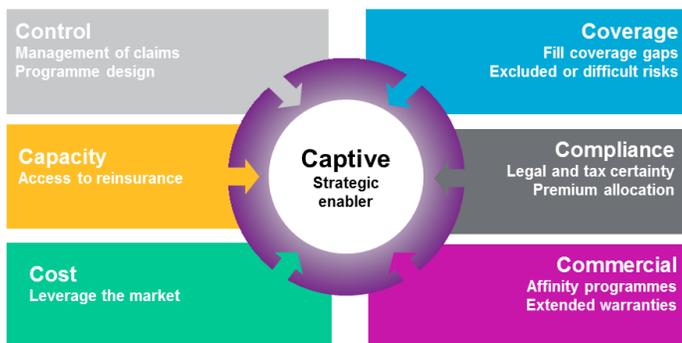




# Captive Feasibility

**Deciding whether or not a captive can enhance your risk management strategy requires an understanding of the benefits and implications it will have on your organization's financial and operational objectives.**

Using our expertise and experience in captives, deep understanding of retained risk finance and extensive industry knowledge, we will provide you with data driven insights that allow you to navigate your risk transfer options with confidence.



Willis Towers Watson will help you design a captive strategy that can provide enhanced protection, improved financial efficiency and competitive advantage for your business. We can help you identify the most beneficial structure and location of your captive, optimization of captive capital, and key regulatory and compliance issues.

## A Captive Feasibility Study

The feasibility study is a process to find new ideas to unlock potential and assist in creating more value for your business. Projects are designed on a bespoke basis for each client but, typically, will include:

- Review of your strategic objectives and overall insurance program structure
- Identification of risk financing and captive opportunities and their advantages and disadvantages
- Risk retention analysis and evaluation of risk financing facilities
- Captive domicile evaluation based on a variety of factors such as receptiveness to the business under consideration, financial considerations and operational costs
- Capital and solvency requirements
- Five year business plan with financial projections based on loss analysis, premium forecasts, ideas relating to the tax status and domicile of choice
- Recommended underwriting guidelines
- Accounting and taxation considerations
- Implementation plan

## Risk Program Optimization

As part of a typical feasibility project, we look to determine the optimum balance points between risk retention and risk transfer, and the role a captive might play in supporting that approach. That process can include an assessment of:

- Loss frequency, loss severity and overall loss profile
- Claims analysis of proposed lines of business
- Actuarial analysis of insurance programs to determine appropriate premium, reserve and surplus levels
- Other Alternative Risk Transfer solutions

## Our Capabilities

For us there is no such thing as a standard captive, a routine client or a generic solution. We provide risk retention advice through client focused strategic consultancy, analytics, and insurance facility management. Bringing together our risk expertise and data driven insights, we help provide a clear view of the long term opportunity to enable more forward thinking decisions around your risk retention strategy.

Willis Towers Watson's dedicated captive professionals are located at the very heart of the insurance markets and in every major captive domicile. We manage insurance facilities across a wide spectrum of industries, all tailored to individual strategies and operating models. Our integrated teams help you strengthen your organization by designing and implementing solutions that respond appropriately to both traditional and emerging risks.

## Contacts

### Sean B. Rider

Managing Director – Consulting & Development  
Global Captive Practice  
Phone: +1 646 645 5374  
[sean.b.rider@willistowerswatson.com](mailto:sean.b.rider@willistowerswatson.com)

### David Lewis

Director of Consulting & Development  
Global Captive Practice  
Phone: +44 741 586 0347  
[david.lewis@willistowerswatson.com](mailto:david.lewis@willistowerswatson.com)



## About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 39,000 employees in more than 120 territories. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at [willistowerswatson.com](http://willistowerswatson.com).

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