


2024 EDITION

COTTINGHAM & BUTLER

Captive Programs



A close-up photograph of a person's hands holding a silver pen over a tablet. The tablet displays various data visualizations, including a bar chart at the top, a circular radar chart in the center, and a network diagram at the bottom. The background is blurred, showing a red wall and a desk with a grid paper and another pen.

“The captive has proven to be an invaluable asset to our company through countless resources and collaboration with other captive members.”

Jimmy Thompson, President
Thompson Transportation, Inc.

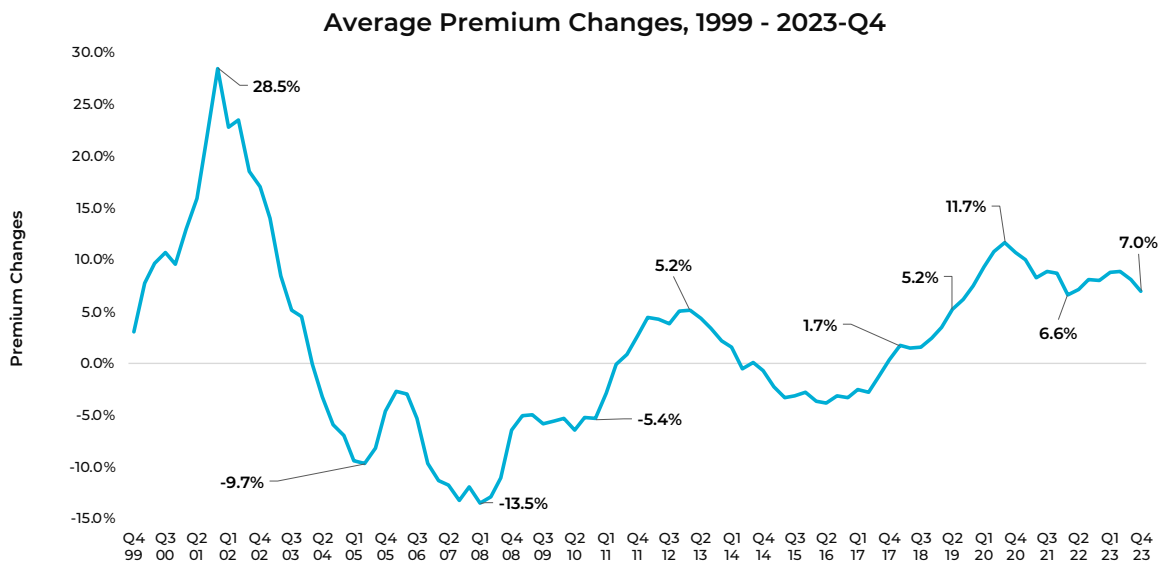
Cottingham & Butler
captives provide
best-in-class companies
a competitive advantage
by rewarding
great performance.


over **\$300 Million**
in dividends returned to
Cottingham & Butler Captive Clients

The Standard Market Dilemma

For many companies, the traditional insurance marketplace has been their only option for managing risk. Consistent increases, marketplace instability, poor communication, last minute renewals, and pricing that doesn't reflect loss activity are some of the struggles they've experienced. However, best-in-class companies are choosing solutions outside of the standard market and opting to take control of their insurance program.

The standard insurance market has significant pricing swings due to factors outside of your control.



A man with a beard and mustache, wearing a dark blue suit, white shirt, and dark tie, is smiling and looking towards a woman on the left. The woman is wearing a light blue shirt and is partially visible in profile. They appear to be in a professional setting, possibly an office or meeting room, with a wooden wall in the background.

A Better Option for Managing Your Risks

The Cottingham & Butler captive model allows companies to break free from the standard market, take control of their insurance program, reduce costs and invest in themselves.

WHAT IS A GROUP CAPTIVE?

A group captive is a group of best-in-class companies who join together to form their own insurance company. The captive is controlled by its owners, who are also the principal insureds.

Cottingham & Butler Captive Advantage

Cottingham & Butler captives provide companies a distinct advantage – offering a greater degree of control over their insurance program and substantial rewards for running a first-class company. Specific benefits include:

- 1 RETURN OF UNDERWRITING PROFITS**
As owners of the captive, members receive a portion of the underwriting profits.
- 2 INVESTMENT INCOME**
Captive members can retain a portion of the investment income the captive generates. Investment income accounts for most of an insurance company's profit.
- 3 ACCESS TO THE REINSURANCE MARKETS**
The captive allows members direct access to the reinsurance market - a more cost efficient way of securing insurance. The buying power of the group is greater than the individual.
- 4 LESS MARKET VOLATILITY**
With the group captive's long-term stability, there is less exposure to market fluctuations.



