



## Construction company expanding rapidly through acquisition

A large construction company was growing through the acquisition of various small house builders around the UK. Each new acquisition brought its own legacy of insurance claims and the conventional premium was in excess of £1.5m when Oval became involved.

Oval were able to arrange for the formation of a self-insured fund within the parent company which provided access to funds by the various subsidiaries for claims up to a certain pre-capped level. Oval then arranged insurance protection should those pre-set levels be exhausted or should the fund be exhausted over a period.



Alongside this process, Oval undertook risk management surveys at each of the newly acquired companies and formulated new strategies for dealing with liability claims, which were the main cause of the insurance difficulties.

### Result

The company in question now pays insurance premiums of just £340,000 per annum and their own self-insured fund has increased in size to currently stand at £1.2m. With a fair wind and good risk management over the next few years, the company is aiming to achieve their first zero-cost insurance year whereby some of the excess funds available in their self-insured fund are used to pay their catastrophe premiums.