

Malta

68

TOTAL RE/INSURANCE
UNDERTAKINGS

8

CAPTIVES

14

PROTECTED CELL
COMPANIES

77

CELLS

*Stats are from the end of year reporting in 2022

- ✓ Recognised as an established, versatile, and highly attractive onshore domicile for captive and cell solutions
- ✓ Go-to destination for companies seeking efficient EU risk coverage
- ✓ The only EU member state with Protected Cell Company (PCC) legislation
- ✓ EU/EEA passporting rights
- ✓ EU/OECD approved financial services framework
- ✓ Solid legal foundation, robust regulation, & approached & efficient regulator
- ✓ Cost-effective solutions for a wide variety of insurance structures
- ✓ SRS Malta flexible offerings: Captives - Cells - Fronting Solutions

Regulation

Regulator: Malta Financial Services Authority (MFSA)

Applicable Regime: Solvency II

Minimum Capital Requirement:

- 2.7 Million EUR for an authorized undertaking carrying on direct general business, including a captive insurance undertaking, except in the case where all or some of the risks included in one of the classes 10-15 are covered, in which case it shall be no less than 4 Million EUR.
- 4 Million EUR for an authorized undertaking carrying on direct long term business, including a captive insurance undertaking.
- 3.9 Million EUR for an authorized undertaking carrying on business restricted to reinsurance, except in the case of a captive reinsurance undertaking in which case the MCR shall be no less than 1.3 Million EUR.

Reporting Frequency: Quarterly

Intercompany Loans: Possible subject to prior regulatory approval, meeting of SII Prudent Person Principles and post-loan solvency adequacy

Licensing

Process: Presentation of Submission of Intent to the MFSA followed by submission of formal Licence

Authorisation Application which includes amongst other the Business Plan, Financial Projections, Solvency Capital Requirement (SCR) and Personal/Corporate Questionnaires.

Timeframe*: Re/Insurance Companies and PCCs: 6 months reduced to 3 months in respect to the individual protected cells

Captives: 3 months

**From the date of submission of complete application to the Authority.*

KYC Ownership/Control Thresholds:

Qualifying Shareholder: 10% or more of share capital or voting rights

Beneficial Owner: 25% plus of share capital or voting rights

Governance

Requirements for:

FTE Captives: No (Unless commercial re/insurer)

FTE Cells: No

Local Director Captives: Yes

ABOUT SRS

SRS is the world's largest independent insurance company manager. With over 25 years' experience, SRS provides management and consulting services to a wide range of insurance company structures, from single parent captives to complex commercial insurers and reinsurers. SRS has operations in the United States, Europe, Barbados, Bermuda, Canada, Cayman Islands, and South Africa.

Local Director Cells: No

Independent Director Captives: Yes

Independent Director Cells: No

Outsourcing: Permitted subject to governance and substance rules

Tax

Corporate Tax Rate: 35%

Effective Tax Rate: 5% (upon dividend distribution and application of 6/7th tax refund)

Set-Up and Annual Costs*

Captives & Cells: Competitive for domiciles with Solvency II regimes. Final costs dependant on various factors such as overall business plan, number of lines of business, countries of risk and outsourcing requirements. Cell costs are reduced due to cost-burden sharing possibility within PCC structure. Contact us for cost indications.



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