

**Jereme Ramsay, Business Development Manager, BDA  
Bermuda Insurance Management Association (BIMA) AGM  
Royal Bermuda Yacht Club (RBYC), Hamilton  
Thursday, April 5, 2017—3:30pm**

Good afternoon colleagues. First, I'd like to thank the BIMA Executive and your membership for this opportunity to talk about some of the work our BDA Team has been doing over the past year for Bermuda's captive industry.

There's a great quote attributed to American businessman and entrepreneur James Cash Penney, better known, as the name behind retail giant JC Penney. It rather neatly sums up what I'm talking about today. He said: "Growth is never by mere chance. It is the result of forces working together." That's exactly the dynamic at work in Bermuda these days—and, very specifically, in the captive insurance space. It's about cooperation, concerted efforts, and sharing resources—it's about wearing our jurisdictional hats.

When I took on the role of Business Development Manager for the BDA, Risk Solutions pillar in 2014, my goal was to create a long-term value for the captive sector. I wanted to help our world-class expertise reach new markets and prospects and reiterate our message to existing captive owners. The process of business development is all about identifying these interconnected networks, searching for opportunities and fostering fresh growth. For the BDA, success translates to higher GDP and new jobs—that's our mission.

Over the past two years, BDA and BIMA have capitalized on our market's impressive human capital to do just that. Notably, the BDA's captive industry groups have developed new-media methods to reach an increasingly sophisticated and tech-savvy, global audience to get our industry's message out far beyond the island—and bring new business back.

Since 2015, we have rolled out several dynamic digital marketing projects with the help of our industry stakeholders. These have included eight webinars and a set of two webcast series (14 in total) detailing the strengths of Bermuda's captive insurance market. These projects have helped target new audiences and keep existing prospects engaged online.

Recently, we decided to take it a step further and leverage these efforts for a whole new group of stakeholders: insurance associates across our local legal and accounting firms. We hope the various expert interviews featuring our own local talent will provide a refresher to stakeholders and encourage them to pass them on to onshore counterparts to help drive interest and develop new captive business.

Our team has already met with several of the Big Four and major laws firms to discuss this new initiative. We encouraged them to share the content with colleagues to help promote Bermuda's robust insurance and reinsurance market, and discuss the level of risk innovation offered on the island. Our goal is to fully leverage

Bermuda’s intellectual capital to generate new interest from untapped markets across the US, Canada and throughout Latin America.

The captive webinars and webcasts can be found in our website’s Media Centre—please take a look if you haven’t already seen them, and feel free to share via your social media channels. There’s more content on our website too—useful facts and figures can be accessed free-of charge to share with your prospects. Later this year, we also hope to develop more content for the UK/European market.

On the road, the Risk Solutions business development team has been active in a series of captive insurance roadshows to targeted markets in the US and Latin America. And next month we’ll take our Team Bermuda back to Canada, this time to Toronto and, for the first time, to Vancouver. Overall, it’s an impressive, 11-week initiative on the road—during which we’re teaming up to educate financial executives and family-office advisors about the risk-management benefits of Bermuda’s captive insurance market.

We’ve already hosted four breakfast-style forums, and one networking session, in Chicago and Boston in the US, in Santiago, Chile, and in Lima, Peru. This condensed plan has been strategically scheduled to occur prior to America’s Cup to attract more prospects and industry partners to the island during that time. The roadshows are also a great lead-up to our annual Bermuda Captive Conference, being held this year in September due to the busy summer regatta months.

Our roadshows to Chicago and Boston proved very successful. Working alongside industry partners, including many of you, we reached more than 120 prospects and service providers. We raised awareness about what captives are, how they’re best used, and promoted Bermuda generally. Boston and Chicago were highly-targeted business-development trips; they entailed two forums, three mini-broker forums, two business development meetings, and a healthcare reception—all within three days!

Our legwork in the region significantly enhances the chances of new growth in this sector—translating into new business leads and opportunities for many of you. We sent out a post-event survey to those who attended and got back 25 responses (that’s 17-percent feedback). They generally agreed, the forums were beneficial and they planned to apply what they learned to their respective risk-management programmes. Feasibility, fronting and tax were all trending key areas of focus across the audience of risk managers and financial executives who responded.

Our key findings, following the roadshow, showed a far greater interest from middle-market entities looking to adopt a self-insurance vehicle. Although several multinational entities were present, representing Fortune 500 to Fortune 1000 companies, there seems to be a growing captive interest from medium-sized corporations. These entities are the obvious opportunity for our captive industry partners.

During previous roadshows, we targeted tax professionals within the Big Four. Now, we've shifted focus a bit to engage audit and advisory teams that represent a variety of industries. In this way, they provide a gateway to start the conversation on captives, introducing Bermuda as the leading captive domicile.

We have also made a deliberate effort to secure meetings with representatives who sit outside of insurance. Auditors and advisory partners who manage relationships across retail, surety, real estate, construction, gas and oil, and other areas of financial services to keep Bermuda top of mind. Our intent is to inform and build new advocates for Bermuda's captive industry—people whose client-base could benefit from a captive solution. Providing tangible examples or case studies to these advisers is invaluable in helping us connect with this middle market that has lots of potential for our captive and reinsurance sectors.

