HELIO

BANKING INDUSTRY
CAPTIVE MANAGEMENT & RISK CONSULTING

HelioRisk.com

Key Insurance Lines for Bank Captives

The banking industry faces significant insurance challenges in hardening markets. Captive programs are a highly beneficial solution. Whether it is in designing bank sponsored captives to assist customers in navigating volatile insurance markets, or insuring the banking system's own risk, captive insurance provides a structure and a new revenue stream for risk financing. Systems with captive insurance programs solve problems for customers in ways other banks simply cannot, and sophisticated clients know the difference.

Directors & Officers (D&O) Liability: Protects executives against claims related to management decisions. Given the increasing scrutiny of corporate governance, D&O coverage is essential

Cyber Liability: Covers losses from data breaches, cyberattacks, and related incidents. As banks handle sensitive information, cyber liability insurance is crucial

Professional Liability (Errors & Omissions): Addresses claims arising from professional services provided by the bank, safeguarding against potential litigation

Financial Institution Bond/Crime Coverage: Protects against losses from fraudulent activities, including employee dishonesty and third-party crimes

Property and Business Interruption: Covers physical assets and potential income loss due to unforeseen events, ensuring operational continuity

Loan Origination Fraud: Addresses risks associated with fraudulent loan applications, a growing concern in the banking sector

Workplace Violence and Key Employee Loss: Provides support in the aftermath of violent incidents and the sudden loss of essential personnel

Reputation Risk: Helps manage the financial impact of events that could damage the bank's public image

Pollution Liability: Covers liabilities arising from environmental incidents, particularly relevant for banks with real estate holdings

Financial Guarantee Insurance: Supports the bank's financial products by guaranteeing performance and by enhancing credibility and customer trust

Banking Industry & Captive Insurance

In today's complex financial landscape, banks are increasingly turning to captive insurance programs to enhance risk management, control costs, and gain strategic flexibility. Captive insurance—where a bank forms its own licensed insurance company—offers tailored solutions that align closely with institutional risk profiles and long-term objectives.

Traditional insurance markets often come with significant drawbacks including high premiums, restrictive coverage terms, and limited control over how claims are managed. Captive insurance offers banks and their stakeholders a powerful alternative by addressing these challenges head-on. Through a captive, a bank can take greater control of its coverage, tailoring policies to its specific exposures, such as professional liability, cyber threats, and evolving regulatory risks.

This approach not only enhances risk management by supporting proactive, customized strategies, but also offers financial advantages. By funding losses for immediately better pricing and also retaining underwriting profits within the organization, banks reduce both short and long-term insurance costs. Additionally, captives allow for streamlined claims handling, resulting in faster resolutions and improved data analytics, giving institutions deeper insight into their risk profile and performance.

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About Helio

With multiple offices around the country including Oklahoma City, Dallas, and Jacksonville, Helio Risk is a full-service captive management and risk consulting firm of Account Management Specialists, Captive Managers, Risk Control Specialists, Certified Public Accountants, and other administrative staff available to provide insight and expertise to our clients' most challenging needs.

Working together with brokerage teams, actuaries, and other service providers, Helio identifies strategic areas for captive integration within comprehensive insurance programs.