

Captive Insurance

What is a Captive?

A captive is an insurance company specifically established to insure the risks of its owners or participants.

What is Fiat Lux Risk and Insurance Company?

Fiat Lux is a non-profit pure licensed and regulated captive insurance company owned and controlled by the Regents of the University of California.

What does Fiat Lux do?



Insures over 30 different Coverages for UC



Examines data to find trending risks



Provides money to pay claims under the UC deductibles



Buys reinsurance for UC in London and Bermuda

What are the benefits?



By strategic financing of risk, Fiat Lux allows the University to:

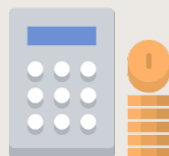
1. Reduce premiums and the cost of loss
2. Create greater financial stability
3. Protects University people and assets

How does Fiat Lux finance the University's risks?



1. Identify

Physical Risks
Operational Risks
Financial Risks



2. Quantify

Actuaries examine claims history to quantify how much money to set aside for the next year.



3. Finance

Fiat Lux pays UC for claims under their deductibles then purchases reinsurance for claims exceeding the deductibles in the London and Bermuda markets.



4. Manage

Risk Services and Centers of Excellence manage the day to day risk to keep claims low.