



Compliance: A Year in the Life of a Captive



Karen Jenner
DIRECTOR

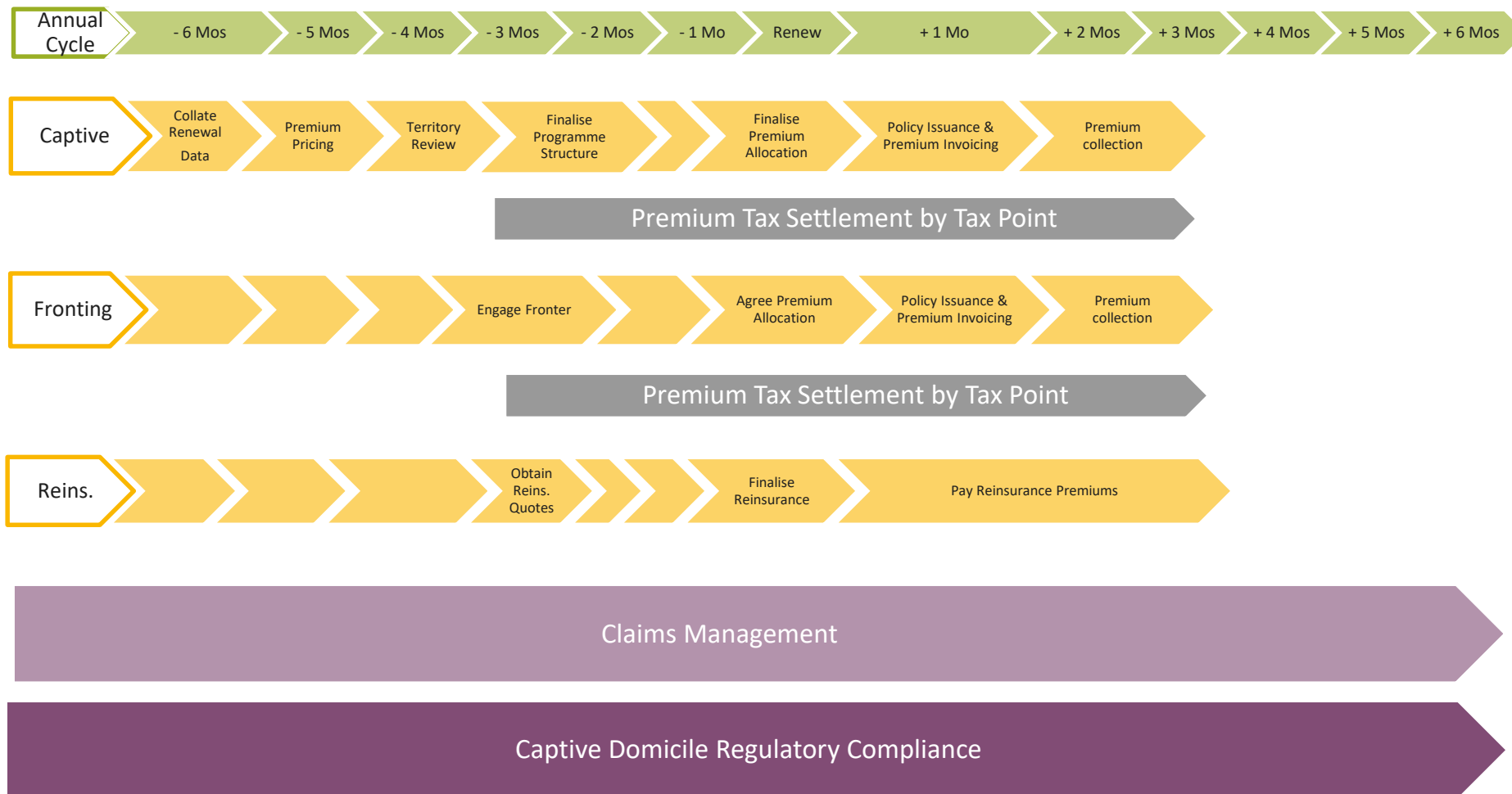


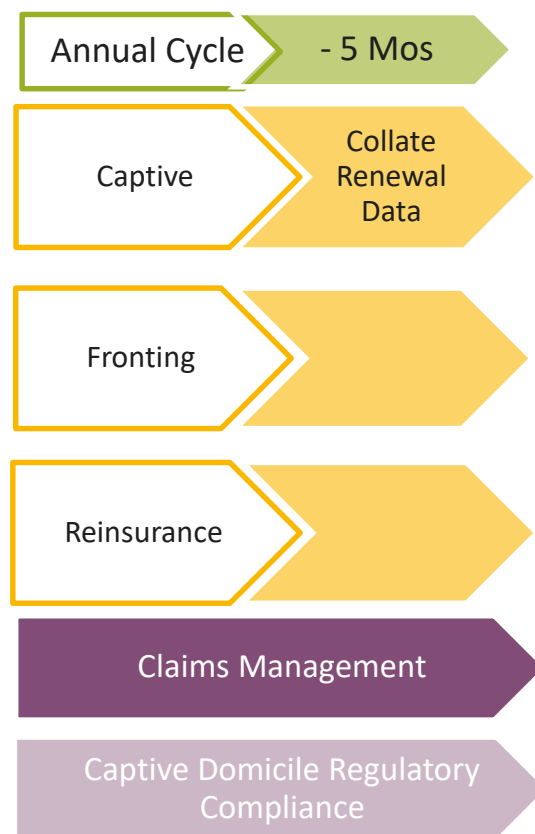
Ilka McHugh
CLIENT DIRECTOR -
TECHNOLOGY



