

# MARSH CAPTIVE SOLUTIONS: BARBADOS

The Marsh Captive Solutions' Barbados office was established in 1986. Barbados offers well-developed infrastructure with all major captive managers represented, offers leading banking, legal, and other services, and has a highly skilled workforce. The island is easily accessible on frequently scheduled flights from Miami, New York, Toronto, and London. Barbados is one hour ahead of Eastern Standard time.

## TAXATION

If the Company is licensed under the Exempt Insurance Act, no income tax, capital gains tax, withholding tax, or other direct tax is levied in Barbados. Barbados will guarantee these exemptions for a period of 15 years from the date of the company's incorporation. Thereafter, a tax rate of 8% will be applied on the first US\$125,000 of taxable income only. The current license fee of \$10,000 is not payable when the 8% is payable.

In addition to its treaty with the United States, Barbados has a network of tax treaties with many countries including Canada, Denmark, Norway, Switzerland, and the United Kingdom.

## REGULATORY AGENCY

The Financial Services Commission.

## SERVICES AND CAPABILITY

- Captive feasibility study.
- Captive management.
- Actuarial.
- Regulatory and compliance consulting.
- Risk consulting.

## CAPITALIZATION & SOLVENCY REQUIREMENTS

<b>Capitalization</b>	Minimum Paid-In Capital (Cash or Letter of Credit) US\$125,000
<b>Solvency Margin for General Business</b>	During the first year, assets must exceed liabilities (solvency margin) by at least \$125,000. After the first year, the company must maintain a solvency margin such that it is at least equal to: a) 20% of premium income for the preceding financial year for the premium income up to US\$5 million, plus b) 10% of premium income for the preceding financial year for premium income in excess of US\$5 million.
<b>Solvency Margin for Long-Term (Life) Business</b>	Assets must exceed liabilities.

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