



# A Guide to Agriculture Practice Groups

# Delivering Outstanding Service

Agricultural businesses encounter a range of risks, from crop failure and livestock disease to supply chain disruptions. The top reasons for these companies to consider captives or alternative risk strategies include: 1) managing the volatility of weather-related and other natural risks, 2) securing coverage for unique risks that traditional insurance may not cover adequately, and 3) improving financial stability through customized risk financing solutions.

## SRS Approach

SRS addresses these needs through specialized captive insurance programs that include parametric insurance solutions, tailored risk assessments, and comprehensive risk management strategies. Our approach ensures that agricultural businesses are not only protected against their unique risks but also benefit from enhanced financial flexibility and resilience.

## Benefits and Outlook for 2024

By partnering with SRS, agricultural clients can achieve substantial reductions in their insurance costs, improve their risk management practices, and enhance their overall financial health. Key metrics for success include improved Loss Ratio and lower Insurance Expense Ratio. As the agriculture sector continues to face challenges from climate change and global market pressures in 2024, SRS's captive solutions offer a way to navigate these uncertainties with confidence.

## Agriculture Practice Group

# FAQ

### How does a captive insurance company benefit agriculture businesses?

Captives allow agricultural businesses to insure against specific risks such as crop failure, livestock disease, and supply chain disruptions with customized policies that might not be available or affordable in the traditional market.

### Can captives cover risks associated with climate change and natural disasters?

Absolutely. Captives can be structured to offer coverage for climate-related risks, including drought, floods, and hurricanes, with the flexibility to adjust coverage as these risks evolve.

### What role does SRS play in helping agricultural firms with captive insurance?

SRS assists with the strategic planning, formation, and management of captives, ensuring they are properly structured to meet the specific risk management needs of agricultural businesses.

### Are there cost advantages to using a captive for insuring agricultural risks?

Yes, captives can lead to significant cost savings through direct access to reinsurance markets and by returning underwriting profits and investment income to the business.

### How can captives support sustainable farming practices?

Captives can offer incentives for adopting sustainable and environmentally friendly farming practices by providing lower premiums or enhanced coverage options for risks mitigated by such practices.



Agriculture as an industry employs roughly 40% of the global population and generates more than \$300 billion in annual revenue in the United States alone. Therefore risks such as severe weather, regulatory changes, supply chain disruptions, and other uncertainties can impact major agricultural operations. Establishing a captive in the Agriculture industry has many advantages to making sure your operations can continue safely, including coverage for production risk, special risks related to business interruptions or weather-related events, and liability exposures.

## Agriculture Practice Group Stats

# 27+

Agriculture Captives

### Types of Captives

Group Captive  
Single Parent  
Cell Facilities

### Active Domiciles

Arizona	Michigan
Barbados	Missouri
Bermuda	North Carolina
Cayman Islands	Oklahoma
Delaware	Vermont
Malta	

## 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](http://www.strategicrisks.com).