

Advantage Vanuatu Captive Insurance

Presented by

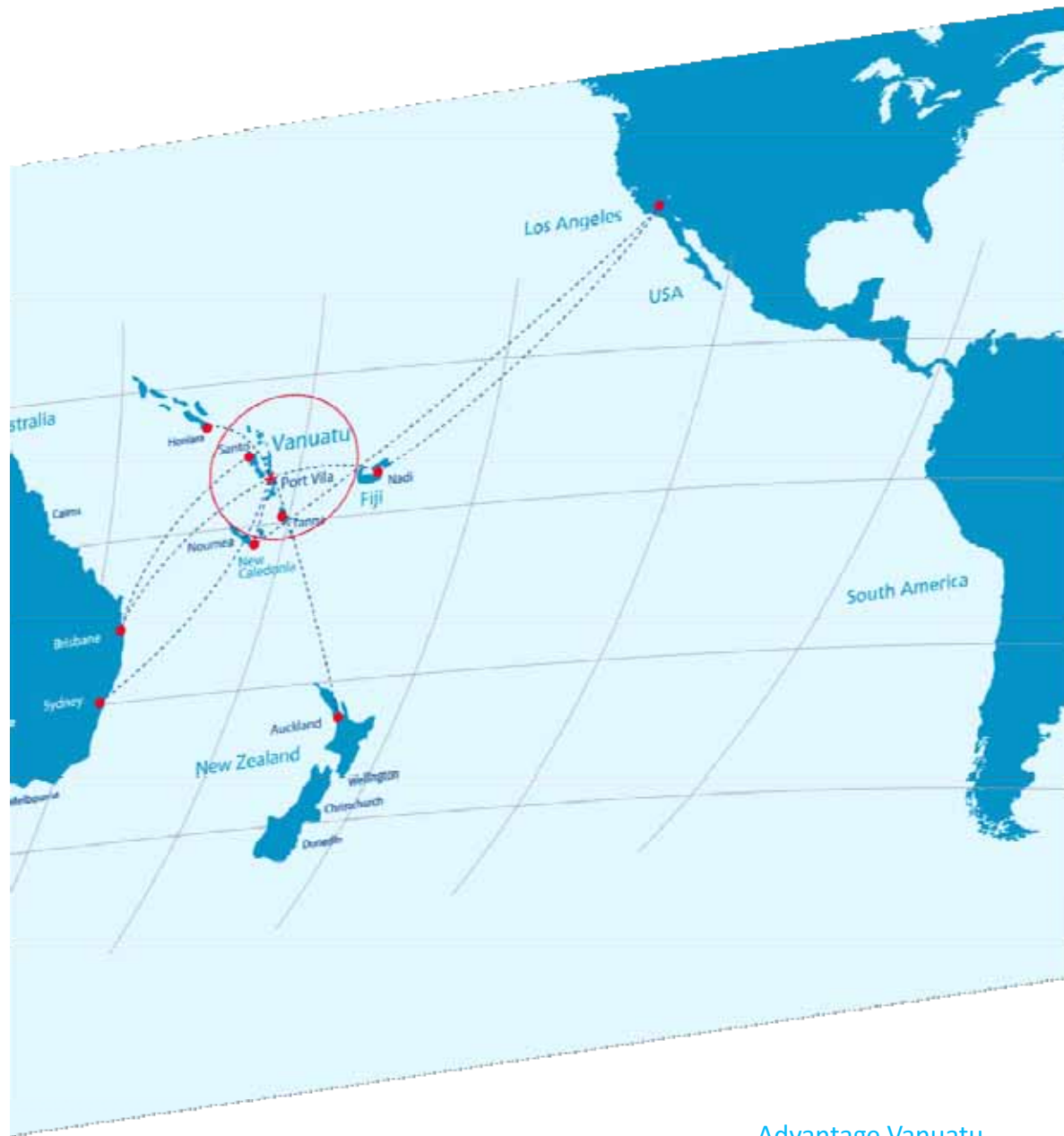
Kevin J Lindsay
Chairman

The Vanuatu Captive Insurance Association
and on behalf of

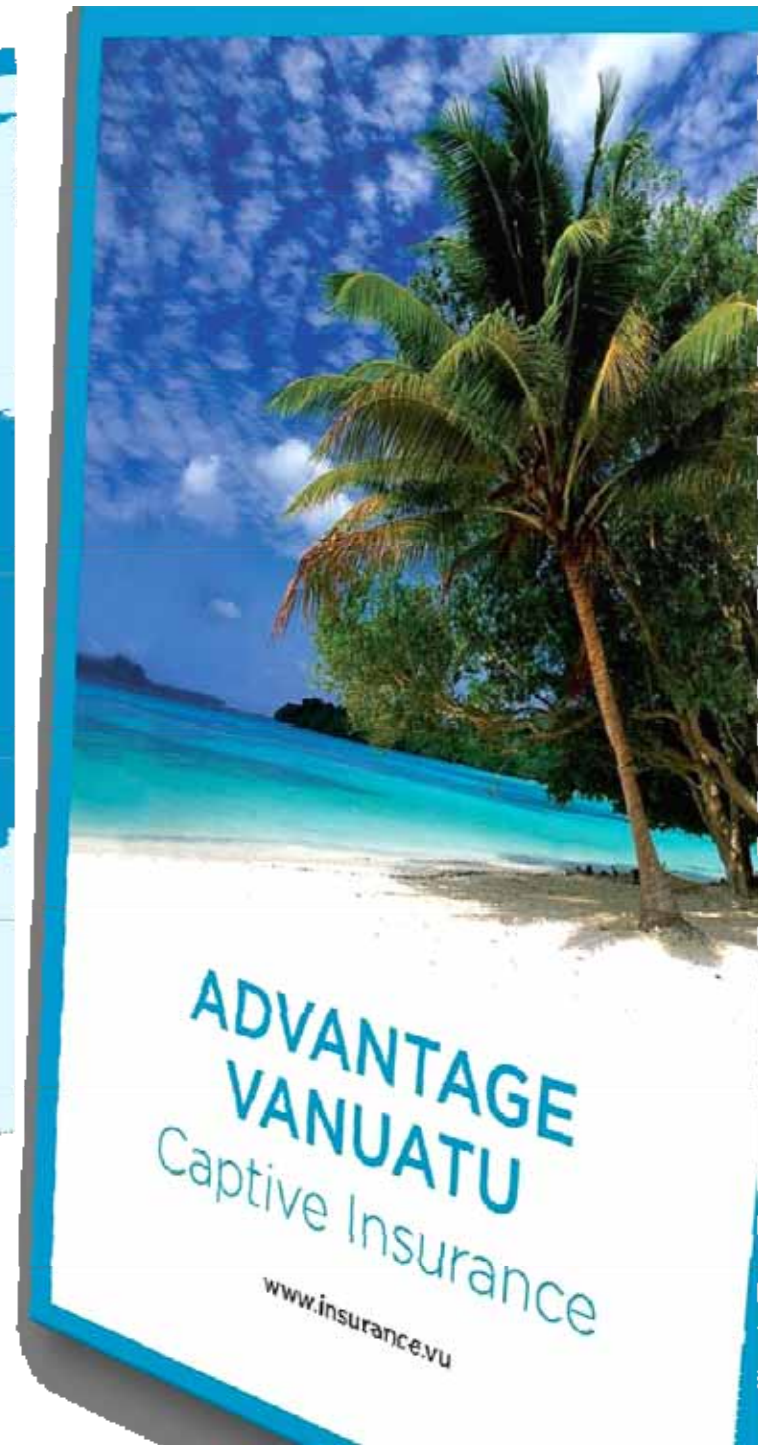
The Vanuatu Financial Services Commission

www.insurance.vu





Advantage Vanuatu
Captive Insurance



Advantage Vanuatu

The Captive Solution

*Vanuatu is poised to be the largest
Offshore Captive Domicile in
the South Pacific region*

*New legislation has created a major
opportunity for Captive and Insurance
Protected Cell Companies to be
Established*

