



Construction Practice Groups

Delivering Outstanding Service

Companies in the construction industry face unique and challenging risks such as subcontractor default, environmental liabilities, and professional indemnity. A company in this sector might form a captive or explore alternative risk transfer strategies that include: 1) the need for tailored risk management solutions to address the specific risks of construction projects, 2) the desire for more stable and predictable insurance costs, and 3) the opportunity to gain direct access to reinsurance markets, potentially lowering the cost of risk.

SRS Approach

SRS leverages a comprehensive suite of tools and approaches to address these challenges, including captive formation and management, risk assessment services, and customized insurance program design. Our team works closely with construction clients to identify unique risk profiles, then crafts bespoke captive insurance solutions that provide coverage where traditional insurance might fall short.

Benefits and Outlook for 2024

Clients can expect significant cash savings through reduced insurance costs and improved cash flow management. Key Performance Indicators (KPIs) such as Total Cost of Risk (TCOR) and Return on Safety Investment (ROSI) often show marked improvement. Looking ahead to 2024, the construction industry is poised for growth, with captives playing a critical role in managing the evolving risk landscape. Companies partnering with SRS can expect enhanced risk management capabilities and financial performance, making now an opportune time to explore captive solutions.

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FAQ

How can a captive insurance company help manage the unique risks in the construction industry?

Our business is about our people. A client's experience is dependent largely on the quality and depth of their account team. At SRS, we have taken several steps to ensure that our clients have access to experienced, qualified captive professionals.

Can a captive insurance solution help in stabilizing insurance costs for construction projects?

Yes, by directly controlling the underwriting and claims processes, captives can help stabilize insurance costs over time, reducing the volatility associated with commercial insurance markets.

How does SRS assist construction companies in setting up a captive?

SRS provides end-to-end assistance, including feasibility studies, domicile selection, regulatory compliance, and ongoing management, ensuring the captive aligns with your risk management goals.

Are there specific construction risks that are more effectively managed through a captive?

Yes, risks like subcontractor default, environmental liabilities, and professional indemnity are examples where captives offer more customized and effective coverage solutions.

What are the long-term benefits of using a captive for construction risk management?

Beyond cost savings, long-term benefits include enhanced control over claims, improved safety and loss prevention programs, and the ability to respond flexibly to the industry's evolving risk landscape.

SRS Construction Practice Stats

SRS owns or partially owns several different sponsored cell facilities located globally for the purpose of offering a cell vehicle to the construction industry.

45

single parent captives

13

group captives

5

cell captives

\$250M+

in annual premium volume

Active Domiciles

Alabama	Missouri
Arizona	North Carolina
Bermuda	Oklahoma
Canada	Oregon
Cayman	Tennessee
Georgia	Texas
Luxembourg	Vermont

Construction Sectors Served

- Architectural Design
- Bridge Construction
- Building Construction
- Concrete
- Demolition & Dismantle
- Design-Build
- Electrical
- Engineering Services
- Excavation
- General Contracting
- Heavy Construction
- Heavy Rigging
- Highway Construction
- Industrial Construction
- Lean Construction
- Limestone Quarry
- Masonry
- Painting
- Paving
- Plumbing & HVAC
- Production Plant
- Residential Construction
- Residential Remodeling
- Roofing
- Sheet Metal Fabrication
- Strip Mine Excavation
- Site Development
- Underground Utilities
- Steel Fabrication
- Stone Setting

Insurance Programs We Manage

- Auto Liability
- Auto Physical Damage
- Completed Operations
- Employers Liability
- General Liability
- Home Warranty
- Medical Stop Loss
- OCIPs/CCIPs
- Professional Liability
- Structural Defect
- Subcontractor Default
- Workers Compensation

About Strategic Risk Solutions

SRS is the world's largest independent insurance company manager. With over 25 years of experience, SRS provides management and consulting services to a wide range of insurance company entities, from single parent captives to complex commercial insurers and reinsurers. SRS has operations in the United States, Canada, Europe, Barbados, Bermuda, Cayman Islands, Latin America, and South Africa. For more information on SRS, please visit www.strategicrisks.com.