

MARSH CAPTIVE SOLUTIONS: SWEDEN

Marsh Management Services Sweden, part of Marsh Captive Solutions, is one of the leading captive managers in Sweden. Established in 2007, Marsh provides clients with full services for captive management, insurance and accounting, regulatory compliance, and consulting. Captive owners in Sweden come from many different industries, and range from public entity and government-owned to companies listed on major global stock exchanges.

GENERAL INFORMATION

Location	Sweden is part of Scandinavia and is one of the largest countries in Europe at approximately 174 thousand square miles in size. It has a population of more than 10 million.
Accessibility	Frequent flights from all major European cities are available, as well as direct flights from all major US cities to the airports in Stockholm-Arlanda, Gothenburg, and Malmo-Sturup.
Applicable Legislation	Insurance Business Law 2010:2043. Regulation of Insurance Business 1982: 790. Insurance Contract Law 1927: 77.
Regulatory Agency	Finansinspektionen - Swedish Financial Supervisory Authority (FSA).

REGULATORY ISSUES

Acceptable Insurance Subsidiaries	Most common form of ownership structure is a Single Parent. Captives with more than one owner are accepted and need no special permission.
Acceptable Corporate Forms	Most common form is a limited company. Other legally accepted form is a mutual.
Permitted Business	A captive can write non-life on a direct or reinsurance basis. No restrictions of portion between direct and reinsurance. Life insurance can be written on reinsurance base in a non-life captive. Swedish legislation does not differ between a captive and a traditional insurer.
Direct Insurance Permitted	Yes.
Reinsurance Permitted	Related parent risks and unrelated risks.
Policy Form and Rate Approval	Not required.
Local Office Requirement	Swedish FSA must be able to perform its supervision over the captive. Administration can be conducted partly from outside Sweden. The specific structure should be presented to and approved by FSA on a case-to-case basis.

Head of Office

David Galea

Office Address

Marsh AB
Klara Norra Kyrkogata 29
SE-111 22 Stockholm Sweden

T: +46.8.412.4224

F: +46.8.412.4340

MARSH CAPTIVE SOLUTIONS: SWEDEN *CONTINUED*

CAPITALIZATION & SOLVENCY REQUIREMENTS

Capitalization	According to EU/Solvency II rules.
Solvency	According to EU/Solvency II rules.
Premium Taxes	Premium taxes apply as per local regulations where the risk is located
Investment Restrictions	According to prudency principles. Re-loan of capital (including equity) in excess of technical reserves to parent group allowed without any special approval.
Equalisation Reserver	A non-life captive can utilise an equalisation reserve (safety reserve). Allocations are set off based upon the risk profile in the captive. Methods of calculating maximum allocations are fairly non-complicated.
Taxation	Corporate Tax 22%, applicable on profits after allocation to Equalisation Reserve. No capital tax. No stamp duty.
Reporting Requirements	Quarterly and annual reports to the FSA. Annual tax returns. Annual auditors report.
Registration and Incorporation Costs	Marsh implementation fee: EUR 15,000. FSA fee: EUR 30,000. Company Registre: EUR 1,000.