With respect to the Latin American market, Bermuda has seen encouraging interest from both South and Central America, following new LatAm insurers out of Chile, Colombia and Mexico in 2016. While the trend is encouraging, we must continue to educate LatAm entrepreneurs about self-insurance as a risk-management tool and demonstrate the strength of our market in terms of experience, regulation and governance.

This proved an essential component during our visit to both Chile and Peru last week. The BDA led a delegation to Santiago (our third visit to the region) and our first-ever visit to Lima, Peru. The five day roadshow produced close to 90 attendees to our BDA Executive Forums. We also held 15 business-development meetings with prospects and service providers in both cities.

Overall, the turnout and level of engagement were pleasing in terms of quantity and quality of the risk professionals and business people in attendance. As risk management evolves in Latin America, many businesses are looking to their counterparts who have already established a captive to develop a strategic risk-management programme. At least one or two of the new Bermuda-based insurers have sparked interests for others throughout the region, and managers are working on those relationships to grow the Bermuda register. Hosting, the ALARYS Conference this past fall also raised Bermuda's profile, attracting a number of attendees to our forums and securing meeting with key service-providers. Thank you to Eduardo Fox and the whole ALARYS team in helping Bermuda to achieve that.

Amid these coordinated roadshows, we're also preparing for RIMS 2017—without breaking a sweat.

The annual event will be held later this month: April 23–26 in Philadelphia. We've garnered participation from industry partners for booth duty and for our speed-networking meetings, but require more people to assist. We'd welcome an hour or two from you—if you can help, please see me afterwards for more details.

During my tenure at the BDA, we launched the agency's first big push into Canada. It happened in 2015 and we saw some new formations on the back of that. Since then, we have returned to Toronto and Calgary to gauge further interest and we've developed a number of quality leads. The uphill challenge now is to convert

those prospects into actual captive formations. The gestation period typically for the Canadian market can take between 18 and 24 months to persuade a prospect to form a captive.

The particular challenge facing us in Canada is to overcome the industry trend, to follow a well-worn path to Barbados. There appears to be a false belief that the Barbados tax treaty is more robust than Bermuda's TIEA with Canada. So, we need to continue to reiterate our message to make inroads into the Canadian market and keep on building Bermuda advocates across service providers there. We plan to do just that when we return next month.

One participating manager on a previous Canadian roadshow said "he believes the key is, strategically continue to promote Bermuda and be seen in Canada more frequently, to keep that momentum going. He emphasized that we need to convert forum attendees into one-on-one meetings, and guide prospects to appropriate service providers—be it brokers, captive managers, lawyers OR audit consultants.

In other areas, the BDA has worked closely with brokers and carriers this past year to highlight Bermuda's innovative expertise in the fast-changing areas of healthcare and cyber risk coverage.

Bermuda's re/insurance industry hosted an inaugural healthcare conference last month—a big success—from all accounts. The two-day Bermuda Healthcare Forum, held at Rosewood Tucker's Point, managed to attract about 140 delegates, with 80% coming from overseas—despite a wicked snowstorm, Stella, that occur in the northeast of the US that week. Organisers said many came to the island a few days early, found alternative flight routes, or arrived a little late just to make sure they got here. Post-conference meetings were planned over subsequent days by many attendees. The majority were clients from North America, including insurance buyers and brokers for major hospital systems, long-term care facilities, physicians' groups and health benefits and services providers. The event will likely return in 2018, and I encourage all of our captive managers to get involved in this initiative while it's still brand new.

In July 2017, we'll be conducting outreach in Asia to highlight Bermuda's risk industry. We're planning to host an Executive Forum on Bermuda Risk Solutions, including Captive Insurance, Insurance & Reinsurance and the island's Convergence industry. The forum will coincide with the Artemis Asia event, which will take place in Singapore on July 13. The event attracts 400 delegates including investment bankers, risk professionals and financial executives. This is the BDA's first step to highlight Bermuda's captive industry in Asia. Further details will be shared at our upcoming captive focus group meeting on April 19. All are welcome to attend.

So, we've accomplished a lot together! We've collaborated and joined forces to fly the flag and shout Bermuda's captive industry message across a host of regions with huge potential. By doing that, we've made that critical first connection. The appetite is there, and now it's up to managers and key service providers, like all of you, to return to these regions to help bring home the business.

Let's not forget, we're building on a fantastic legacy here. A legacy that's more than a half-century in the making. After more than five decades, Bermuda is confirmed as the world's captive insurance leader, with 776 active captive licences on the BMA register as of December 31st, 2016. That's despite international reductions in captive numbers globally.

That's a legacy we can all get behind.

We need to help protect Bermuda's position and reputation in this sector—and we can do that by continuing our good work together.

The BDA is here to support the work you do, to help grow your business and your client base, and also to help you navigate any challenges along the way.

One thing for sure, I believe JC Penny would wholeheartedly approve of the great synergy in play between the BDA and BIMA, and what we're jointly achieving for our captive market.

Thanks for all the support we've received from you. We remain committed to working closely with the BIMA membership, so that we can all see this industry reach even, greater heights.

Thank you.