



G is for Insurance

A leading international Insurance centre

Guernsey has an insurance industry that is renowned for its innovation and professionalism in providing a range of risk management solutions.

The Island's international insurance sector comprises pure captives and commercial insurers using flexible vehicles such as protected cell companies and incorporated cell companies to write an extensive range of different business and where major growth areas are:

• **ATE insurance** • **Credit insurance** • **Professional indemnity** • **Reinsurance** • **Transformer cell**

Guernsey plays host to subsidiaries of major companies such as AIG, Aon, Barbican, Catlin, Generali, Hiscox, Jardine Lloyd Thompson, Marsh, Old Mutual, RSA, SCOR and Willis. Independent, boutique operators are also present, providing a holistic environment for insurance solutions.

The insurance industry in Guernsey has origins dating back to the 18th century and captives have been incorporated in the Island since 1922. Guernsey has grown to become the leading captive insurance domicile in Europe and number four in the world.



Guernsey is the leading captive domicile in Europe and has expanding life insurance and reinsurance sectors.

Approximately 40% of the UK FTSE 100 companies and 95 of the global 1500 have captives in the Island. In addition to UK companies a number of firms in Europe, USA, Middle East, Asia, South Africa, Australia and the Caribbean have established captives in Guernsey.

Guernsey has built a wealth of experience and expertise in providing management and administration of captives.

This reputation for quality of service is complemented by the Island's continued drive for innovation. Guernsey pioneered the PCC and has since also introduced the ICC. The Island has also made legislative advancements that have created a regulatory environment which allows for their flexible use. Guernsey is leading the way in providing cutting edge solutions to meet clients' complex risk transfer needs.

Guernsey's offering also makes it an attractive location for reinsurance. This is a business area that is likely to grow further following the adoption of a framework that allows Lloyd's syndicates to establish a physical presence in the Island and operate under Guernsey's Insurance Manager regulatory framework.

As well as the major growth areas the Island's insurance sector writes significant amounts of business in: employers/public liability, material damage/business interruption, motor, property damage and business interruption, transport and life insurance.

The latter is a niche area that has seen significant development in recent years. The sector comprises firms that service the life and health insurance needs of high net worth individuals; companies that provide insurance-based employee benefits like life and health to international corporates - three of the largest multinational employee benefit networks are represented in Guernsey; and increasingly includes the use of insurance policies for investment purposes as part of broader wealth management strategies.



Why use Guernsey?

Our track record

Continued success Guernsey's insurance industry has successfully grown since its origins in the eighteenth century. This continuity has developed a mass of experience, infrastructure and accumulated intellectual capital which ensures the Island remains at the forefront of international insurance centres.

The highest reputation and standards

Insurance business can be transacted with confidence in Guernsey as the Island has been scrutinised and endorsed by external third parties such as The International Monetary Fund and the Financial Action Task Force.

A world-class offering for insurance

Lower costs Guernsey has a flexible, risk-based capital regime, which means the capital cost to Guernsey insurers can be lower than elsewhere. These insurance vehicles can then access the wholesale reinsurance markets directly and more effectively.

Pragmatic regulation The Guernsey Financial Services Commission promotes a robust yet pragmatic regulatory regime and is renowned for being approachable, accessible and open to new ideas.

This approach allows insurers to adopt innovative and cost-effective solutions that are highly tailored to the policyholders, whilst ensuring compliance with regulations and the Island's modern insurance laws.

Innovative legislation Modern company law remains advanced through continuous improvement.

Legislation permits PCCs, ICCs, limited partnerships and the amalgamation and migration of companies.

Flexibility There is no restriction on the types of business that can be underwritten.

Strong corporate governance

Guernsey has a large pool of non-executive directors.

Competitive tax environment

There is a zero rate of income tax for corporate entities. There is no withholding tax on dividends paid, no capital gains tax or VAT.

Conveniently located The Island's location between Europe and the UK places it in a time zone between the US and the Far East. This makes Guernsey a convenient place to carry out business with many different countries. Travelling to the Island is also quick and easy as there are frequent air and sea links to both Europe and the UK, with a flight time from London taking less than an hour.

A 'One day business solution'

Guernsey has a broad-based financial services industry (including support services) and all of the Island's businesses and key institutions are in close proximity to each other so an extensive array and high volume of business can be carried out face-to-face and in a short amount of time.

Highly developed business support infrastructure Carrying out business in Guernsey is quick and easy because the Island has a high quality infrastructure, including a newly upgraded first class telecommunications network that is unsurpassed offshore.

Special relationship with the EU

Businesses based on the Island have some of the advantages of being in the Euro-zone without all the implications of operating in a jurisdiction that is a full member of the EU. For example directives such as those on fiscal harmonisation, financial services and company law do not have effect in Guernsey.

Stability Continuity within Guernsey's democratic government offers political and economic stability and thereby a safe and secure environment on which business can rely.

Independence Legislative and fiscal independence allows the Island to respond quickly to the needs of business.

Guernsey

The symbol of international finance

G is also for . . .

Banking

Our banking sector plays a key role in maintaining Guernsey's position as a world-class international financial centre. With the first merchant bank established in 1963 there are now around 50 major global banks meeting the needs of international clients and the wider finance industry on the Island.

Trusts

Guernsey is a major international fiduciary centre for trust and corporate services. Our fiduciary sector has a depth of experience and expertise gained over 50 years; we are a recognised leader in our ability to provide advanced structures for the preservation of individual wealth and family assets.

Funds

Guernsey's open for business attitude and pragmatic regulation has attracted the widest range of fund business to the Island. The breadth and depth of experience in management, administration, custody and structural innovation is second to none.

Putting Finance on the map

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