

MARSH INSIGHTS: CAPTIVES HOW DOES A TAKAFUL (SHARIAH-COMPLIANT) CAPTIVE DIFFER FROM OTHER CAPTIVES?

Managers of several captive domiciles are positioning themselves to play an important role in Shariah-compliant (Takaful) captives. But what is Shariah-compliant insurance, how does it operate, and what role does it play in captive operations?

SHARIAH-COMPLIANT INSURANCE

A Shariah-compliant insurer is a company that undertakes insurance-like activities, conducted in a Shariah-compliant manner in its entire operations. This includes the contract between the Takaful company and the participating scheme members (policyholders), as well as the investment undertakings.

While Islamic scholars recognize the role of risk sharing in economic growth, conventional insurance poses a number of problems with regard to Shariah principles, including the potential for uncertainty (gharar); excessive profit, usury, or interest (riba); and gambling (maysir), which are all prohibited (haram).

HOW DOES A TAKAFUL OPERATE?

Takaful developed as an alternative to conventional insurance. The key distinction between Shariah-compliant insurance and conventional insurance lies in the relationship between the Takaful company

and the policyholders (or participating scheme members). Takaful is an arrangement in which the participants in a risk-sharing scheme agree to indemnify each other against certain losses or damage. To this end, they pool their contributions (premiums) into a common fund to pay compensation (claims). There is no transfer of risk; rather, all participating scheme members give up individual rights to gain collective benefits.

Commercial Takaful arrangements are managed on a for-profit basis by a third-party Takaful company (sometimes called the Takaful operator). However, the shareholders of a Takaful operator (unlike those of a conventional commercial insurance company), do not take all profits from the arrangement. Rather, the Takaful operator serves as manager to, and representative of, the participating scheme members.

The role of the Takaful operator is effectively that of manager and entrepreneur. It collects the contributions from the participating scheme members and, for a fee, manages and invests them on behalf



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of the participating scheme members, who are entitled to share in the surplus generated. In effect, the Takaful operator maintains two separate and distinct accounts or funds:

- Takaful/Tabarru fund (or risk sharing fund), which includes the contributions of the participating scheme members.
- Takaful operator fund (or shareholders' fund), which generally includes shareholder reserves and capital.

The segregation of these funds is central to Shariah-compliant insurance.

The Takaful fund is available for regulatory capital adequacy requirements and is invested by the Takaful operator in a Shariah-compliant manner. Any deficit of the Takaful fund is covered by an interest-free loan (Qard Al Hasan, Qard loan, or facility) from the Takaful operator's fund, the terms of which generally depend on regulatory capital adequacy requirements.

Because the loan may be repaid out of future surpluses of the Takaful fund, the only risk assumed by the Takaful operator with regards to its shareholders' fund typically is non-repayment in the event of a failure to generate surpluses in the Takaful fund. The Takaful operator's fee for managing the company is based on a percentage of contributions and/or a share of the underwriting surplus or investment profits, depending on the operating model.

THREE TAKAFUL OPERATING MODELS

There are essentially three Takaful operating models used by most of the commercial operators worldwide. Regardless of the model, there cannot be a guaranteed level of surplus in order to remain Shariah-compliant. The difference between these three Takaful models lies in the status of the operator and how the operator's remuneration is calculated and paid:

- Wakala: The Takaful operator is regarded as a manager and earns a predetermined/fixed fee for its services, which may include management and performance-incentive components. Any surplus from the Takaful fund will be distributed to the participating members.
- Mudaraba: The Takaful operator is manager of the participating scheme members, and is entitled to earn a fee from the share of underwriting and investment profits derived from the Takaful fund.

- Hybrid: The hybrid model incorporates a Wakala arrangement with respect to underwriting activities and a Mudaraba arrangement with respect to investment activities. There is a growing consensus that the leading practice for commercial Takaful operations will be the hybrid model.

Ultimately, the formation of a Shariah-compliant captive is fundamentally similar to a conventional captive, except that the operations of a Shariah-compliant captive shall be managed in a Shariah-compliant manner in its entire operations, including the contract between the parent and the captive company as well as the investment undertakings.

