



Banking Solutions for Insurance and Reinsurance Structures

FundBank offers a full suite of banking and custody solutions for insurance and reinsurance structures. Our clients benefit from the robust relationships that we maintain with key service providers within the financial industry. Our highly experienced team with extensive experience within the insurance and reinsurance space, together with our depth of resources and global reach, allow us to provide a best-in-class services to our clients.

While traditionally known as a leading captive jurisdiction, the Cayman Islands has seen a shift in recent years, with a significant portion of licenses issued by the Cayman Islands Monetary Authority (“CIMA”) going to commercial or affiliate reinsurers. This trend is driven by various factors, including the emergence of private equity groups, traditional reinsurance, and Insurtech companies choosing Cayman for side cars and reinsurance platforms. Notably, larger players in the life and annuity space, have demonstrated confidence in the jurisdiction by relocating or establishing operations there.

With its political stability, robust judicial system, tax neutrality, proximity and connectivity to the U.S. and a modern and reliable communications infrastructure, the Cayman Islands provides an ideal operating base for the growing number of insurance and reinsurance structures.

For those requiring on-the-ground presence, Cayman provides attractive lifestyle options, including long-term work permits and property ownership for expatriates. Additionally, CIMA's efficient approval process, typically completed within 6 to 8 weeks, offers commercial certainty for groups with transaction deadlines.

Cayman's stability in financial, political, and economic spheres, along with its stance on global minimum tax, further enhances its appeal as a premier jurisdiction for establishing reinsurance structures and the wider insurance market.

An aerial photograph of a coastal town, likely in the Cayman Islands. The foreground shows deep blue ocean water transitioning into a vibrant turquoise reef flat. A rocky shoreline separates the water from a densely populated area with numerous houses, palm trees, and lush greenery. In the background, the ocean extends to a distant horizon under a bright blue sky filled with scattered white clouds. The text "Why the Cayman Islands?" is overlaid in white, bold font across the middle of the image.

Why the Cayman Islands?

Recent growth

CIMA's recent release of regulatory policies for licensing Class D reinsurers suggests continued growth in this sector. The choice of jurisdiction for a new reinsurer depends on several factors, including client goals, investor interests, and regulatory requirements. Cayman offers advantages such as flexibility in capital and accounting models, as well as no initial presence requirement for certain license classes.

At the ReConnect reinsurance conference held in Grand Cayman in April 2024, the Cayman Islands was hailed as one of the fastest growing reinsurance domiciles in the world with this being mainly attributed to the quality of life available in these Islands together with the support from the Cayman regulators who will be able to assist companies, despite the technological advancements in the insurance industry driven by artificial intelligence.

FundBank insurance and reinsurance solutions

Our suite of insurance and reinsurance services are summarized below.

- Bank accounts

- Trading services

- Escrow services

- Corporate services

- Custody services

- Placement agent

- Paying agents

Bank accounts

Having the right bank account is crucial for supporting operations, meeting transaction deadlines and achieving goals.

Our operating structure as a trust bank allows us to process the cash flows of the insurance industry easily and safely.

Combined with our correspondent relationships with leading institutions such as The Bank of New York Mellon and State Street, FundBank is the go-to provider for the insurance industry. We can provide the following accounts:

- Custodial accounts
- Escrow accounts.

Escrow services

FundBank specializes in providing bespoke escrow arrangements across multiple jurisdictions in order to provide a cost-effective solution to secure your financial transaction.

FundBank is a trusted brand with cross-border capabilities and a dedicated team of globally-experienced professionals. The escrow asset is released in a straightforward manner upon fulfilment of the conditions of the underlying agreement and with a simplified documentation process, leading to reduced negotiation times and the minimizing of legal costs.

FundBank covers the following escrow transactions:

- Mergers and acquisitions
- Asset sales/divestments
- Acquisition financing
- Pending IPO
- Corporate restructuring
- Segregated collateral accounts
- Project finance
- Real estate sales and leaseback
- Royalty payments
- Patent or copyright licensing.

Custody solutions

FundBank provides comprehensive custody solutions to a range of clients from the asset management industry to the insurance and reinsurance sectors.

We partner exclusively with global, top tier financial institutions including State Street Global and The Bank of New York Mellon to offer clients “best in class” counterparty exposure.

With access to a wide range of major market services including the U.S. (DTC/FED), Euroclear/Clearstream and markets including U.S., Canada, United Kingdom, Japan and Hong Kong, our global reach allows clients to create a consolidated global custody solution.

- Global custody
- Settlement
- Safe keeping
- Income processing
- Cash Management
- Corporate actions
- Proxy voting
- Trade and portfolio reporting
- Custody fees charged monthly.

Paying agents

FundBank acts as a trusted intermediary between issuers and security holders, ensuring that strong governance is maintained throughout the income distribution process.

As a paying agent, FundBank handles the distribution of payments to security holders, including interest, dividends, and other income streams.

By using FundBank as the paying agent, issuers can rely on our expertise and experience to ensure that income distributions are carried out smoothly and efficiently.

Trading services

FundBank provides:

- Execution only trading desk
- Price analysis & trading strategies
- Exposure to FundBank's broker panel
(we are not a direct market participant, we use regulated brokers)
- Trading fee & commissions are charged on each transaction.

Placement agent services

Corporate services

Our professional Corporate Services Team based in the Cayman Islands offers highly-responsive, efficient and proactive fiduciary services to the insurance and reinsurance industry. We provide our clients with guidance, direction and unparalleled support for their global corporate services requirements. Our corporate services include:

- Entity incorporation
- Maintenance of corporate records
- Beneficial ownership reporting
- Economic substance notification and filing of returns
- Annual return filings.

To find out more about FundBank's insurance and reinsurance structure solutions, please contact us below.

Contact us



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