

QUICK STATS

as of 31 March 2016

713

Cayman Captives

32

licensed Insurance Managers

142

segregated portfolio companies

368

pure captives

For more information contact the Insurance Managers Association of Cayman

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WWW.CAYMANCAPTIVE.KY

CAPTIVES
ARE GOOD
FOR YOUR
COMPANY

Cayman Islands.
Clearly Better Business.

Large Canadian companies have already found the benefits of captive insurance companies and have elected to participate more actively in their own risk management programmes by retaining risk rather than purchasing coverage.

Small to medium sized (“SMEs”) Canadian businesses which elect to use captive insurance companies can enjoy benefits such as:

- Diversification of business operations and maintenance of revenue streams that would have typically gone to a commercial underwriter
- More control over the insurance programme(s)
- Coverage for risks that cannot be covered traditionally
- Potentially better risk transfer pricing
- An ability to invest internationally
- Access to reinsurance markets
- Better risk management and loss control processes
- Greater understanding of the cost of risk
- Can grow premiums/investment in a tax-neutral jurisdiction
- Maintenance of your own risk – you needn’t go to the commercial market

Canadian entrepreneurs are using captives innovatively, to cover things such as:

- Environmental pollution/disasters
- Employee benefits, such as premium healthcare
- Cyber assault
- Terrorism threats
- Warranty risk
- Medical risk in areas not covered by provincial healthcare (e.g., offshore clinical trials)

CANADA & CAYMAN

A PERFECT PARTNERSHIP

What do you know about the Cayman Islands?

- Cayman has a 40 year history in captive insurance
- Cayman has strong legal infrastructure based on English Common Law and company structures familiar to Canadians
- Cayman and Canada have a tax information exchange agreement (TIEA) allowing for transparent and healthy business relationships
- Cayman has a Moody’s Aa3 rating
- The Cayman economy is stable – GDP-debt ratio of 19.5%
- The regulatory infrastructure is strong, risk-based and balanced
- The legal and regulatory infrastructure promote investment security and safety
- There are no currency restrictions
- Cayman has tried and tested products such as Segregated Portfolio Companies and Portfolio Insurance Companies, which are useful for groups that need to keep assets and management separate
- Cayman has the depth and strength of experienced professional service providers: investment managers, captive insurance managers, lawyers, bankers, auditors
- There are several Canadian captives domiciled in Cayman – this road is well-travelled
- Cayman has elected to not adopt Solvency II, so as to not impose retail protections on low-risk commercial structures
- The Cayman Government is supportive of the captive industry
- Cayman is innovative – always aiming to provide products and services that benefit the global economy