

Jurisdictional Comparison

The table below compares the Isle of Man to its key competitor jurisdictions in respect of its Captive Insurance capabilities.

		European Offshore		European Onshore		International Offshore	
		Isle of Man	Guernsey	Ireland	Malta	Bermuda	
Strategic	Infrastructure	Expertise in Insurance / Reinsurance / Captive	Yes	Yes	Yes	Yes	Yes
		Availability of Professional Services	Yes	Yes	Yes	Yes	Yes
		Capacity to Expand	Yes ¹	No - Restrictions apply	Yes	Yes	No - Restrictions apply
	Access and Communications	Business Flight Connections	Yes - Daily to UK & Ireland	Yes - Daily to UK & Europe	Yes - Daily International	Yes - Daily Europe Flights	Yes - Daily US Flights
		Modern Telecommunications	Yes	Yes	Yes	Yes	Yes
		Outside Natural Catastrophe Zone	Yes	Yes	Yes	Yes	No - Hurricanes
	Regulatory Environment	Flexibility	Yes	Yes	No - Encumbered by EU	No - Encumbered by EU	Yes
		Outside of EU Regulation	Yes	Yes	No - EU Member	No - EU Member	Yes
		Within EU Vat Zone	Yes ²	No	Yes	Yes	No
	Reputation	'AAA' Standard & Poor's Sovereign Rating	Yes	No Sovereign Rating	Yes	No - 'A' Rating	No - 'AA' Rating
		IMF/OECD/FATF Compliant	Yes	Yes	Yes	Yes	Yes
		Acceptability to reinsurers/fronting insurers	Yes	Yes	Yes	Yes	Yes
	Political	Political Stability	Yes	Yes	Yes	Yes	Yes
	Domicile Maturity	More than 100 captives managed	Yes	Yes	Yes	No	Yes
		More than 10 years Captive experience	Yes	Yes	Yes	No - Established 2004	Yes
Financial	Banking	Availability of International banks	Yes	Yes	Yes	No	Yes
		Comprehensive range of banking services	Yes	Yes	Yes	Yes	Yes
	Taxation	Low Tax Domicile (Headline Tax Rate < 10%)	Yes - 0% rate for Insurers	Yes - 0% rate for Insurers	No - 12.5% rate for Insurers	No - 35% rate for Insurers	Yes - 0% rate for Insurers
	Capital	Multiple forms of capital allowed	Yes	Yes	Yes	Yes	Yes
		100% loan back to parent (subject to approval)	Yes ³	Yes	No	No	Yes
Solvency	Min. Requirement less than EU Minimum (€2.2m)	Yes ⁴ - Minimum £50,000	Yes ⁴ - Minimum £100,000	No - EU Minimum applies	No - EU Minimum applies	Yes ⁴ - Minimum US\$120,000	
Operational	Licensing	Speedy Set Up process (6-8 weeks)	Yes	Yes	No - Minimum 4 months	No - Minimum 4 months	Yes
	Captive Programmes	Ability to write Insurance & Reinsurance in one vehicle	Yes	Yes	No	Yes	Yes
		Protected Cell Company legislation	Yes	Yes	No	Yes	Yes
		Incorporated Cell Company legislation	Yes - By end of 2008	Yes	No	No	No
		International Life Insurance Centre	Yes	No	No	No	No
		Limited Liability Partnerships	Yes	Yes	Yes	Yes	Yes
	Redomiciliation	Ease of Transfer in/out of domicile	Yes	Yes	No	Yes	Yes

1 Capacity - Pragmatic work permit system operated and lower population density than UK.

2 EU VAT - within the VAT zone for transactions which require registration for financial efficiency.

3 100% Loan Back - In the right circumstances, subject to regulatory approval, group loan backs possible.

4 Plus additional premium based upon a percentage of the net premium written if applicable.