



MADISON
INSURANCE GROUP

Protect and
Grow Your
Business with

Private Insurance


Enterprise Risk Solutions

2022 Edition



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In their search for a way to stop paying expensive premiums and still have the risk protection they need, business owners are discovering Private Insurance.

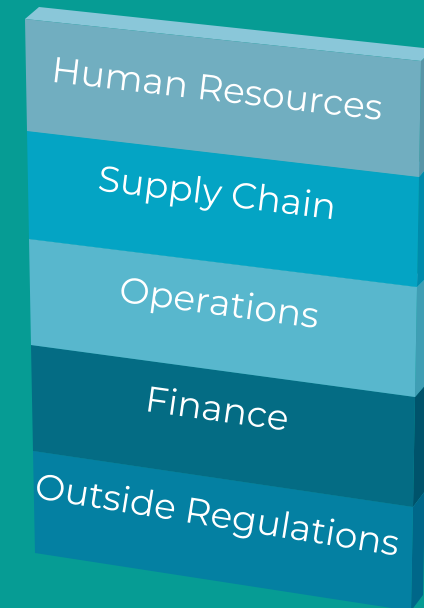
Private Insurance provides risk protection exclusively to its participants and is a trusted wealth-building strategy that Fortune 500 companies have been using for decades.

What is Enterprise Risk Management?

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- 1) ERM is a management process that looks to understand a company's total risk exposure - the potential for upside gains and downside losses.
- 2) ERM helps businesses develop strategies to minimize downside risk while maximizing upside possibilities.
- 3) Key to a robust ERM process is transferring downside risk to an insurance carrier so that business growth can remain stable even in the event of a catastrophic hit to the day-to-day operations.

Business Enterprise



Lam, James. Implementing Enterprise Risk Management: From Methods to Applications. (Hoboken, NJ: John Wiley & Sons, Inc, 2017)

Who Are Our Clients?

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Our clients are companies who are closely held, who work tirelessly to keep families employed and to remain competitive in an ever-changing business landscape.

Our clients are companies with growth plans, year-over-year profit margins, and those that now have the need to expand their enterprise risk management strategies.

Our clients are companies who have the capacity to take on an additional tax-deductible expense without affecting their solvency.

Our clients are companies with complex operations and real risks, who now have the opportunity to reward themselves for effective risk management by participating in the underwriting profit and investment income of their paid premiums.

Our clients are companies like yours.



Private Insurance

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How Does it Work?

There are two independent transactions that occur:

1. A business direct-procures enterprise risk insurance from Madison International, an insurance carrier licensed and regulated in Puerto Rico.
2. The bond investor purchases a bond from Madison Re, a reinsurance carrier licensed and regulated in Puerto Rico

Private Insurance Makes Sense for Companies with:

- Gross revenue exceeding \$2 million
- Growth plans that will need financing
- Substantial unfunded "hidden" risks

With Private Insurance, Business Owners Can:



Reward effective risk management



Fund otherwise unfunded risks



Benefit from tax incentives



Build financial value for future growth

Commonly Selected Coverage Options



Loss of Key Person /
Key Talent



Loss of Key Customers /
Key Contacts



Brand / Goodwill
Rehabilitation



Cyber Liability



Administrative or
Regulatory Actions



Defense Cost and Legal
Expense



Loss of Key Supplier



Representations and
Warranties



Labor Stoppage /
Shortage

How Traditional Insurance Works

Business



Insurance Carrier



Reinsurance Carrier



Underwriting
Profit from
Invested
Premiums



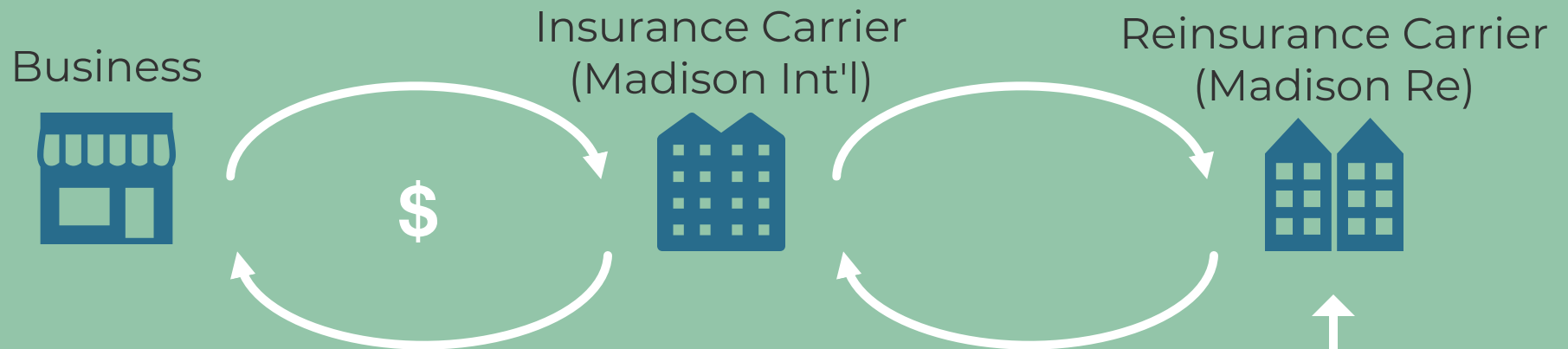
Shareholders



1. A business pays a premium to an insurance carrier and receives a policy.
2. The insurance company binds the coverages and transfers a portion of the risk to a reinsurance company.
3. The reinsurance company covers the insurance company in the event that catastrophic policy-linked claims occur.
4. Premiums are invested and end of year surplus is saved for future claims, company expansions and acquisitions, or returned to shareholders.

Madison Insurance Group: Insurance Reimagined

Our Unique Private Insurance Structure



Underwriting Profit from Invested Premiums

Segregated Asset Plan

Bond Investor

1. A business pays a premium to an insurance carrier and receives a policy.
2. The insurance company binds the risks and transfers all of the risk of claim and premium to a reinsurance company.
3. In the event of a claim, the insurance company looks to the reinsurance company to fund 100% of the claim.
4. Premiums are invested and end of year surplus is saved for future claims or returned to bond investors.

Get Started with 4 Simple Steps



Submit Data



Receive Feasibility
Analysis



Select Coverages and
Limits



Implement

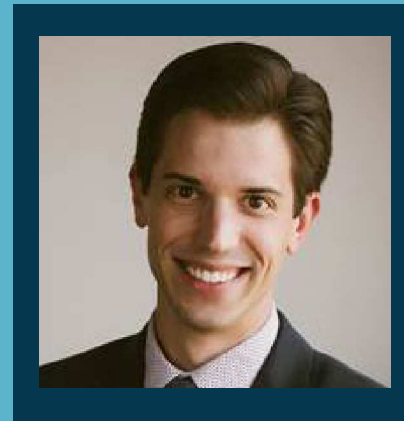
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Questions? Contact Us



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