



Managed Risk Insurance PCC Limited

Self Insurance Made Simple

USING MRI TO "SELF INSURE"

Introduction

Captive insurance or "self insurance" is provided by an insurance company that is a wholly owned subsidiary of a non-insurance parent, which self insures all or part of the risk of the parent and associated companies.

Managed Risk Insurance PCC Limited

Managed Risk Insurance PCC Limited (MRI) is a protected cell company (PCC). A PCC consists of a 'core', which provides the regulatory framework, and cells, which are owned by individual clients. The cells provide insurance cover to their owners in the same way that an independent captive insurance company would, but at a much lower cost because the overheads are shared.

Why Self Insure?

- Insurance cost savings - the primary objective is to improve a company's operating profit by reducing premium costs.
- Plan design – insurance plans and risk transfer programmes are bespoke to the parent company and can be modified to provide coverage which standard commercial insurance might be unable to provide.
- Improved loss experience – self insurance often generates a greater awareness of loss prevention techniques which, in turn, can aid development of business and profit.
- Faster loss settlements – as a self insurer is effectively paying its own losses.
- Enhanced cash flow – low claims performance will generate profits which provide access to liquidity for the group and self payment of claims ensures that these are paid quickly. Improved loss experience leads to reduced business disruption, which also reduces insurance costs.

Suitable for My Company?

A business based in any country, which meets the following criteria, should definitely consider using MRI.

- Annual Premium in the region of £200,000 or more.
- Low claims history and/or the likelihood of low future claims.
- Risk appetite to self insure.

Next Step

If you think your company could benefit from captive insurance we can provide you with a quick assessment of whether or not you should explore self insurance further.

Please contact Alan Bryon or Bruce Watterson at Managed Risk Insurance in Guernsey, phone +44 (0)1481 738708 or email advice@managedriskinsurance.com.

www.managedriskinsurance.com