



DEMOCRATISATION OF SELF-INSURANCE

Benefitting from cell captives in a challenging reinsurance market

Democratisation of Self-Insurance

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Labuan Captive Types

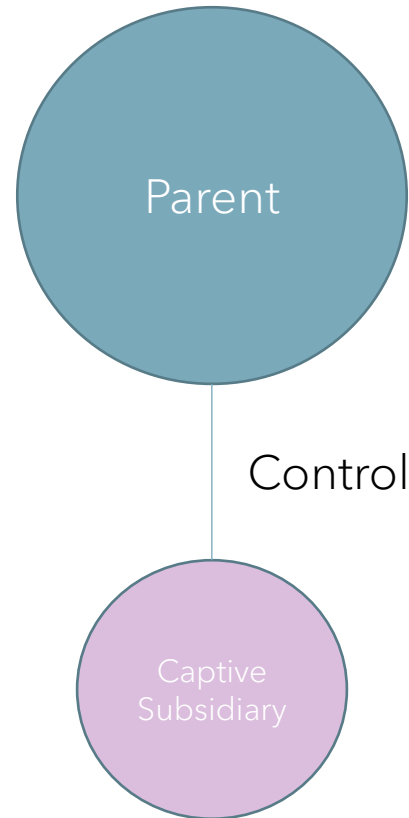
Steven Dewhurst



Traditional or Pure Captive

Labuan Companies Act says a parent controls a captive where the parent:

- (i) controls the composition of the board of directors of the captive;
- (ii) controls more than half of the voting power of the captive; or
- (iii) holds more than half of the issued share capital of the captive (excluding any part thereof which carries no right to participate beyond a specified amount in a distribution of either profits or capital)



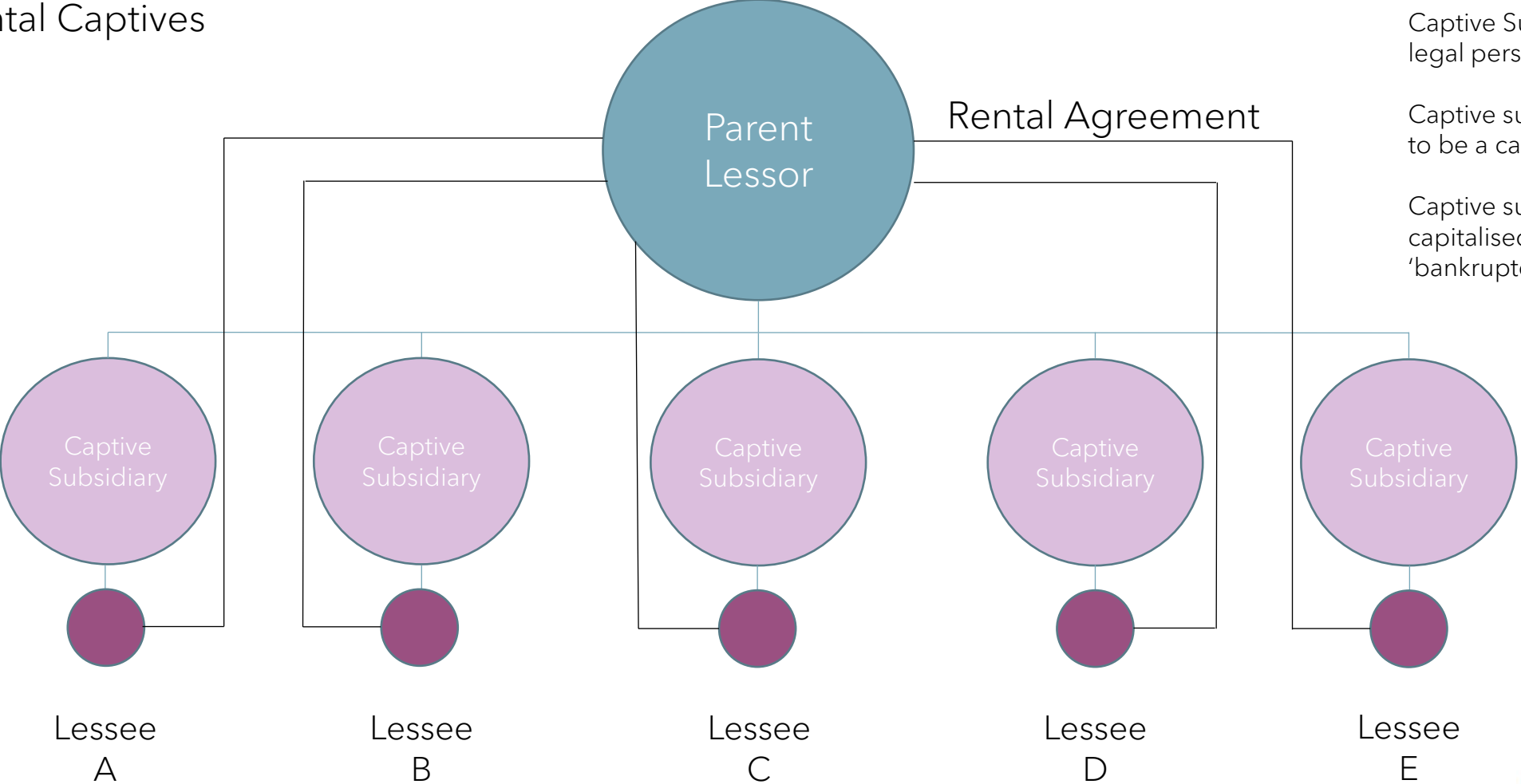
Captive Subsidiary has separate legal personality