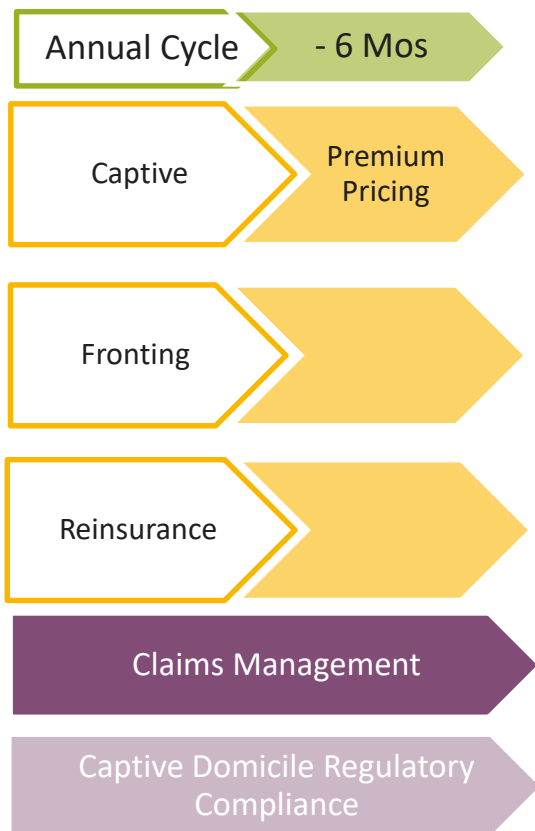
Jo Finbow
CLIENT DIRECTOR

THE ANNUAL CYCLE

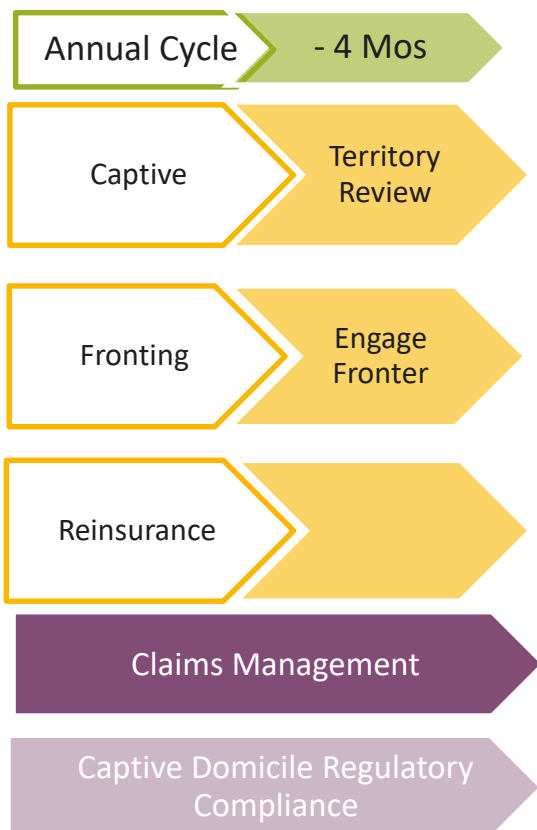




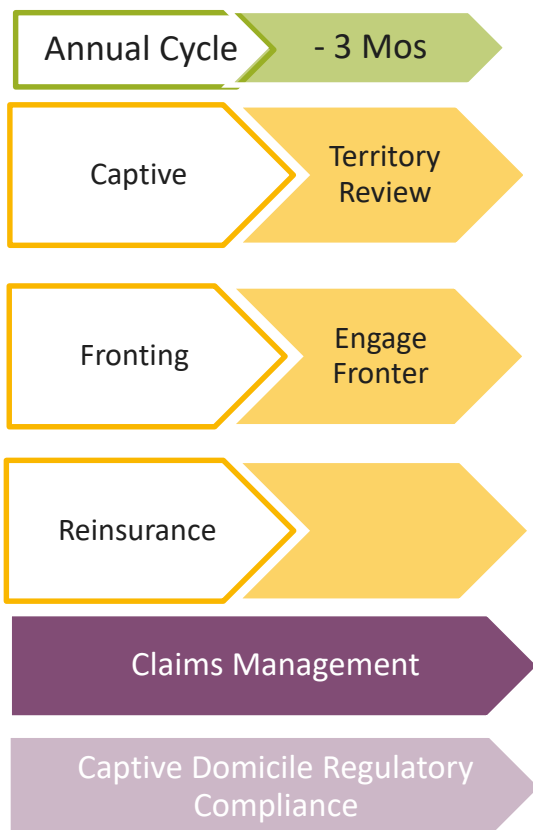
- Property replacement values
- Surveys & valuation exercises
- Insured Declarations
