



CAYMAN ISLANDS MONETARY AUTHORITY

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CAYMAN REMAINS A MAJOR DRAW FOR CAPTIVES

GRAND CAYMAN (October 27, 2004) –Cayman’s financial industry, in particular the captive insurance sector, continues to experience robust business activity. Six weeks following the passing of Hurricane Ivan, the Cayman Islands Monetary Authority (the “Authority”) has approved licenses for nine captive insurance companies, and issued an insurance managers licence to Strategic Risk Solutions (Cayman) Limited.

Strategic Risk Solutions President Brady Young said that Cayman was an important domicile from which to provide captive management and alternative risk solutions. “There is a strong demand among current and prospective captive owners to domicile their companies in Cayman. As a captive manager it is important for us to be present in this domicile. We look forward to working with the Cayman Islands Monetary Authority and playing an active role in the local captive community,” Mr. Young remarked.

The growing interest in the Cayman Islands as a preferred domicile for captive insurance business was further demonstrated at the American Society for Healthcare Risk Management’s 2004 Annual Conference & Exhibition (ASHRM), held earlier this month in Orlando, Florida. The Authority’s Managing Director Cindy Scotland and Head of Insurance Supervision Mary-Lou Gallegos headed the Cayman Islands contingent of approximately 25 persons, including members of the Insurance Managers Association of Cayman (“IMAC”). While there, the Authority met with existing and prospective licensees who were unable to travel to Cayman due to the hurricane.

Mrs. Gallegos remarked at the overwhelming show of support from conference attendees, some of which are Cayman Islands licensees. “The number of new prospects interviewed at this conference who expressed an interest in forming captives in Cayman, despite the devastation caused by the hurricane, is encouraging,” she said. “Furthermore, it speaks volumes of the insurance managers’ commitment to continue to bring business to the Islands, and in general, the sustained confidence in the jurisdiction,” Mrs. Gallegos added.

Cayman's presence at ASHRM also provided an opportune occasion to promote the 2004 Cayman Captive Forum, which has been confirmed to take place in Grand Cayman December 7-9 as planned. Following on the success of the 2003 forum, which attracted more than 400 attendees, conference organisers, the IMAC, in conjunction with the Cayman Islands Government and the Cayman Islands Chamber of Commerce, expect a similar number of participants this year. In addition, due to increased demand, the number of exhibitors at this year's forum is predicted to exceed that of 2003's 19 exhibitors.

The current rate of registration and licensing across all sectors reflects the vibrancy of Cayman's financial industry prior to the hurricane. Post-Ivan, the Authority has processed more than 120 mutual fund registrations, and has granted approval for three securities investment business licences, two companies management licenses, one trust company, and a banking entity.

In spite of the fast recovery of the financial industry, Mrs. Scotland expressed that securing accommodation on-island to facilitate the return of the remainder of financial services personnel operating from overseas continues to be a priority for the industry, and the country as a whole. She commented, "This has been a extremely difficult aspect of the recovery process, and the Authority has been working closely with the industry and the Government to facilitate their speedy return to the Island." Mrs. Scotland further added, "The patience and understanding displayed by all during this period is remarkable and greatly appreciated."

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Notes to Editors:

Strategic Risk Solutions (SRS)

Founded in 1993, Strategic Risk Solutions (SRS) is an independently owned company dedicated to the provision of captive management and alternative risk solutions. SRS is headquartered in Boston with subsidiary companies in Bermuda, Vermont, Arizona, Florida and South Carolina. The SRS management team has experience in accounting, risk management, underwriting, investment and commercial banking, insurance brokering, consulting and e-commerce. SRS currently manages over 50 captives in total, being both single owner and group captives programs in the domiciles referenced above.

American Society for Healthcare Risk Management (ASHRM)

Established in 1980, the American Society for Healthcare Risk Management is a personal membership group of the American Hospital Association with more than 4,400 members representing health care, insurance, law and other related professions. ASHRM promotes effective and innovative risk management strategies and professional leadership through education, recognition, advocacy, publications, networking and interactions with leading health care organizations and government agencies. ASHRM initiatives focus on developing and implementing safe and effective patient care practices, the preservation of financial resources and the maintenance of safe working environments.