



News release

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PwC: High level of interest in Bermuda captive formations

- ***This year's Bermuda Captive Conference 'one of best attended ever'***

Hamilton, Bermuda – The 2014 Bermuda Captive Conference was one of the best attended ever and this bodes well for the future of the island's world-leading captive insurance industry, according to PwC Bermuda's captive and tax team.

"There was a heightened interest in captive formations from new attendees and a number of questions from existing owners on how to optimise the use of their captives," said **David Gibbons, director of the captive insurance group at PwC Bermuda.**

Mr Gibbons added: "Many of the issues that were discussed were framed as problems to be worked through together rather than impediments to doing business, and the collaborative spirit of the Bermuda business environment was clearly evident."

PwC Bermuda tax leader Richard Irvine said the session on FATCA (the Foreign Account Tax Compliance Act), in which he was a panellist, was extremely well attended. He noted that FATCA becomes effective beginning next month, on July 1, 2014, and will be phased in over two and a half years, ending in 2017.

"The implications of FATCA for captives was of high interest to attendees," Mr Irvine said. "Overall, there was a high level of interest in the Bermuda captive market."

Mr Gibbons said the top issues that PwC professionals engaged with attendees on included:

- Bermuda's readiness for Latin American business including multilingual professionals and understanding of the regulatory environment in those countries
- Corporate Governance and the importance of the Board of Directors actively reviewing the performance of the captive and of its outsourced service providers
- The impact on captives of FATCA, preparing for and implementing FATCA compliance, and the impact of the Neal Bill
- Alternative ways to utilise existing captive structures such as new types of insurance (cyber risk, employee benefits) or insuring higher layers.
- What is the best investment composition and mix of portfolio in a low interest rate environment

"The types and uses of captives are growing increasingly innovative and sophisticated," Mr Gibbons said, adding, "Latin American captives are a significant part of new captive growth in Bermuda. In response to the increased interest from the region PwC Bermuda has produced a guide to its captive services in Spanish. We also have members of our dedicated captive team who are fluent in Spanish."

PwC Bermuda was a sponsor of this week's 2014 Bermuda Captive Conference which organisers say drew a total of **865** registered attendees.



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