

CORPORATE GOVERNANCE THE BERMUDA MODEL



REGISTRAR OF COMPANIES DEPARTMENT
MINISTRY OF ECONOMIC DEVELOPMENT
Bermuda Government

WHERE IN THE WORLD IS BERMUDA

- 650 miles off the US east coast
- Atlantic Standard Time

INTERNATIONAL FINANCE CENTRE

- Asset Management
- Funds/Trusts
- Shipping/Aviation
- High Networth Individuals

BLUE-CHIP REPUTATION

- European Solvency II Equivalency
- 106 treaty partnerships

MULTI-INDUSTRY EXPERTISE

- Wealth of world class talent

COLLABORATION

- Wealth of world class talent

LEGAL & POLITICAL STABILITY

- 400th Anniversary
- English Common Law

TAX-NEUTRAL

- Consumption-based, duty-tax system
- Designed to support its own infrastructure

BERMUDA DOESN'T QUALIFY AS A TAX HAVEN UNDER OECD DEFINITION

BERMUDA IS RECOGNISED AS A COOPERATIVE PARTNER BY THE INTERNATIONAL COMMUNITY

COMPLIANCE LEADER

- Transparency
- AML & ATF compliant

OECD BEPS, COUNTRY BY COUNTRY (CBC) & COMMON REPORTING STANDARD (CRS)

SOLVENCY II EQUIVALENCY

FATCA

- Model 2 IGA's

TOP-TIER, IFC

HUB FOR CORPORATE INNOVATION AND NATION OF FIRSTS

- First Captive Insurers
- First Offshore Jurisdiction to make the white list

SECURE INFRASTRUCTURE

CENTRAL BENEFICIAL OWNERSHIP REGISTER

- More than 70 years old

BERMUDA – RISK MANAGEMENT

- Captive Insurance Global Leader
- Commercial Insurance
- Reinsurance

BERMUDA CARRIERS:

- Contributed USD\$35 billion to US catastrophe losses (2001–12)
- Contribute 53% of California Earthquake Authority (CEA) reinsurance
- Paid \$22 billion to rebuild US Gulf and Florida coasts after 2004/05 hurricane seasons
- Paid nearly 30% of insured losses from Hurricanes Katrina, Rita and Wilma
- Paid 9% of US 9/11 claims
- Paid 25% of 2016 Fort McMurray, Alberta, Canada wildfires losses
- Paid 20% of December 2015 UK flood losses
- Covered 62% of UK's largest peacetime fire and explosion the Buncefield oil-terminal fires of 2005
- Covered 22% of estimated \$1billion market loss for 2009 Air France crash
- Paid 51% of reported liabilities from 2010 New Zealand earthquake
- Paid 37% of Chile's 2010 earthquake
- Covered 29% of liabilities for international reinsured share of 2011 Japanese earthquake
- Covered 50% of reported losses for 2012 *Costa Concordia* cruise liner sinking
- Support 25% of US medical liability insurance and reinsurance market

BERMUDA AND THE PANAMA PAPERS

- All IFC's are NOT the same
- Robust mature and proficient regulatory environment
- Solvency II equivalency
- NAIC designated qualified jurisdiction

BERMUDA MONETARY AUTHORITY

- Risk based Regulator
- Risk-based Framework
- Risk-based Supervisory Process
- Supervisory Tools

THE BERMUDA MODEL.... DOES IT WORK??

- Proven track record of robust Corporate Governance Framework and Infrastructure
- No Bank secrecy laws
- Demonstrated commitment to cooperation and compliance
- Track record of providing assistance to International Authorities