



# “Hot” Topics in the Captive World

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# Panel



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# Captive Fundamentals



## Definition of a captive

- A closely held insurance company whose insurance business is primarily supplied and controlled by its owners
- Generally, the risk that is insured through the captive organization is also a “captive risk” (i.e., a risk of the owners or of affiliated organizations)

## Captive landscape

- There are 7,000+ captives worldwide and there has been a dramatic increase in number of captives in the last three years
- There are 100+ captive domiciles
- 75% of Fortune 500 have captives

## Types

- Single Parent (Pure), Group, Association, Risk Retention Groups, Rent-a-Captive, Segregated Cells and Protected cells, Agency Captive

## Common Benefits

- Premium reduction, efficiency, risk focus, reinsurance market access, tax, etc...



# Update on the Captive Market in 2018

## What is Making Things **HOT** in our World?



- **A TAXING SITUATION**
  - What constitutes insurance?
  - Tax reform
  - Avrahami and Reserve Mechanical
- **RISKY BUSINESS**
  - Blockchain [Insurwave](#)
  - Emerging technologies
  - Voluntary benefits
  - Non Damage BI/Supply Chain/Health Benefits, Integrated risk etc., etc. !
- **ALL ABOUT THE BUCK**
  - Collateral and reserves
  - Capital
  - Investments considerations
  - Pricing
- **DOMICLES – SKI OR SWIM?**
  - Onshore vs offshore
  - SII/BEPS/NAIC considerations
  - Flexibility



# Questions and Discussion

