

# Jurisdictional Comparison

The table below compares the Isle of Man to its nearest competitor jurisdictions in respect of its captive insurance capabilities.

		European Offshore		European Onshore		International Offshore
		Isle of Man	Guernsey	Ireland	Malta	Bermuda
<b>Strategic Considerations</b>						
Infrastructure	Expertise in Insurance / Reinsurance / Captive	Yes	Yes	Yes	Yes	Yes
	Availability of Professional Services	Yes	Yes	Yes	Yes	Yes
	Capacity to Expand	Yes <sup>1</sup>	No - restrictions apply	Yes	Yes	No - restrictions apply
Access and Communications	Business Flight Connections	Daily to UK & Ireland	Daily to UK & Ireland	Daily International	Daily to Europe	Daily to United States
	Modern Telecommunications	Yes	Yes	Yes	Yes	Yes
	Outside Natural Catastrophe Zone	Yes	Yes	Yes	Yes	No - Frequent 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 <sup>2</sup>	No	Yes	Yes	No
Reputation	'AAA' Standard & Poor's Sovereign Rating	Yes	Yes	Yes	No - 'A' Rated Only	No - 'AA' Rated Only
	IMF/OECD/FATF Compliant	Yes	Yes	Yes	Yes	Yes
Political	Acceptability to reinsurers/fronting insurers	Yes	Yes	Yes	Yes	Yes
Domicile Maturity	Political Stability	Yes	Yes	Yes	Yes	Yes
	More than 100 captives managed	Yes	Yes	Yes	No	Yes
	More than 10 years Captive experience	Yes	Yes	Yes	No - Established in 2004	Yes
<b>Financial Considerations</b>						
Banking	Availability of International bank	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 <sup>3</sup>	Yes	No	No	Yes
Solvency	Min. Requirement less than EU Minimum (€2.2m)	Yes - Minimum <sup>4</sup> £50,000	Yes - Minimum <sup>4</sup> £100,000	No - EU Minimum applies	No - EU Minimum applies	Yes - Minimum <sup>4</sup> US\$120,000
<b>Operational Considerations</b>						
Licensing	Speedy Set Up process	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 - expected 2010	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.