Captive subsidiary holds licence to be a captive

Captive subsidiary is separately capitalised and can be made 'bankruptcy remote'



Rental Captives



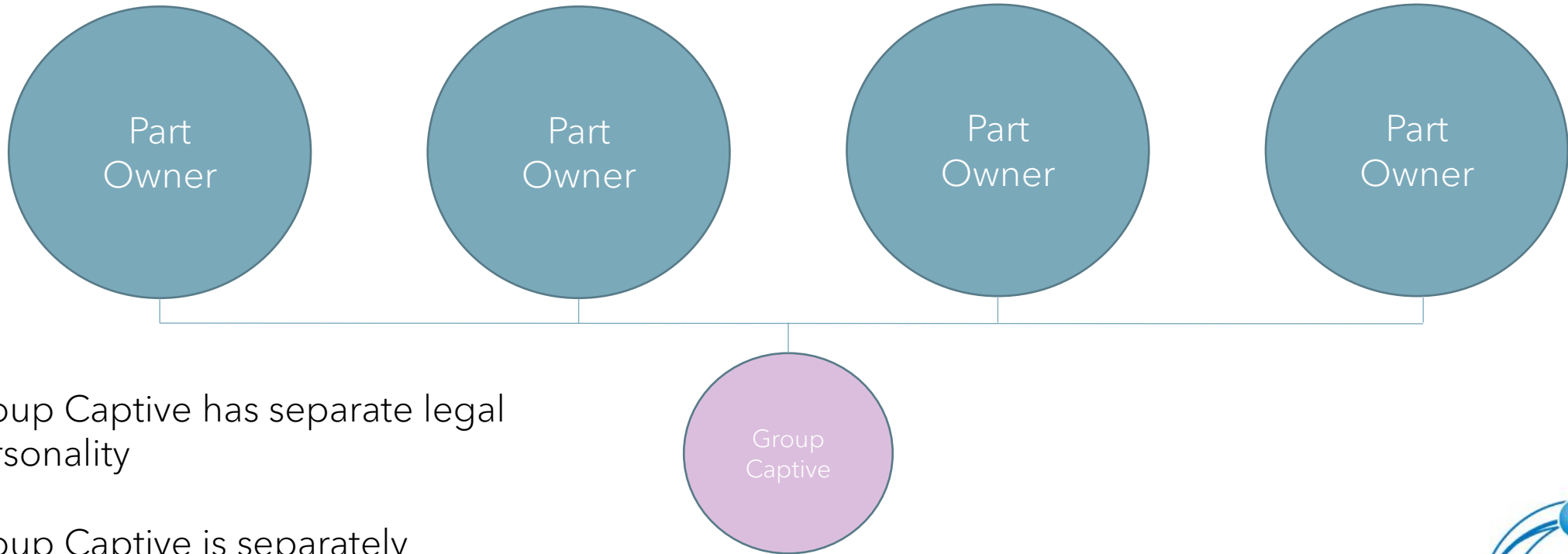
Captive Subsidiary has separate legal personality

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Group/Association/Affinity/Multi-Owner Captive