- Financial data:
 - net sales
 - gross profit
 - number of employees by Insured
- Reporting and Calculation requirements



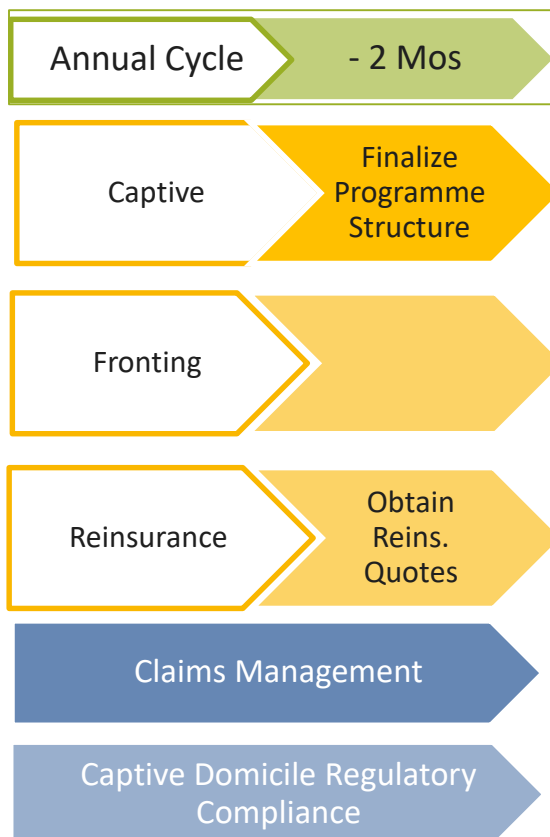
- Policy coverage to be determined
- OECD transfer-pricing rules (BEPS Initiative)