OPERATIONAL REQUIREMENTS

Like conventional captive companies, the purpose of a Shariah-compliant captive is to manage corporate risk and curb losses. The Sharia-compliant captive establishes those goals in accordance with Shariah principles. The Shariah-compliant captive model involves the parent company transferring its risks to the Shariah-compliant captive while following these key operational requirements:

1. The parent company appoints the Shariah-compliant captive to be its agent to manage the parent company's risks and risk financing strategy in accordance with Shariah principles as approved by the company's appointed Shariah advisor/scholar. The management strategy includes underwriting, contributions, risk assessments, and compensation management, among others.
2. The investment activities undertaken by the Shariah-compliant captive must be in accordance with Shariah principles as approved by the company's appointed Shariah advisor/scholar.
3. All other operational requirements applicable to insurance and insurance-related companies in the chosen jurisdiction of registration must be followed at all times as long as the requirements do not contradict Shariah principles.

The operational model must be based on contracts preferred by the Shariah-compliant captive and approved by its Shariah advisor/scholar. In setting out the policies and procedures, the Shariah-compliant captive must ensure that the principles are appropriately operationalized. The operational model of activities defines the relationship and fiduciary duties between the contracting parties.

When establishing a Shariah-compliant captive, the memorandum and articles of association must stipulate that its operations are to

be carried out in a Shariah-compliant manner and should include provisions for the establishment of an internal Shariah advisory board that will advise on the operations of its business to ensure compliance with Shariah principles.

The Takaful captive must appoint a captive manager that has adequate knowledge and expertise in managing insurance business in a Shariah-compliant manner. A Takaful captive must ensure that its business operations are in accordance with Shariah principles, including ensuring:

1. The types of risks to be assumed into the Takaful captive are Shariah-compliant themselves.
2. The appointed Shariah advisor/scholar must establish the guiding criteria on the type of risks to be assumed into the Takaful captive.
3. Any investment activity is channeled to Shariah-approved investments and the distribution of dividends, profits, etc. must be consistent with Shariah principles.

In principle, Shariah-compliant insurance programs all have a requirement to use a Shariah-compliant fronting insurer (or Takaful operator), a Shariah-compliant reinsurer (or Retakaful operator), Shariah-compliant investments, and most importantly, a Shariah board. However, depending on the jurisdiction where the risk is situated, the availability of sufficient Retakaful capacity and the in-depth knowledge of the Shariah board, conventional insurance may be used in the absence of takaful/retakaful.

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MEETING THE CHANGING NEEDS OF CAPTIVES THROUGH TECHNOLOGY

Captive insurance companies are often domiciled in international jurisdictions that are subject to unique legal and regulatory environments. Robust controls are paramount, requiring carefully preserved trails of documentation and workflow to ensure compliance with auditors' and regulators' requirements. With ever-increasing demands for security, compliance, controls, and comprehensive business continuity and disaster recovery planning, the onus on captive managers has increased considerably. In addition, potentially complex financial and insurance entities need robust and comprehensive reporting capabilities.

GLOBAL CAPTIVE MANAGEMENT SYSTEM (GCMS)

To help companies manage these burdens, Marsh's Captive Solutions Group provides innovative and proprietary information technology systems. The flagship product is our Global Captive Management System (GCMS), which was designed exclusively for the captive insurance industry.

