

FOR IMMEDIATE RELEASE

Bermuda promotes captive insurance to Canadian industry

Island delegation to tout jurisdiction as risk capital and potential e-commerce hub

Hamilton, Bermuda, April 27, 2015—A 15-strong delegation of Bermuda industry, government and regulator representatives will take part in a Canada roadshow next week, targeting top-level executives and touting the corporate benefits of setting up a captive insurance company in Bermuda.

Led by Bermuda's Economic Development Minister Dr. Grant Gibbons and organised by the BDA, the delegation will visit Toronto and Calgary May 5 and 6 to promote the Island's captive insurance industry—as well as its many advantages to Canadian retailers looking to expand into international markets via an e-tail strategy.

Bermuda has been of increasing interest to Canadian corporations following the July 2011 Canada-Bermuda Tax Information and Exchange Agreement (TIEA). The bilateral agreement puts Bermuda on equal tax footing with jurisdictions that hold tax treaties with Canada. The TIEA allows Bermuda subsidiaries of certain Canadian corporations with international operations to be eligible for Canadian tax benefits, including the tax-free repatriation of certain dividends to Canada.

“The TIEA between our countries makes it easy and beneficial for Canada and Bermuda to do business together,” said BDA CEO Ross Webber. “The BDA, with government, BMA, and our industry partners, is working to educate the Canadian market about the process and benefits of setting up a Bermuda structure as part of their overall international planning.

“We are anticipating that a growth in interest from Canada in establishing a Bermuda presence will result in manned physical operations—and jobs for Bermudians,” Webber added.

The first CFO Forum, to be held at Toronto's Trump International Hotel Tuesday, May 5, will feature opening remarks by Dr. Gibbons, the BDA's Webber, and Michael Horgan, a former deputy minister of finance for the Canadian government. Separate sessions following will address the benefits of establishing both captive insurance companies and e-commerce entities in Bermuda.

The captive session will explain what a captive insurer is, a captive's structure, key reasons to set up a captive, along with common risks insured, citing several actual case studies. Panels of industry speakers will include the BMA's Leslie Robinson; David Gibbons of PwC Bermuda; Oceana Yates, of R&Q Quest Management; Philip Cook of Omega Insurance Holdings; David

Downie of KPMG Canada; Claire Kennedy of law firm Bennett Jones; and David Platt of Encana Services Company.

The e-commerce sessions will explain how Canadian retailers who sell their goods and services online are able to utilise the advantages of the Canada-Bermuda TIEA in a new framework for reaching international customers. Industry experts for that sector will include Duncan Card and Claire Kennedy of Canadian law firm Bennett Jones; Chris Burns, CEO of First Atlantic Commerce; David Caldwell, CEO of Link Bermuda; and Steve Woodward, Managing Director of KPMG Bermuda.

“Bermuda's world-class IT infrastructure can be harnessed by Canadian retailers looking to target international customers,” said Stafford Lowe, a technology industry consultant for the BDA. “Bermuda’s advanced Internet connectivity offers retailers a strategic base from which to develop new markets via the power of e-commerce.”

The captive insurance company session will be repeated at Calgary’s The Bow building on May 6, hosted by Encana Corporation.

“There are other good jurisdictions, but none of them offer everything Bermuda does,” explained Philip Cook, CEO of Toronto-based Omega Insurance Holdings Inc., whose subsidiary Omega General Insurance Company is a Canadian insurer established in 2004. “Bermuda offers Canadian business the best opportunity for one-stop shopping if an alternative method of risk transfer or risk financing is desirable.”

Canadian law firm Bennett Jones, which recently opened a Bermuda office, is sponsoring and participating in both presentations.

“Bermuda’s reputation as an attractive jurisdiction for foreign investment is exceptional, and we are pleased to leverage our resources to encourage businesses and investors to contribute to Bermuda’s economy, whether for local or international business reasons,” said Duncan Card, Managing Principal of Bennett Jones (Bermuda).

“Many Canadian businesses already have a presence in Bermuda,” he noted. “We understand the important reasons why they are here, across various sectors, and we are pleased to assist the excellent efforts of the BDA by leveraging that legal and commercial knowledge to bring further investment from Canada to Bermuda.”

Interested corporations and industry representatives can also speak with BDA and other Bermuda delegates at the Canadian Captives & Corporate Insurance Strategies Summit in Toronto May 27–28.

For more information, go to www.bda.bm.

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The BDA encourages direct investment and helps companies start up, re-locate or expand their operations in our premier jurisdiction. An independent, public-private partnership, we connect prospective companies to industry professionals, regulatory officials, and key contacts in the Bermuda Government to facilitate domicile decisions and make doing business in Bermuda straightforward and beneficial.

For more information, visit bda.bm.