



**MEETING OF THE COMMITTEE OF GIIA
HELD AT Heritage Hall, Le Marchant Street, St Peter Port, Guernsey on
Wednesday 15 July 2015**

Minutes & Action Points

- 1.1 Present:**
Peter Child – Chairman (PC)
Mike Johns – Deputy Chairman (MJ)
Ian Drillot – Treasurer (ID)
Paul Sykes (PS)
Clive James (CJ)
Vanessa Pipe (VP)
Steve Hogg (SH)
Francis Kehoe (FK)
Mark Elliott (ME)
Jamie Polson (JP)
Lorraine Allen – Permanent Secretary (LA)
Tony Corbin – PWC
Jon Lowe – PWC
Simon Tostevin – Guernsey Finance
- Apologies for absence:**
Derek Maddison – Company Secretary (DM)
Clair Le Poidevin (CLP)
Richard Bates (RB)

1.2 Minutes of Previous Meeting

The Minutes of the meeting held on 21 May 2015 were approved with one amendment to item 3.3 and signed by the Chairman as a true and fair copy.

2.0 Matters Arising

DM had volunteered to participate in the AML Handbook Working Group and a meeting was planned for 23 July.

3.0 Guernsey Finance Update
c/f to September meeting.

4.0 Fintech Update

PC welcomed Tony Corbin and Jon Lowe of PwC to the meeting. They presented the Fintech review which they had undertaken for C & E. TC said they had been looking at the digital revolution and what effects it will have on the Guernsey Insurance Industry. Paper copies of the slides were presented to the Committee. TC and JL said they would be happy to meet with anyone who wanted to cover their findings in more detail. PS asked whether they knew what progress Jersey had made re Fintech and TC replied that they were probably at the same stage as Guernsey. After the presentation and brief discussion, TC and JL left the meeting.

5.1 Market Development Committee

Two sets of minutes had been received from the Marketing Development Committee and were attached to the Agenda. PC asked if there were any comments. MJ asked what was the purpose behind the 2014 Survey Monkey and PS said it had been requested by Mark Helyar.

PC advised that he had met with PS and Dominic Wheatley re a potential

restructure of the MDC and its subcommittees to increase focus on the development areas that were most likely to benefit the island, and address a perception of a lack of transparency in the current structure. It was suggested that the MDC should be populated by all those that have specific interest in the most obvious development areas: ILS; reinsurance; pensions longevity etc as well as GF reps and other interested parties who were able to demonstrate that they would contribute positively to the forum. Subcommittees would then be set up specifically to deal with events. At the moment that would mean subcommittees for the Pensions Longevity event in October, the Guernsey event Feb/March 2016 and the ILS event in July 2016. PC proposed that he inherit over the Chair from PS. He noted that Dominic Wheatley had agreed that GF would provide some support in minuting the meetings. The committee approved the proposed amendments.

Action: PC to communicate with current & prospective members of the MDC and its subcommittees to discuss these changes PC

5.1.1 ILS Sub Committee

There were no comments with regard to the ILS Committee minutes.

5.1.2 Reinsurance Sub Committee

PC said that John Rowson (Kelvin Re) had agreed to look at US accreditation. MJ agreed to talk to Martin Best. Apart from that, things were moving along but there is work to do and PC said he would take this to the new MDC and would be looking to come up with a Reinsurance proposition within the next few months. PC asked whether Jupiter might be also be willing to support a Guernsey application to the NAIC. MJ asked him to provide further details.

Action: PC to send MJ an email with background.

PC

5.1.3 Conference Sub Committee

CJ had advised that a further sub-committee meeting was held with GF last month and he would do an update for all Managers outlining the proposal, sponsorship, headlines, location etc. within the next week. PC asked whether the Committee felt a theme was needed for the Conference. PS said there should be a focus on ILS and longevity. SH suggested it should be the 'Future of the Captive Insurance Industry'. CF is working on costing the event in London. PS said that AM Best would sponsor.

Action: CJ to circulate an update from the Conference Sub Committee.

CJ

5.2 Regulatory and Technical Committee Update

DR had provided an update which had been circulated with the agenda.

