



PANEL DISCUSSION

CHOOSING A DOMICILE: KEY CONSIDERATIONS

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DOMICILE CONSIDERATIONS

There are over thirty states with captive insurance regulations

Financial	Practical
<ul style="list-style-type: none">■ Capital and solvency requirements■ Establishment & operating cost■ Income tax (at captive & parent level)■ Freedom of investment	<ul style="list-style-type: none">■ Receptiveness & stability of regulatory environment■ Quality of local infrastructure - availability of expertise■ Accessibility & ease of doing business■ Experience in business under consideration



OPERATIONAL ISSUES

How will the captive be directed & managed?

Issues to consider

- Parent control
- Reporting lines
- Local substance
 - Mind & management
 - Regulatory requirements
- Transfer pricing
- Economic rationale



CHOOSING A DOMICILE

Asia Pacific Licensing Activity in 2017

Domicile	2017 Formations	2017 Surrendered	Total Active Number 31 December, 2017
China	2	0	4
Hong Kong	0	0	3
Labuan	6	2	43
Micronesia	5	0	23
New Zealand	1	0	6
Singapore	0	1	70
Vanuatu	0	2	6

Source: Captive Review World Domicile Update



CHOOSING A DOMICILE

Notable International Domiciles

Guernsey

239 active captives (+cells)

Three Chinese captives

One Hong Kong licence pending

Vermont

566 active captives

24 new captives in 2017

7 Japanese captives

2 Chinese captives

Hawaii

230 active captives

30 new captives in 2017

28 Japanese captives

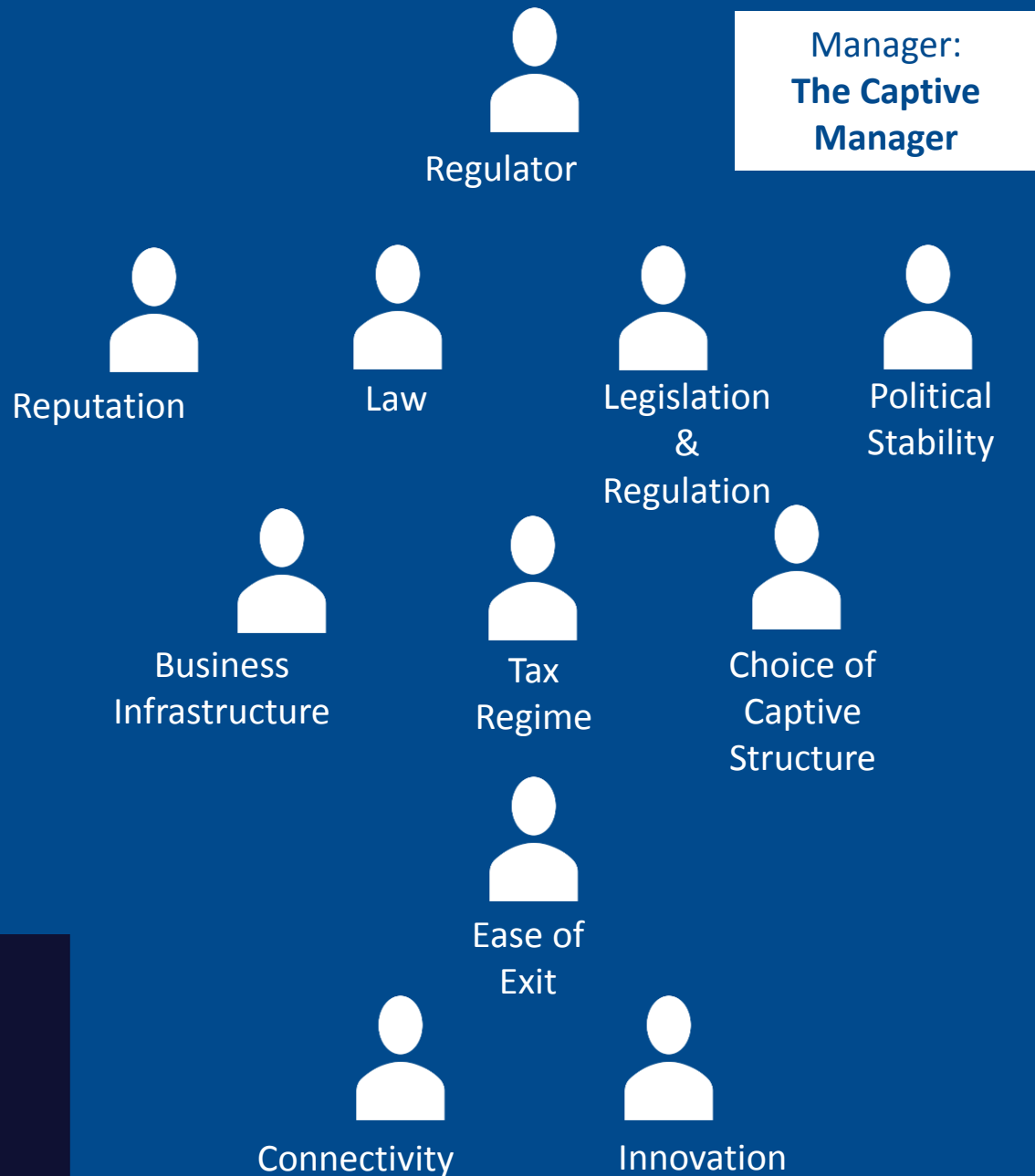
Bermuda

739 active captives

5% of risk from Japan

2% from rest of Asia

Selecting a captive domicile team



CWC

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THANK YOU

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