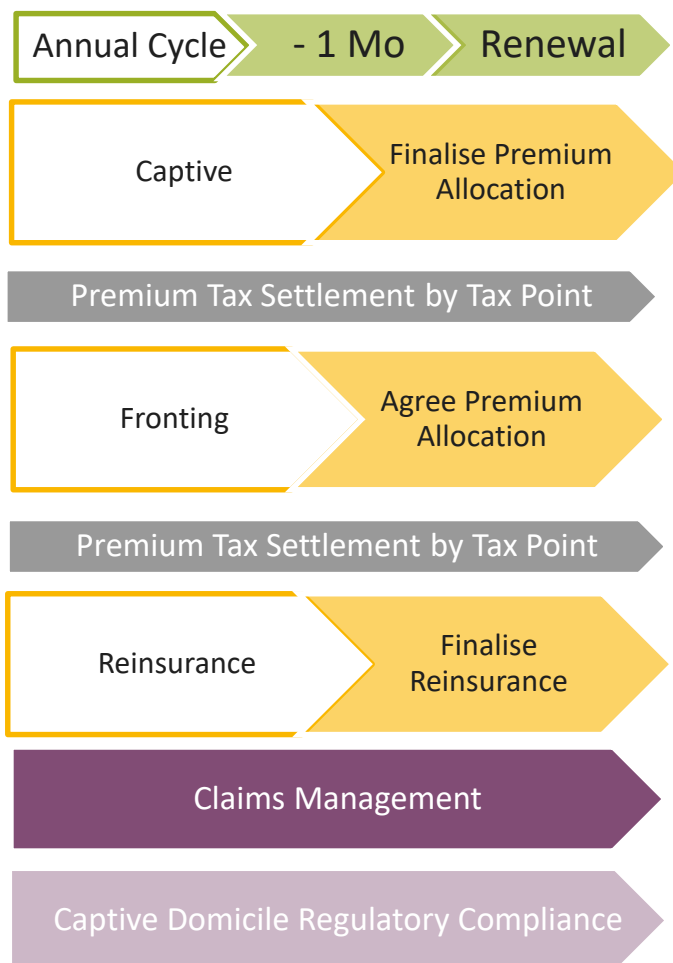
- Direct write versus Reinsurance:
 - Settlement of premium tax
 - Manuscript policy form
- Fronting requirements
- Financial Interest Clause
- Cost benefit analysis
- Use of Master Policy



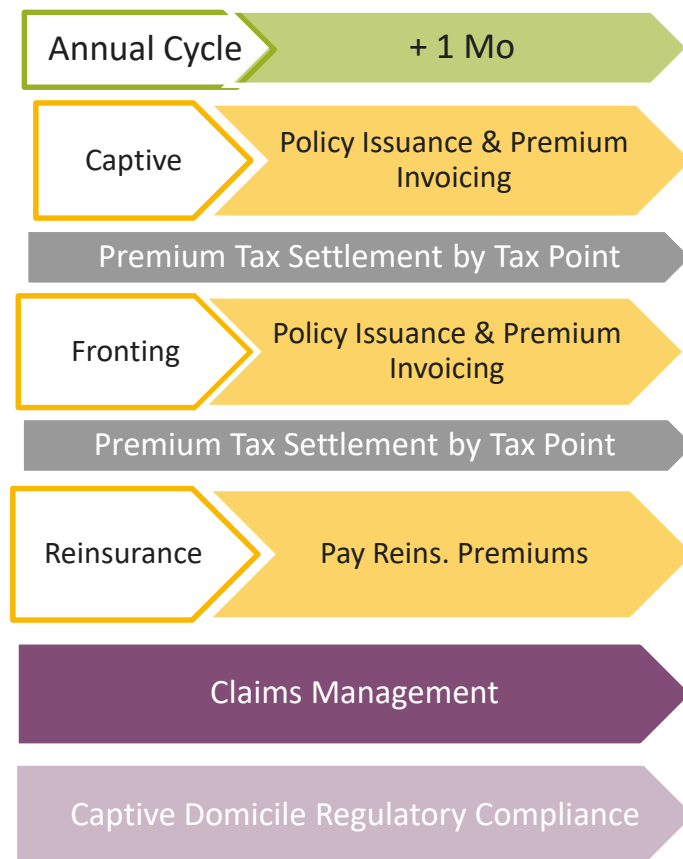
- Territorial scope
- Collateral requirements
- Reinsurance Agreements & Legal documentation
- Information requirements
- Maximise Reinsurance cession to captive



