



# 6 REASONS WHY YOU SHOULD TAKE A HARD LOOK AT CAPTIVES IN A SOFT MARKET – AND ANY OTHER TIME.

Why are captives established and, more importantly, why do they flourish in a soft market? The key reason is risk managers' determination to advantageously position themselves for the inevitable upswing. Coupled of course with the fact that captives are a great decision in any market. But that's just the start. Other reasons include:

**Control** – many captive participants value control over risk retention, claims handling, risk management and coverage. Thus their insurance program becomes an investment, not just an annual expense or commodity.

**Frictional cost** – prospective captive owners who take the long view see today's market as an ideal time to cost-effectively establish and commit to a captive for the future.

**Expanded coverage** – potential access to expanded lines of coverage normally excluded in the standard market.

**Stability in an unstable market** – eliminates the instability and volatility of market cycles and can provide insureds with greater alternatives and leverage as the market changes.

**Long-term reward** – a way of controlling losses regardless of the ups and downs of the market.

**Balance** – captive participants can balance their risk appetite with an appropriate and commensurate price for their excess risk transfer. They can then stabilize their results by sharing with their captive partners.

## THE TOP REASONS WHY DISCOVER RE IS THE CAPTIVE PROVIDER FOR YOU IN ANY MARKET.

At Discover Re our sole focus is Alternative Risk Transfer. This singularity of purpose allows us to approach every opportunity differently, customizing programs according to varying risk appetites. This approach can be especially advantageous in a soft market – for all the same reasons you commit to a captive in any market. Reasons that at Discover Re, we are totally committed to.

In addition, we bring a depth of experience that comes from our 17 years in the industry and a focus on writing captives since 1996. Hence our ability to execute programs with precision and insight. And while we offer the inherent flexibility of a small, dynamic organization, we have the financial backing and support of our parent – Travelers.

Finally, our experienced and dedicated captive unit, Specialty Marketing Group, approaches the captive market on an exclusively unbundled basis. Which is why our reputation is one of delivering results via creative problem solving, regardless of the state of the market.

## DISCOVER<sup>RE</sup>

5 Batterson Park | Farmington, CT 06032

[www.discover-re.com](http://www.discover-re.com)