Used in all of our captive management offices globally, GCMS enables our client management teams to efficiently meet the requirements of a large number of captive insurance companies and legislative authorities. As a fully integrated system, it enables up-to-date and comprehensive reporting and built-in efficiencies and controls, including:

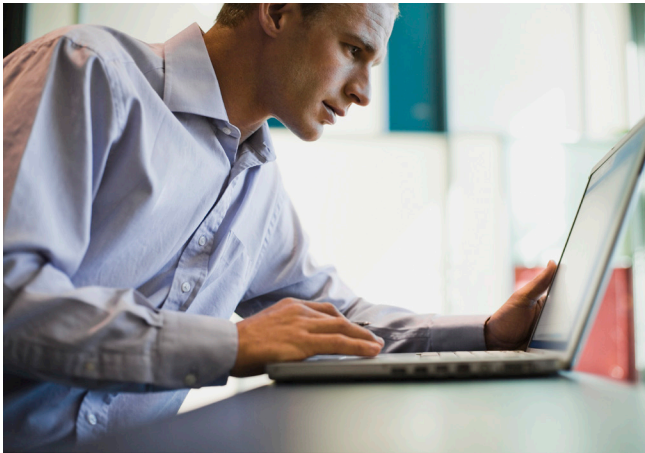
- Secure access to client information.
- Increased security and controls for payments through the use of a payee master list that restricts payments to only those who have been pre-approved.
- Enforced rules involving separation of duties in processing payments.
- Full auditing of all transactions and activities.
- Comprehensive built-in compliance with "Know Your Client," Office of Foreign Assets Control (OFAC), the Bank Secrecy Act, and US PATRIOT Act regulations through integrated checking of proscribed lists. These watch lists help deter crimes such as terrorism, money laundering, and identity theft.

GENERATING CLIENT REPORTS AND MEETING PACKAGES

To meet client demands for flexible and professional looking reports and meeting packages, Marsh developed a flexible report generator and adopted a board-pack assembly tool. By using modern technology, colleagues can spend less time performing report design and package creation. The resulting reports enhance our ability to provide clients with timely information about the financial position and performance of their company, empowering them to make important business decisions that affect their company's continued operations.

CONNECTING TO BANKING PORTALS

In an effort to increase profitability, banking institutions have been increasing fees and reducing staff by advocating the use of banking portals for payment transactions. In response, Marsh has developed the means to automatically process client payments directly through their banks' systems. Introducing this functionality has created efficiencies for our colleagues in processing payments and has significantly reduced costs for clients.



MEETING STATUTORY REPORTING REQUIREMENTS

Statutory bodies and monetary authorities are increasingly requiring the use of iXBRL (in-line eXtensible Business Reporting Language) for file submissions of financial reports. Manually converting reports to iXBRL is a time-consuming task and prone to error due to reliance on subjective choices by the person performing the task. Marsh is incorporating iXBRL functionality into GCMS to improve efficiency for our client management teams and reduce costs for our clients.

Maintaining proprietary software has enabled us to react swiftly to changes in the regulatory and business environments. Having a system that is designed primarily to meet the needs of the captive insurance industry and is maintained internally ensures our ability to be proactive in meeting changing needs without relying on external providers. Collaboration with colleagues in understanding the needs of the business helps ensure that our systems help meet our needs, and, therefore, the needs of our clients.

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REGULATORY UPDATE

EUROPEAN COMMISSION SETS JANUARY 1, 2016 FOR SOLVENCY II TO TAKE EFFECT

Following the recent news that the European Commission has proposed a so-called “quick fix” directive to officially set the implementation date of Solvency II for January 1, 2016, the insurance industry can prepare with certainty for the application of the new regime in 2016.

To fully implement the Solvency II regime proper, the European Parliament still must pass amending legislation, known as Omnibus II, which brings together all the amendments to the original 2009 directive and would provide the legal basis for applying the legislation. Omnibus II is currently scheduled for a vote at a plenary session of the Parliament in February 2014.

Meanwhile, the European Insurance & Occupational Pensions Authority (EIOPA), responsible for implementing Solvency II, has published its “Final Guidelines for the Preparation of Solvency II.” With these guidelines, EIOPA intends to significantly increase preparedness of both regulators and insurers for Solvency II. The guidelines are intended to ensure that regulators and insurers take active steps toward implementing certain key elements of Solvency II in a consistent and convergent manner.