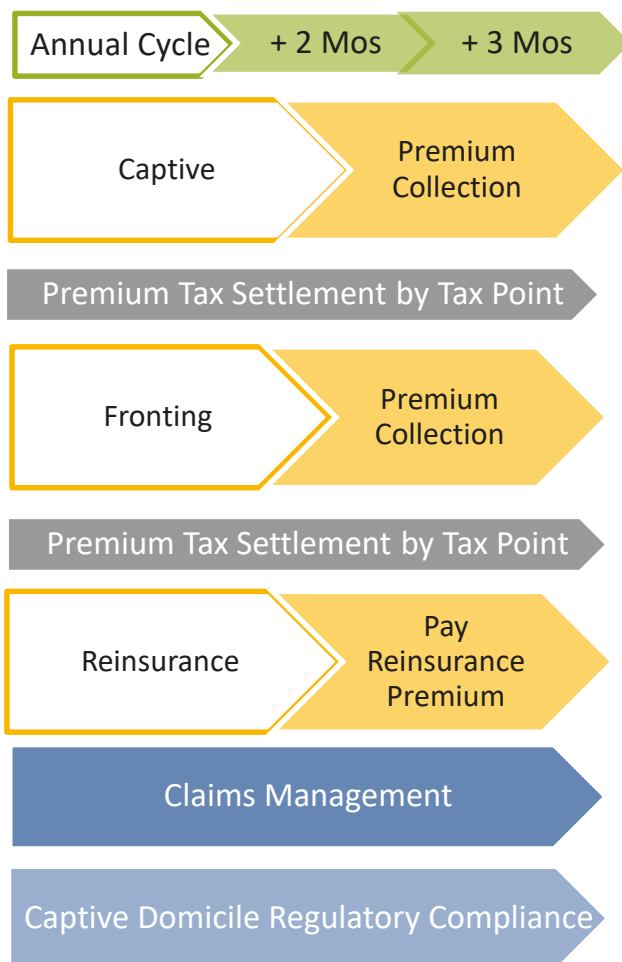
- Reinsurance requirements
 - Obtain quotes
 - Consider T&C
 - Proposal forms
- Review fronting requirements



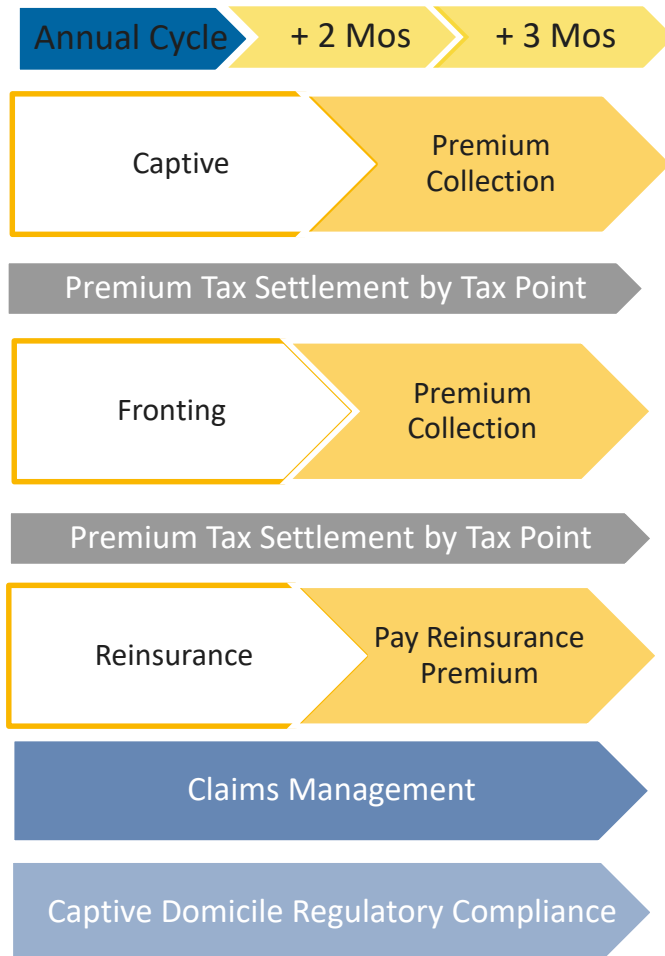
- Compulsory local retentions & Cessions
- FOS/Non Admitted/DIC-DIL
- Terrorism or other pools
- Insured and Insurer Premium tax calculations
- Rate of Exchange



- Certificate issuance
- Payment Terms
- Premium Tax Settlement – Tax Point at Renewal