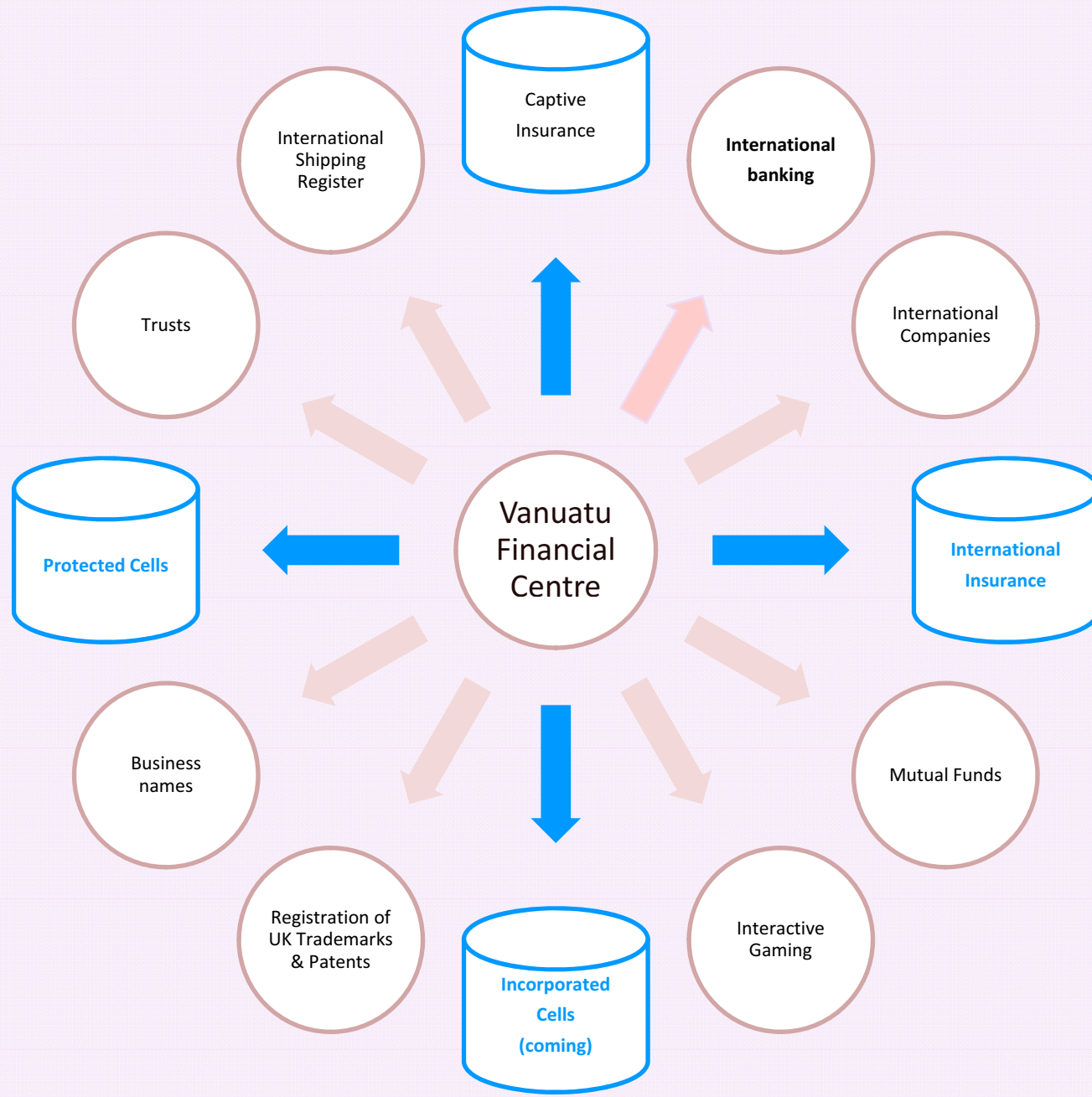
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Advantage Vanuatu Captive Insurance

1. Introduction
2. International Financial Centre
3. Legislation
4. Future

2. International Financial Centre

- Since 1971
 - Pre 1980 independence Vanuatu was known as the New Hebrides, a French-British condominium
- A common law legal framework
- Free from
 - Corporate tax
 - Inheritance tax
 - Death duty
 - Capital gains tax
 - Capital transfer or estate tax
 - Exchange control regulations
 - Personal tax



Advantage Vanuatu
Captive Insurance

Financial Centre - captive snap shot

	Total	2006 ♦	2008 ♥
Incorporations	180	35	21
Protected cell companies	1	0	1
Number of cells	6	0	6
Country source	Australia, UK, USA ,NZ, Pacific Islands		
Classes	Medical Liability, PI, Life, Property & Business Interruption, Marine, Income Protection, Medical Liability, Legal Expense		

♦ Prior to new legislation

♥ After new legislation

3. Legislation

- Companies Act 191 (as amended) for incorporation
- Protected Cells Companies Act 2005
- Insurance Act No. 54 of 2005
- Insurance Regulation Order No.16 of 2006
- The Financial Transactions Reporting Act 2000
- Proceeds of Crime Act 2002

3. Legislation – basic requirements

Company formation

Most captives are incorporated as exempted companies under the Companies Act 191 (as amended).

- Certificate of Incorporation
- Copy of Memorandum and Articles of Association
- Minimum level of paid up capital
- Minimum of two directors (one local not required)
- Detailed business plan - 3 years minimum
- Appointment of resident Insurance Manager
- Books and records to be maintained in Vanuatu
- Annual audited financial statement of owner
- Actuarial valuation and report as required
- Maintenance of minimum solvency margin
- AGM (not required to be held in Vanuatu)
- Appointment of resident Auditor

3. Legislation

Capital

General classes	US\$100,000
Life & Long Term	US\$250,000

Fees

Application

Annual

Company formation	Nil	US\$500
Insurance Licence	US\$500	US\$5,000
Protected Cell	Nil	Nil
Cell authorisation	Nil	Nil

Premium Taxes and or Levies

Nil

Summary of Vanuatu's attributes

- | | |
|---|---------------------------------|
| ✓ Legislation/regulations | Gazetted 2007 |
| ✓ Application procedures | 4 weeks from formal application |
| ✓ Currency controls | None |
| ✓ Political stability | |
| ✓ Qualified service providers | |
| ✓ Financial and Regulatory Reporting | |
| ✓ Fees | Very competitive |
| ✓ Capital requirement | Realistic |
| ✓ Economic development | GDP 6% |
| ✓ Perception & Reputation | |
| ✓ Good track record | |
| ✓ Member of IAIS | |
| ✓ 2006 "happiest place on earth" ¹ | |

¹"happy planet index" published by the New Economics Foundation (NEF)

Advantage Vanuatu

The Captive Solution

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Thank you

*Kindly refer to our booklet “Advantage Vanuatu”
and other captive information
on our web site*

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