

Isle of Man Government

News Release



27th March 2008

Isle of Man is captive domicile of choice for Vaultex UK Limited
Fast track incorporation follows strong Island collaboration

Vaultex UK Limited, a recently formed joint venture between two major international banks to manage the cash handling operations in the UK for the two banks, has set up a captive in the Isle of Man, called Vaultex Isle of Man Insurance Limited ("VIMIL"), to insure the property damage, theft, terrorism and the cash handling liabilities of Vaultex UK Limited.

Vaultex UK Limited chose the Isle of Man as a domicile partly because of the island's reputation for its flexible, pragmatic approach regarding captive business. The new captive needed to be incorporated and licensed in less than a month prior to the deadline for the transfer of assets to Vaultex UK Limited. This was achieved in record time only through the close cooperation between the parties involved in the incorporation and licensing process – Vaultex UK Limited, Marsh Management Services Isle of Man Limited, Marsh Finpro UK, Deloitte and the Isle of Man Insurance and Pensions Authority (IPA).

VIMIL will be managed in the Island by Marsh Management Services Isle of Man Limited ("Marsh"). The London market will provide reinsurance to VIMIL, except for the terrorism cover which will be reinsured by Pool Reinsurance Company Limited ("Pool Re"), a mutual reinsurance company supported by the UK Government that provides terrorism cover to UK insurers.

Derek Patience, Head of Marsh and Chairman of the Manx Insurance Managers Association ("MIMA") commented: "The new captive had to be incorporated and licensed prior to the deadline of the asset transfer to Vaultex UK Limited. Following considerable cooperation between all parties involved – Vaultex UK Limited, Marsh Finpro UK, Deloitte, the non-executive directors and the Isle of Man Insurance and Pension Authority (IPA) – we were able to meet this tight deadline.

"We are very grateful to the IPA, who handled the review of the captive's business plan and licence application extremely efficiently, resulting in a prompt issuance of the insurance licence."

John Spellman, Isle of Man Finance, commented: "The choice of the Isle of Man's Marsh Management Services by Vaultex UK Limited over competitor jurisdictions is a fantastic endorsement of the strength of our captive sector and its ability to reinsure specialist risks."

The Isle of Man has strong reputation for good teamwork and a quick response to clients who come here looking for a specific solution. With Vaultex UK Limited, the quick response of the IPA has been matched by the efficiency of our captive sector professionals. The reputation of our captive managers as well established operators within the international captive insurance company market is growing. I am confident that our captive industry will continue on a path of accelerated growth that will enhance the Isle of Man's strong competitive position."

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Notes to Editors:

Isle of Man Finance

Isle of Man Finance is a division of the Treasury Department of the Isle of Man Government. It is responsible for assisting new financial services businesses to establish themselves on the Island, international media relations, international marketing and supporting existing Isle of Man financial services business.

Visit: <http://www.isleofmanfinance.com/media/mediaenquiries.xml>

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