EIOPA finalized the guidelines following a public consultation process earlier this year and issued them on October 31, 2013, with an application date of January 1, 2014. They cover a number of key areas of Solvency II:

- System of governance.
- “Forward Looking Assessment” of undertaking’s own risk (based on own risk & solvency assessment (ORSA) principles).
- Submission of information to “National Competent Authorities” pre-application for internal models.

The guidelines are expected to be applied during 2014 and 2015. Those concerning the system of governance and the “forward-looking assessment of undertaking’s own risk” are likely to have the greatest impact on captives. It will be up to the regulatory authorities to implement the guidelines in their own jurisdictions and it is hoped that, for captives, that the principle of proportionality will be applied across all domiciles.

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INSURANCE MEDIATION DIRECTIVE II – WHAT’S CHANGING?

The Insurance Mediation Directive (IMD) is an EU directive that regulates the point of sale of insurance products in order to help safeguard the rights of the retail insurance customer. The directive was introduced to establish rules for conducting insurance mediation activities by natural and legal persons who are established in an EU state.

“Insurance mediation” is defined in the directive as being any of the following:

- Introducing, proposing, or carrying out other work in preparation for the conclusion of contracts of insurance.
- Concluding contracts of insurance.
- Assisting in the administration and performance of insurance contracts, particularly in the event of a claim.

Several organizations not currently within the scope of the IMD1 will be brought within the scope of the IMD2, including insurers that sell directly to customers, some price-comparison websites, claims management companies, loss adjusters, and firms that sell insurance only as an ancillary activity.

The changes IMD2 effects are of particular importance to third-party writers and captives, which apart from covering group risks, provide insurance products to the general public through their existing network of business units. Under the current rules, if these insurance products cover loss of or damage to the parent’s core product or service offering, the mediation activities conducted by the distribution network in relation to contracts of insurance ancillary to such products or services are exempted from the requirement of enrollment under the Insurance Intermediaries Act, subject to certain conditions being satisfied.

Once the IMD2 goes into effect, only insurance policies that are complementary to goods supplied, where such insurance policy

covers the risk of breakdown, loss of or damage to the goods supplied by that provider, fall within the de minimis exemption. Insurance policies sold ancillary to the sale of services will be captured within the scope of the IMD2.

In addition, the IMD2 will:

- Be a minimum harmonization directive, which means that it will continue to be possible for individual EU member states to impose more onerous rules.
- Introduce a general principle for intermediaries requiring them to act in their customers’ best interests and to disclose the basis and amount of their remuneration.
- Require member states to publish the “general good” provisions applicable in their territories and make them easily accessible to European Economic Area (EEA) insurers and intermediaries selling into their state on a “freedom of services” basis.
- Introduce new provisions governing the bundling of products, under which the customer will need to be informed that the products may be purchased separately, and about the costs and charges of each component forming the package.

The proposed directive is in the process of being approved by all three European institutions: the European Commission, the European Parliament, and the Council. The European Parliament and the Council are currently in the process of formulating their position on the Commission’s proposals. The IMD2 is expected to go into effect in 2015.

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INNOVATIVE USES OF CAPTIVES: THE SMALL CAPTIVE CONCEPT

Whether you call them “small captives,” “micro captives,” or “831(b) captives,” all refer to the fastest growing segment of the captive insurance industry. As midsize companies become increasingly aware of the benefits of such structures, the industry has experienced an explosion of formations.

It is estimated that more than 3,000 small captives have been formed by US companies over the past five years. Such tremendous growth is confirmation of the value of the benefits available to captive owners. Qualifying small captives can elect to be taxed on investment income only, leaving their underwriting gains to grow surplus or distribute to shareholders.

The term “831(b)” refers to the line of the Internal Revenue Service (IRS) Code that defines this election. Once chosen, the captive will pay US federal income tax on investment income only. This option is available not only to captive insurance companies, but also to all types of property and casualty insurers, as long as they satisfy the appropriate criteria:

- Primary business must be insurance (cannot be formed for tax reasons).
- Risk must be shifted or transferred from insureds to the insurer (risk shifting).
- Risk must be distributed or pooled across many insureds (risk distribution).
- Insurer must write no more than US\$1.2 million in premium, defined as the greater of direct written premium or net written premium.