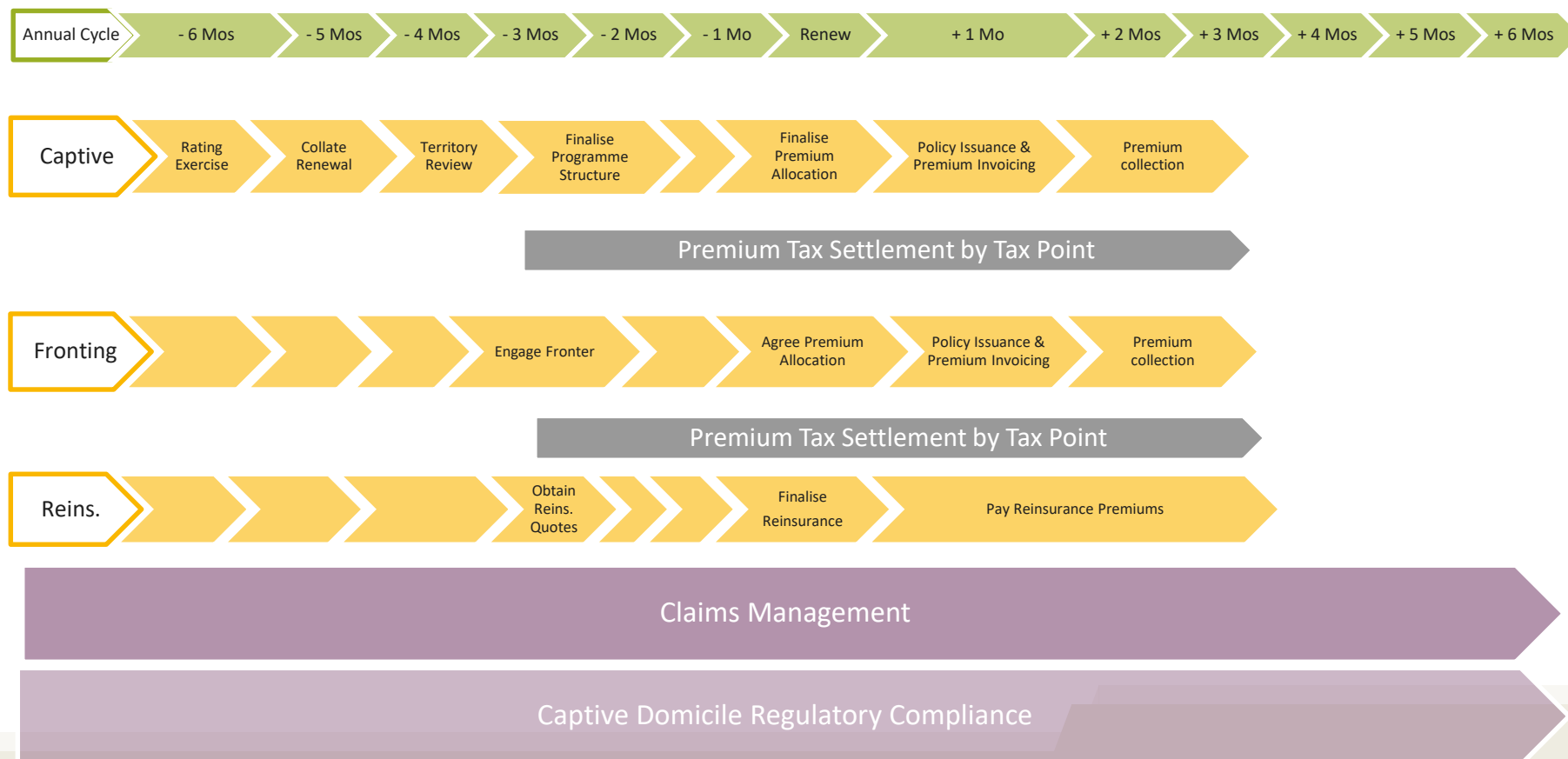


- Premium Payment Warranties
- Rate of exchange & currency restrictions



- Collection of assumed RI
- Collection of direct write premiums
- Settlement of premium taxes
- US FET implications
- Pay outgoing Reinsurance premiums

- Cut through clauses
- VAT or income tax implications – DIC/DIL or non-admitted claims settlement



- Regulatory requirements in domicile
 - Capital requirements
 - Changes in business plan
- VAT compliance



Premium Tax Settlement by Tax Point



Premium Tax Settlement by Tax Point



THANK YOU

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