5

CASH FLOW MANAGEMENT

Premiums fund future claims - providing a stable payment versus large deductible programs where the entire claim is paid at the time of settlement.

6

LOWER NET PREMIUM COST

By taking ownership and control of their insurance program, members are able to generate significant equity that would otherwise be kept by insurance companies in the traditional marketplace. This equity provides additional incentive to invest in safety, further driving down the cost of insurance over time.

7

CONTROL OVER CLAIMS

Captive members have significant control over how claims are resolved. Our in-house dedicated adjusters handle your claims from start to finish and work alongside you to achieve the most cost effective result.

8

COMPANY SPECIFIC LOSS CONTROL

The old underwriting adage that frequency leads to severity is taken seriously by captive members. All captive members go through an annual Safety Assessment and are ranked against other best-in-class companies within the captive. The focus is on what factors are driving your claims so that additional resources can be allocated to reduce them. Every claim occurrence that is eliminated greatly impacts the employees, operations and results of the members.



“The more in tune we get with the captive, the more we realize we were just scratching the surface on the potential of our safety program.”

BRIAN BURESH, PRESIDENT
Buresh Building Systems, Inc.

Member Story

BayView Industries of Green Bay Inc., headquartered in Green Bay, Wisconsin, has 75 locations throughout the United States. The organization is a diverse group of 50 corporations and 90 divisions that deal with building material products, and have a rich history of providing their customers with the solutions and expertise needed to meet their unique demands.

BayView Industries joined Security Insurance Company of North America in 2003 as the founding member, and captive member, Ronn Kleinshmidt, has since seen many positive impacts, particularly as it relates to loss control. One of the major benefits as a captive member is the pooling of the best practices and benchmarking. Every member completes a Safety Assessment, is ranked, and then receives their own service plan designed for their unique set of circumstances.

“Companies usually have a safety consciousness, but when you join a captive and have your numbers being shared and looked at, there’s more of a self-desire to do your best. It forces us to focus on safety on a regular basis, and to a different level than when you are relying on insurance.”

DAN SCHMIDT, PRESIDENT & CEO / BAYVIEW INDUSTRIES

BayView Industries has also benefited from the relationships they have built through the captive program. Whether it be claims adjusters, account managers or safety consultants, BayView Industries has maintained meaningful relationships that have lasted year after year.

COTTINGHAM & BUTLER
CAPTIVE CLIENTS PAY

35% Less

PER WORKERS' COMPENSATION
CLAIM THAN THE INDUSTRY AVERAGE



Qualified Members Only

ONLY A SMALL PERCENT OF COMPANIES QUALIFY FOR THE CAPTIVE.

There are several criteria used to determine which companies qualify - including, financial strength and stability, prior loss history, safety policy and processes and management's commitment to operating a safe and profitable company.

IS A GROUP CAPTIVE RIGHT FOR YOU?

- Are you paying too much for what your insurance company is providing?
- Would you like to have more input and control in how your claims are handled?
- Do you want to be part of a group where owners are focused on improving their business?
- Is your insurance provider's safety and loss control services making you better?
- Are you willing to bet on yourself for the opportunity to get a part of your premium back?

Are you willing to bet on yourself?

Cottingham & Butler Captive Profiles – AS OF APRIL 2024

There are thousands of captive programs in the market but not all are built equally, and we'd be happy to use our experience in the space to help you make the best decision for your company.



TRAFFIC INSURANCE LIMITED Transportation
www.trafficinsuranceltd.com

YEAR EST.	MEMBERS
1993	61

“Through our collective commitment to industry leading safety practices, embracing technology, claims management and highly selective underwriting criteria, the captive continues to be a great insurance solution for best-in-class trucking companies.”

MARK WALKER, TCSI-TRANSLAND, INC. • CAPTIVE PRESIDENT



TRUCK INSURANCE LIMITED Transportation

YEAR EST.	MEMBERS
2001	41

“Over the years, we've discovered the immense benefits our Truck Captive brings to Long Haul Trucking, effectively insulating us from the fluctuations of the open insurance market. Beyond the financial benefits, it has provided unparalleled networking and safety education opportunities that are second to none.”