If a captive satisfies the above criteria and makes the 831(b) election, it can reap many of the same benefits as larger, more traditional structures, such as:

- Increased control of risk.
- Customized coverages.
- Access to reinsurance markets.
- Premiums paid by insured’s deductible as a business expense.

In addition there are certain advantages of small captives:

- Assuming no losses and annual captive operating expenses of US\$100,000, the estimated annual savings based on US\$1.2 million in premium is US\$350,000 to US\$400,000.
- Economic benefits allow for buildup of surplus to:
 - Pay catastrophic claims.
 - Distribute to shareholders as qualified dividends or capital gains.
- Use as a wealth transfer devise.

RISK DISTRIBUTION

There are two primary methods to achieve proper risk distribution within a captive structure:*

- Brother-sister (Humana) structure: The captive is created as a sister company to the insured entities. There needs to be a sufficient number of “brother” companies to achieve risk distribution. No single insured entity can be too large.
- Third-party business: Captive insures a sufficient amount of unrelated business to satisfy risk distribution criteria. Risk could be related to business operations, such as employee benefits or extended warranty coverage to customers, or through an unrelated reinsurance pool.

* *Historical revenue rulings and court decisions provide general outlines and safe harbors to consider when structuring a captive insurance company to satisfy risk-distribution requirements.*

REINSURANCE POOL

Midsize firms are less likely to possess the corporate tax structure to satisfy risk distribution requirements using the Humana structure and are also unlikely to organically possess sufficient third-party risk to insure. In these cases, there is still the possibility that an outside reinsurance pool can be used to provide the necessary third-party risk to meet risk distribution requirements.

The process involves the captive reinsuring risk with a reinsurance pool in exchange for the assumption of diversified risk from the pool, which would include risk of all associated members. The participating captives must be comfortable assuming the risk of other, unrelated entities. Marsh currently has access to such a pool for use by our small captive clients and is prepared to discuss with interested prospects.

CHALLENGES

Small captive benefits are maximized by insuring high severity/low frequency risks. That is, risks that on average experience low loss ratios. The reason for insuring such risks centers around the potential tax benefit experienced in years of underwriting gains. The 831(b) election and corresponding coverages written need to be considered carefully during the construction process as what seems like a potential tax benefit could ultimately be a tax detriment. When the captive experiences an underwriting loss, the loss cannot be used to offset an investment gain, nor can it be carried forward to another tax year.

Coverages that are priced at loss ratios close to 100% are perhaps best insured without taking the 831(b) election.

SUMMARY

Midsize companies like the small captive concept. As the education process continues and an increasing number of firms investigate the creation of a captive, the captive industry has once again adapted to the marketplace. With a sharpened focus on the small captive market and resources dedicated to supporting small captives, Marsh is ready to assist our clients and prospects in determining whether a small captive is the right choice for their risk management needs.

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LOCAL DOMICILE CHANGES/FORMATION

INSURANCE LINKED SECURITIES CONVERGENCE CONFERENCE HELD IN BERMUDA IN NOVEMBER

The Insurance Linked Securities (ILS) Convergence Conference took place in Bermuda, November 13-14.

Bermuda is the world's leading jurisdiction for reinsurance, capital markets, and insurance-linked securities. With ILS listings on the Bermuda Stock Exchange worth over US\$8 billion, the island provides unrivalled access to the industry's leaders, traders, and innovators.

The conference included hundreds of leading industry professionals, who gathered to talk about innovations and aspects of insurance-linked securities. The keynote speaker for this year's event was Steve Wozniak, co-founder of Apple and the inventor of the world's first personal computer.

Since Bermuda introduced its Special Purpose Insurer (SPI) legislation in 2009, ILS has become a huge market in Bermuda with SPI vehicles one of the key innovations. Since this legislation was introduced, Bermuda has incorporated 79 SPI vehicles. Marsh is among the top three managers of these vehicles.

