

Cell Companies

Vantage are a Jersey based insurance management company who are able to provide the benefits of cell companies for their captive insurance clients.

The use of a cell within a cell company can provide access to a self-insurance solution for entities for which it was previously uneconomic. Typically this solution may suit small and medium sized companies where there are cost efficiencies over a stand-alone captive.

Many entities may wish to manage their risk(s) in a proactive manner but do not have the size of premium spend, nor the capital, to establish their own individual captive insurance company. A cell may also benefit larger organisations who wish to benefit from the reduced administration and management time of owning a “pure” captive.

A cell company is a legal entity where each Insured’s business, ie; the assets and liabilities, are legally segregated from all other cells in the structure. The Core of the cell company holds the main share capital which can then be used to assist the minimum capital requirements of the insurance vehicles (the cells).

An Insured can then inject additional working capital of its own, usually by preference shares, allowing policyholders to maintain ownership of their cell.

There are two types of cell company, a Protected Cell Company (“PCC”) and an Incorporated Cell Company (“ICC”). Within a PCC the cells themselves do not have their own legal personality. It is the core and each respective cell which are regarded as distinct legal entities. An ICC differs from a PCC in that it creates incorporated cells which are separate companies with their own legal identity. They may hold assets, sue and be sued in their own name, and do anything that an ordinary Jersey company could do. ICC cells also have the ability to invest in or transact business with another cell within the same ICC. In addition ICC cells can provide opportunities for clients who want their own cell to have a rating.

Vantage cell company facilities

Vantage can establish and provide management services for a protected or incorporated cell company for clients, sponsors or third parties. Alternatively, we can offer the benefits of access to insurance cells without the commitment or expense of setting up their own core company through our own in-house facility - White Pearl (Jersey) ICC.

For more details on the benefits of self-insurance vehicles please refer to our **“Introduction to Captives”** paper.