JASON MICHELS, LONG HAUL TRUCKING, INC. • CAPTIVE PRESIDENT



SECURITY INSURANCE COMPANY OF NORTH AMERICA Risk
www.sicnacaptive.com

YEAR EST.	MEMBERS
2002	38

“The growth achieved to date reflects an intelligent and diverse membership that is proactively involved in charting a safe course into the future, and to enhance the structure and stability of Security.”

JERE JOHNSTON, DOUVILLE JOHNSTON CORP. • CAPTIVE PRESIDENT



SAFE TRUCKING INSURANCE LIMITED Transportation
www.safetruckingcaptive.com

YEAR EST.	MEMBERS
2004	36

“Each year I am more grateful for the opportunity of working with such great people. Becoming a Safe Trucking member is still the best decision I have made in trucking. The results speak for themselves.”

ERIC STOREY, STOREY TRUCKING COMPANY, INC. • CAPTIVE PRESIDENT



CONSTRUCTION SPECIALTY INSURANCE LIMITED Transportation
www.csilcaptive.com

YEAR EST.	MEMBERS
2008	28

“The process of open market policy renewal was costly and time-consuming and resulted in undesirable options out of our control. The alternative of a captive structure provides a level of consistency that allows our members to focus on the core mission of their business with the comfort of knowing that their risk is being managed skillfully and with superior coverage.”

DAN GRAVES, GRAVES CONSTRUCTION CO., INC. • CAPTIVE PRESIDENT



SPECIALIZED TRANSPORTATION INSURANCE LIMITED Transportation
www.stilcaptive.com

YEAR EST.	MEMBERS
2009	38

“STIL continues to grow by adding companies that view safety as a priority. The financial dividends are great, but the true benefits continue to be networking with your peers and the sharing of ideas and best practices.”

BRIAN WANNER, PETER BROTHERS, INC. • CAPTIVE PRESIDENT



BIG RIG INSURANCE LIMITED Transportation

www.brilcaptive.com

YEAR EST.	MEMBERS
2016	35

“The captive has proven to be an invaluable asset to our company through countless resources and collaboration with other captive members.”

JIMMY THOMPSON, THOMPSON TRANSPORTATION, INC. • CAPTIVE PRESIDENT



DIAMOND INSURANCE LIMITED Transportation

www.diamondinsuranceltd.com

YEAR EST.	MEMBERS
2019	16

“As Diamond continues to grow, we become a more financially stable company and we are able to maximize the investments our members make and the benefits that we extend to our members.”

KEVIN JACKSON, LIQUID CARGO, INC. • CAPTIVE PRESIDENT



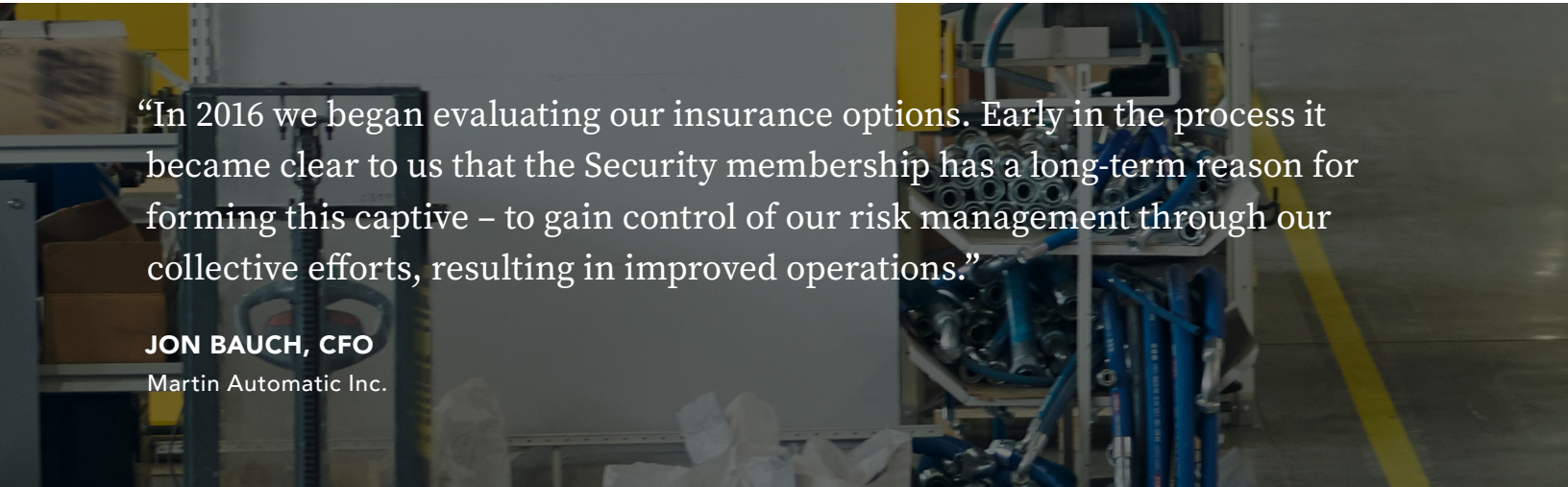
PURSUIT INSURANCE LIMITED Transportation