GUERNSEY

The Guernsey Financial Services Commission has issued a consultation document on "evolving insurance regulation." This covers topics such as:

- Risk-based solvency.
- Corporate governance.
- Public disclosure.

The document is intended to continue compliance with International Association of Insurance Supervisors' "Insurance Core Principles." Marsh Guernsey will be working closely with all clients to effectively and efficiently implement the proposed changes. Consultation is open until mid-December 2013, with the intention that draft legislation will be published in 2014 and will go into effect January 1, 2015.

SOUTH CAROLINA

On October 14, 2013, the South Carolina Department of Insurance announced that it named William “Jay” Branum as director of captives. The position was recently created, and he began his official duties on November 1, 2013.

Mr. Branum most recently held the position of managing director of Munich-American Risk Partners in London. As an attorney, he has also held various other senior positions in the insurance industry in the US and Bermuda.

VERMONT

On October 10, 2013, Governor Peter Shumlin announced that the Department of Financial Regulation (DFR) had licensed Vermont’s 1,000th captive insurance company, Cassatt Insurance Group, according to the state of Vermont’s website.

Cassatt is a group of nine independent, non-profit hospitals in southeastern Pennsylvania that share risk in providing medical liability coverage for 1,200 physicians.

Cassatt President and CEO Eric W. Dethlefs said Vermont was an easy choice. “We know how important it is to be in an environment that has an established track record with proven experience,” he said, “so when we compared experience, governmental support and its long-standing tradition of quality regulation, we knew Vermont was the place to be.”

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CAPTIVE AND INSURANCE INDUSTRY UPDATES

CAPTIVES AND THE CONSTRUCTION INDUSTRY: BUILDING ON SOLID GROUND

The construction industry ranked sixth worldwide in the use of captives, according to Marsh’s 2013 Captive Benchmarking Report.

Whether a firm involved in construction should consider setting up a wholly owned captive depends on several factors, including the role it plays in the construction process — large general contractor, smaller general contractor, subcontractor, or owner/developer, its size, and its overall approach to risk management.

GENERAL CONTRACTORS

For general contractors (GC), a wholly owned captive serves as a tool to bear not only the retained corporate risk, but also the risk of subcontractors under master programs. Typically, a commercial admitted licensed insurer “fronts” the policy on a first dollar basis and then reinsures the designated layer to the contractor’s captive.

Benefits to contractors from this approach include:

1. Providing a first-dollar policy to provide a fixed premium for reimbursement purposes in an efficient manner with an owner, while also providing a means for the GC to retain risk on the back end.
2. Providing the contractor with control in setting the premium rates at a desired level to ensure solvency of the captive and any potential volatility in claims.
3. Recognizing underwriting profit associated with insuring the subcontractor risk — assuming the GC controls claim costs and institutes effective loss control measures — rather than a commercial insurer capturing such profit from insuring each subcontractor separately.

In addition to the above, the general contractor may be able to achieve certain tax benefits for funding retained corporate risk, including an accelerated tax deduction when the reserve is established versus when the claim is paid (suited well to casualty or long-term liability risk).

SMALLER GENERAL CONTRACTORS AND SUBCONTRACTORS

The value derived for smaller contractors and subcontractors (generally those with less than US\$1 billion in revenue) from using a captive focuses more on the traditional benefits that a captive can afford an organization regardless of its industry.

Benefits include:

- A vehicle for privately held companies to transfer wealth to the next generation in the form of underwriting profits from the captive (whereby the heirs serve as owners), versus transferring wealth in the form of a gift subject to estate tax.
- Formal evidence of insurance coverage from a regulated insurance entity for reimbursement purposes to support bid figures when needed.
- Ability to potentially build up underwriting profits in the captive on a tax-exempt basis, as long as annual premiums do not exceed US\$1.2 million. This provides greater tax savings when funding more profitable risks (when comparing premium to losses), such as retentions for property or subcontractor risk.
- The means to access the government-sponsored terrorism reinsurance pool (TRIA and later TRIPRA) for catastrophic insurance protection for terrorism risk at no cost to the captive owner.

