

AIG's Bermuda-based unit to offer captive insurance out-sourcing

By Kerry Pechter *Thu, Mar 13, 2014*

AIG Captive Management Services in Bermuda will manage the regulatory requirements, financial reporting, and administrative functions for all customers participating in Grand Isle SAC Ltd.

Citing "strong demand for alternative risk financing programs, particularly from small and medium-sized companies globally," American International Group, Inc. has launched Grand Isle SAC Limited, a Bermuda-domiciled subsidiary, according to an AIG release this week.

"Grand Isle will offer customers the option of establishing segregated accounts in an AIG-sponsored captive. Customers gain access to the captive's established capital, insurance license, and underwriting capabilities to retain and manage their risk, without the costs of starting and operating their own standalone captives," the release said.

A segregated accounts company is considered an option for a company looking to share risk in order to achieve cost savings and flexibility in its insurance program, AIG said. AIG Captive Management Services in Bermuda will manage the regulatory requirements, financial reporting, and administrative functions for all customers participating in Grand Isle.

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