www.pursuitinsuranceltd.com

YEAR EST.	MEMBERS
2019	54

“I am confident that each member is committed to safety and to success. Cottingham & Butler deserves a big 'Thank You' for their contribution to the growth and for the expertise that they have provided us all in the Pursuit Captive.”

CRAIG TANKERSLEY, FREEDOM TRANS DEDICATED, LLC • CAPTIVE PRESIDENT



“In 2016 we began evaluating our insurance options. Early in the process it became clear to us that the Security membership has a long-term reason for forming this captive – to gain control of our risk management through our collective efforts, resulting in improved operations.”

JON BAUCH, CFO
Martin Automatic Inc.



GUIDE RE LIMITED Stop Loss
www.guidereltd.com

YEAR EST. MEMBERS
2021 30

“The desire for businesses today to focus on mitigating risk and finding financial stability in the everchanging health insurance space is evidenced by the growth of GuideRe membership. With trends in health insurance coverage continuing to move towards self-funding, the Captive can provide an alternate solution for its members to take a more active approach to managing its healthcare plan.”

KAREN YOUNG, BAYVIEW INDUSTRIES OF GREEN BAY, INC. • CAPTIVE PRESIDENT



ACRES INSURANCE LIMITED Food & Agribusiness
www.acresinsuranceltd.com

YEAR EST. MEMBERS
2021 7

“Acres was created to offer a specialized captive solution for food and agricultural businesses. This initiative has opened doors to collaborate with organizations that share a commitment to safety, aiming for ongoing enhancements in safety practices and enhanced premium management. Every member is committed to fostering the prosperity and expansion of Acres, and we are excited about the opportunities that lie ahead.”

JAKE WILLIAMS, RIVER VALLEY COOPERATIVE • CAPTIVE PRESIDENT



NEW CAPTIVE LAUNCHED - 2024
OVERDRIVE INSURANCE LIMITED
Transportation



The Captive Experts

Offering Group
Captives Since 1993

380+ Captive Members

99% Retention Rates

In-House Claims
Administration &
Safety Professionals

All Services from a
Central Location with a
Team Approach

Cottingham & Butler is one of the largest insurance brokers in the country. We began offering group captives in 1993 and now offer 12 captives with more than 380 captive members.

Our captive experience has produced a **renewal retention rate of 99%**.

We are successful because we have a dedicated team that understands the captive structure. Additionally, we are extremely selective in the companies we consider for a captive. Our in-depth captive knowledge and selectivity has made our loss ratios significantly lower than the industry average.

Cottingham & Butler Captives



CHOOSING THE RIGHT CAPTIVE PARTNER

We understand that it can be challenging when you are qualifying the services of a captive provider. We believe that it is of the utmost importance to research the following about each captive and provider.

- **Experienced:** A long track record of successful captive management and the expertise to continue it.
- **Member Retention:** A good judgment of member satisfaction is renewal retention rates.
- **References:** This is a must. A good captive will have multiple members willing to provide references.
- **Integrated Claims and Safety Resources:** One firm handling all of your needs.
- **Risk Sharing:** Understand the historical risk sharing percentage of the group.
- **Quality of Members & Safety Scores:** Have a clear understanding of who you are partnering with.

Get Started

1

Speak with a Cottingham & Butler representative to learn if a captive is right for your company.

2

Submit data for captive consideration and schedule an on-site loss control evaluation with our certified safety expert.

3

Receive a formal captive proposal including firm pricing.

Cottingham & Butler
800 Main Street | Dubuque, IA 52001
800.793.5235
www.CottinghamButler.com



Cottingham & Butler

800 Main St. | Dubuque, Iowa 52001 | 800.793.5235