OWNERS AND DEVELOPERS

For owners looking to sponsor master wrap up programs for workers' compensation and general liability risk associated with a project, the first decision they face involves the appropriate deductible they will assume. The next question is whether there is an advantage to funding the deductible layer in a captive versus retaining it on the owner's books.

There are two primary drivers for funding the deductible layer of an owner-controlled wrap up in a captive:

- The ability to recognize (for federal income tax purposes) an accelerated tax deduction when the loss reserve is established versus when the loss is paid (if retained by the contractor) for the owner's portion of the risk.
- The risk of the contractors, assumed and funded through the captive, may constitute unrelated risk and thus support the existence of risk distribution, which is needed to treat the captive as an insurance company for US federal tax purposes.

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COMMITMENT TO CAPTIVES

As the use of captives continues to evolve, so does our team. We have made the following personnel additions to expand our offerings to clients and prospective captive owners:



Derek Martisus has rejoined Marsh as our small captive sales leader and is part of the Marsh & McLennan Agency (MMA). In his new role, Derek will be working closely with Captive Solutions business development colleagues with a focus on developing a network of MMA colleagues and serving as the onsite Captive Solutions resource to MMA. From 2004 to 2010, he was a senior member of Marsh's actuarial group. As he was then, Derek will be based in our Burlington, Vermont office.



Robert Geraghty has assumed the role of business development leader for Marsh (IAS) Management Services (Bermuda) Ltd. He joined Bermuda from the Captive Advisory team in London, where he was a senior consultant. Prior to joining Marsh, Robert worked in captive management with another broker, mainly in Ireland as well as Gibraltar. In his new role, Robert will lead business development activities for Bermuda, driving growth in new business and expanding current operations.

CONTENT/CONFERENCES

- January 29-31, 2014 **World Captive Forum, Aventura, Florida**
Arthur Koritzinsky, Marsh's Captive Advisory leader for North America, will be moderating a session at the 2014 conference. Maria Escobar, our leader for Marsh Latin America, Captive Solutions, will also be a presenter.
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- February 18-19, 2014 **Texas Captive Insurance Association (TCIA) Conference, Austin, Texas**
Ellyn Casazza, Marsh's Captive Advisory leader for the South region, will be attending the first annual conference for the TCIA.
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- February 24-25, 2014 **Bloomberg BNA Captive Insurance Tax Summit, Las Vegas, Nevada**
At the two-day conference, Arthur Koritzinsky will provide a comprehensive update on the legal, tax, and financial aspects of the captive insurance industry today.
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- February 24-25, 2014 **Captive Live UK, Royal College of Surgeons, London**
The format of this conference has been changed to invitation-only. To apply to attend, please use [this link](#). Once again Marsh will be hosting a booth at the Captive Live UK Conference. Marsh's industry experts presenting at this year's conference will include Lorraine Stack and John Davies.
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- March 9-11, 2014 **CICA International, Scottsdale, Arizona**
Marsh's Captive Solutions Group is excited to host a booth at CICA's 2013 conference. Our speakers this year will include Ellen Charnley, national growth leader for Captive Solutions, covering newer and emerging captive coverages to consider, Rae Brown, Marsh Management Service Arizona, discussing how to survive financial audits, and Dawne Davenport, actuarial consultant and Scot Sterenberg, office head for Hawaii, who will both explore ensuring captive capital adequacy.
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- April 24-25, 2014 **American Conference Institute's National Forum on Captive Insurance, New York, New York**
Arthur Koritzinsky will present at the conference.
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- April 27-30, 2014 **RIMS, Denver Colorado**
Several members of the Captive Solutions team will be at RIMS to answer your captive questions. In addition, we will be releasing our "2014 Captive Benchmarking Report" during the conference.
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For further information, please contact your local Marsh office or visit our web site at: www.marshcaptivesolutions.com

Marsh is one of the Marsh & McLennan Companies, together with Guy Carpenter, Mercer, and Oliver Wyman.

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