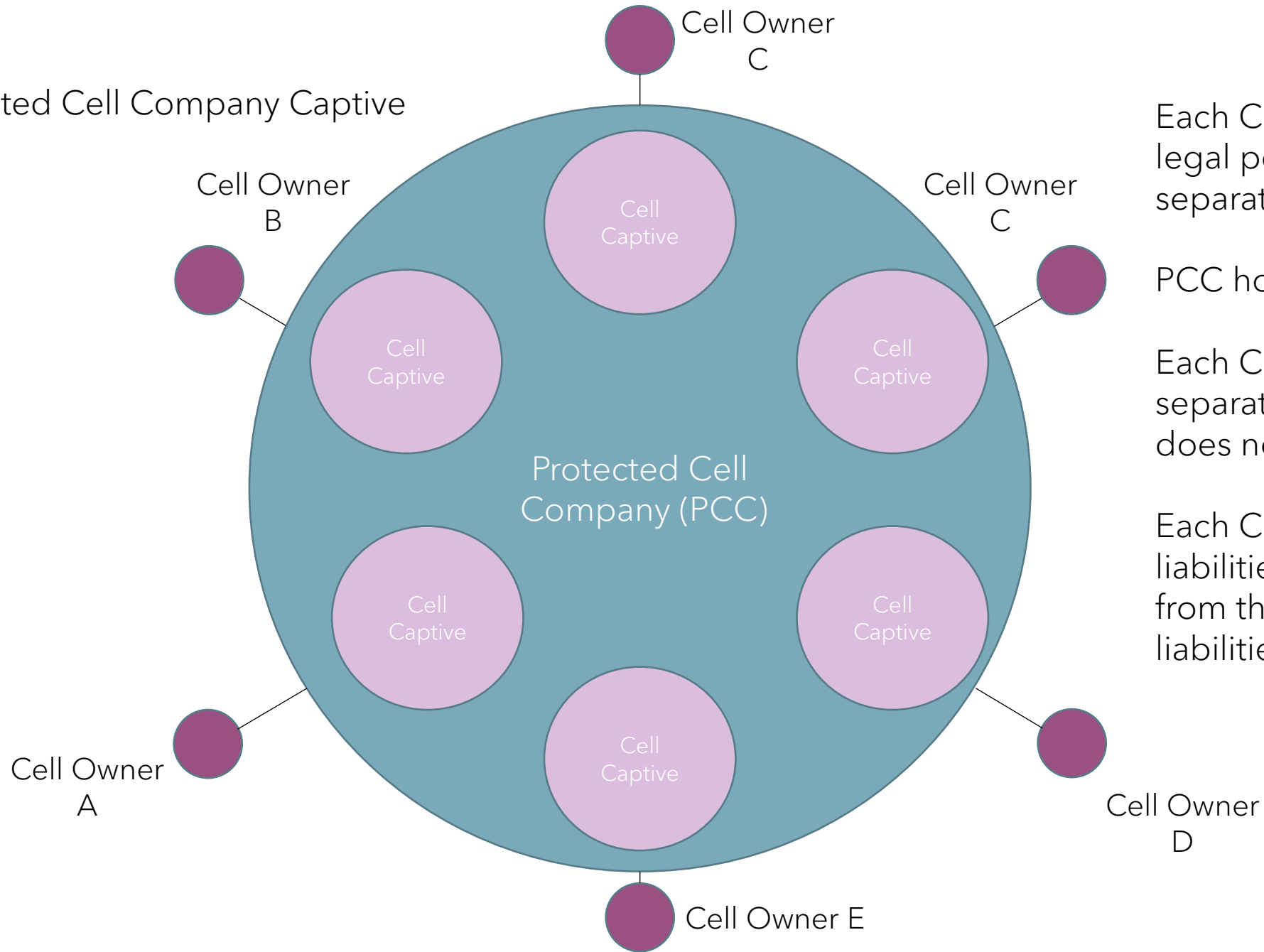


Group Captive has separate legal personality

Group Captive is separately capitalised and can be made 'bankruptcy remote'



Protected Cell Company Captive



Each Cell does not have a legal personality which is separate from the PCC

PCC holds captive licence

Each Cell can be separately capitalised, but does not need to be

Each Cell's assets and liabilities are ringfenced from the assets and liabilities of the other Cells