Beneficial Ownership

PC advised that the response to the Beneficial Ownership Consultation had now passed the deadline.

Diverted Profits Tax

PC had circulated one proposal from PwC and had been trying to catch up with Jo Huxtable of Deloitte for an alternative. He said Deloitte had provided Artex with a simple guidance note as to what effect DPT might have on the Captive Insurance in Guernsey. Jo had indicated that something similar might be made available to GIA Free of Charge. The PwC proposal was for a full suite of documents at a projected cost of GBP10k – GBP15k. It was agreed that the Deloitte option was more attractive at present. **Action: PC to contact JH to advance the Deloitte offering**

PC

PC advised that there had not been sufficient appetite for an MD Conference on this subject. MJ said this would be a good opportunity for GIA to lead on this issue and we should also consider approaching Commerce and Employment and HMRC to educate them on what captives are. MJ said he thought DPT posed a real threat to the Insurance industry. SH said that inevitably individual companies

will do their own research. Discussion took place re whether GIA should take this issue forward. FK said it was not relevant to the Life Insurance Industry, but would support the GIA engaging in further activity for the benefit of the captive sector. PC suggested linking up with GIFA to see what could be done in terms of joint lobbying of C&E and HMRC. MJ undertook to liaise with Paul Smith of GIFA with a view to advancing the lobbying effort. Action: PC to pass on Paul Smith's contact details to MJ, MJ to liaise with GIFA. PC/MJ

5.3 Education Committee

MJ said that David Hertzell would be happy to come to Guernsey and present on the new UK insurance law. MJ proposed that GIA should put on a Breakfast presentation at Les Cotils in November. Action: MJ to liaise with CLaP MJ/CLP

6. Communication with GFSC

A number of the committee had met with the GFSC re the proposed Hong Kong office. The GFSC had since decided not to go ahead with the Hong Kong office, but there is a potential for Guernsey Finance to set up an office to be staffed by a regulatory type of person and this could turn into a GF/GFSC initiative.

PC advised that the IAIS Captive Paper was out for consultation on the IAIS website. If anyone wanted to read and provide feedback on it, they should do so directly to the IAIS. PC understood that it had not changed significantly from the current version.

7. Treasurers Report

ID circulated his report to the meeting.

Action: ID to see if Barclays can offer a better interest rate.

ID

8. GIBA Update

Summary minutes of the GIBA meeting held on 9 June were included in the meeting pack. GIBA had met with the Housing Committee and reported that last year 461 license applications were received, of which 19 had been rejected. At the moment the number of licenses in place is below the limit allowed and Housing could therefore be supportive if a license is considered beneficial to the Island.

Guernsey Finance has asked if anyone knows of any potential candidates for the Guernsey Finance Chair position. Details of the post would be circulated by GF to industry shortly.

9. Finance Sector Forum (FSF) Update

PC said he had not been able to attend the last FSF meeting, but notes were attached to the Agenda. MJ asked whether GIBA would represent GIA at the meetings and PC said we should only attend where required.

10. Membership Communication

See 'External Communication'.

11. External Communication

LA advised that the new website was in progress and Tim Gaudion had provided a link to the (unfinished) new website, which was currently being updated.

PC and LA had met with Emma Gaudion who had agreed to come up with some ideas for a Membership newsletter, which she would compose from the minutes of the Committee Meetings. The cost for this would be in the region of £1000 per copy and it was agreed that LA should obtain some additional quotes before giving Emma the go ahead. PC had thought that there should be a newsletter following each Committee meeting, but after discussion it was decided that it

would be more feasible to aim for 4 newsletters per year. Action: LA to obtain some further quotes for the newsletter. If these benchmark quotes proved that EG's costs were in line with the market rate, then LA could proceed to trial EG with the production of the first newsletter

LA

12. Any Other Business

Action: PC had received an email re turnaround of staff at GFSC, which he PC would take up directly with the GFSC.

There being no further business, the meeting ended at 13.50.

The next meeting of the GLIA Committee will take place on Thursday 17 September 2015 at Heritage Hall at 12 noon.



Chairman

17/9/2015

Date