



British Virgin Islands - Fact Sheet 2010

Government

The British Virgin Islands (BVI) is a British Crown Colony with self-government.

Legal

It has English common law supplemented with local statutes.

Taxation

There is no income tax.

Currency

There is no exchange control, and the BVI uses US\$.

Transport

BVI has no direct flights to USA or Europe. Most travellers fly via Puerto Rico or St Thomas in the US Virgin Islands. BVI is GMT + 5 hours.

Accommodation

BVI has boutique type accommodation with intentionally no international hotel chains.

Professionals

BVI doesn't do much international banking, but concentrates on funds, trust, insurance and incorporation work. BVI is home to over 800,000 international companies.

Captive Insurance Industry

BVI is one of the largest offshore domiciles with 279 captives at 31st Dec 2009.

Many of the captives in BVI are US-owned property & casualty companies. Many of the captive owners are involved with construction (21%), with Finance/insurance (18%), Real Estate (16%) and Healthcare (16%).

Regulatory environment

BVI's insurance activities are subject to the Insurance Act 2008 and the Insurance Regulations 2009. Both are regulated by the Financial Services Commission (FSC).

Licences

BVI has four separate classes or classifications for its captives ranging from domestic only to open market reinsurance business.

Insurance manager

The captive must appoint a BVI resident and licensed Insurance Manager to maintain its books and records.

Auditors

Every licensed insurer must appoint an independent, approved auditor to report annually on the financial statements of the insurer. In BVI these do not need to be based in BVI.

Directors

In BVI there is no requirement to appoint local directors nor to have local board meetings.

Licensing process

Applications for an insurance licence are made on the approved form and take approximately 4-6 weeks to process.

BVI - Minimum capital requirements

Insurance Companies	USD 100,000 for general business USD 200,000 for long term business USD 300,000 for general and long term combined
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Solvency margins - BVI

These are based on 5:1 of premium to surplus or 20% of premium up to \$5m, and 10% thereafter.

Captive costs

BVI	
Registrar of Companies	
	BVI
	US\$
Incorporation & annual fees	1,100
	Authorized > 50,000 share
Insurance Licence Fees	
	FSC
Captive	3,500
Segregated Portfolio Company	7,500
Application fee	1,000
	* the 1st year's annual fee is paid upon application, which is returned if the application is turned down.
Example 1 - Captive with authorised capital of \$1m.	
	BVI
	US\$
Annual fees	
Annual Government fees	1,100
Annual insurance licence fee	3,500
Total	4,600
Example 1 - Segregated Portfolio Company	
	BVI
	US\$
Annual fees	
Annual Government fees	1,100
Special SPC fee	0
Annual insurance licence fee	7,500
Total	8,600

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