



THE INSURANCE COMMISSION  
OF THE BAHAMAS

**Roles and Responsibilities of the Captive/Insurance Manager**  
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**1. The Insurance Manager**

An insurance manager is a corporate entity incorporated under the laws of The Bahamas and licensed by the Insurance Commission under section 33 of The External Insurance Act. An insurance manager provides or holds itself out as providing insurance management services to one or more persons.

An insurance manager often acts as the resident representative for captive insurance companies (see Roles and Responsibilities of a Resident Representative).

**2. Roles and Responsibilities of the Insurance Manager**

The following is not an exhaustive list but reflects the roles and responsibilities typically performed by the insurance manager.

- i. The manager prepares or assists with the license application including:
  - Initial vetting of new clients and carrying out appropriate due diligence.
  - Incorporation of the proposed company
  - Preparation or assistance in the preparation of the feasibility study and business plan of the company.
  - Meeting with the regulator
- ii. The manager provides market knowledge and expertise to the captive and experienced professional staff and other related services.
- iii. The manager is responsible for carrying out most of the day-to-day transactions of the captive.
- iv. The manager is required to report deviations from business plans, prudential, statutory and other legal requirements on an immediate basis. Including, but not limited to the following:
  - The captive is acting in a financially hazardous manner or in a manner that would expose it to risk of becoming insolvent;
  - The captive is not complying with the provisions of the Act and Regulations or any other legislation
  - The captive defaulted on the payment of any of its liabilities other than

- in connection with a good faith dispute
  - The captive is experiencing a state of affairs that might be prejudicial to the interests of policyholders or creditors
  - The captive is involved as defendant in criminal proceedings in any country or jurisdiction
  - The captive has ceased to carry on the business for which it is licensed,
- v. Managers maintain separate client bank accounts, ensure fund separation and maintain other assets separately for each of the companies that they manage. The Manager is also to maintain separate books and records for each captive.
- vi. The manager is also responsible for preparation and maintenance of accounting records and working with the captive's auditor to produce audited financial statements. Additionally, the manager is to liaise with the regulator to ensure all regulatory filings are made on a timely basis.
- vii. The manager also is responsible for monitoring investments of corporate funds.
- viii. The manager must prepare for and coordinate regular Board meetings.
- ix. The Manager may also coordinate with other service providers including but not limited to actuaries, reinsurers, attorneys, auditors, Investment managers, etc.