

**Sean Moran, Head of Business Development, BDA
World Alternative Investment Summit (WAIS) Bermuda
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Thanks—it's a pleasure to speak to you all this morning.

First, I want to extend a very warm welcome to everyone. Whether this is your first visit, or a return engagement, thank you for making the journey here. Tony made sure we ordered up some especially perfect weather for you, so hope you get to spend some time enjoying the island while you're here.

Let me tell you a bit about the Bermuda Business Development Agency, or "the BDA" as we're known locally. We're an independent, not-for-profit corporation funded by both government and the private sector. We work to encourage direct investment, and we help new companies set up in Bermuda and existing companies to build their businesses, so they can create jobs and grow our island's economy.

We've helped companies establish across a wide range of industries—new investment managers, fund administrators, international law firms, new trust structures and family offices, new captive insurance companies.

And from a broad selection of geographies...many from the US and Canada, but we've also had companies expanding into Bermuda from Ireland and Qatar and Singapore, among other places. There have also been companies redomiciling from other centres to Bermuda for a variety of reason, which I will talk about shortly.

So, it's an exciting time for Bermuda—we've got a fresh vitality and momentum that is attracting interest across industries. Some of that new energy is thanks to the America's Cup, which Bermuda successfully hosted this past summer. It focused global attention on us and gave us internationally televised coverage that money really can't buy. It brought a whole new audience of well-heeled investors and high-net-worth visitors here, too—not only to discover our island's beauty and lifestyle, but all the unique business opportunities it can offer, too.

AC35 may have been the catalyst for some of this new momentum, but in the asset management sector, in particular, we've been evolving in a dynamic direction for a number of years now.

It started in earnest in 2013, when our agency partnered with local fund industry players, our regulator and the government, to consult with alternative investment experts in New York and Chicago to determine how Bermuda could be more competitive and attractive for fund launches, fund managers and supporting companies. Then we took concrete action via legislative changes to get there. For example, we updated the Investment Funds Act, creating cost-effective new fund categories more in sync with today's regulatory realities. Last year, we updated our partnership laws and added LLCs to our product offerings, underscoring the agility and responsiveness of this market.

Fast forward to today, and Bermuda's asset-management sector has strengthened by attracting companies like law firms Walkers and Harneys, global fund

administrator Centaur Fund Services, and others. Notably, leading investment houses such as Blackstone, Pioneer, Schroders and Lazard have all launched Bermuda-domiciled funds in the past year.

Other industries are experiencing growth as well. Our trust & private-client market is attracting new clients, from all over the world—with increasing interest from Latin America and Asia—and demand for Bermuda-based family office services has never been greater. Our aircraft and shipping registries have long been well-regarded and now they're extending their roster of private jets and superyachts.

Other, newer industries are now choosing Bermuda as their home. Technology start-ups, biomed companies, e-commerce entities, and companies looking for a “nearshore” option are attracted by the same advantages that have helped our more traditional industries flourish.

Intellectual property (or IP) is a good example. More companies are discovering the value of licensing intangible assets like IP in our tax-efficient jurisdiction. In many cases, there are added benefits from the tax information exchange agreements we have in place with many other nations, so the advantages multiply—allowing for revenue preservation with full transparency.

Good examples of this include film companies, software, media, or proprietary technology developed by biotech or life sciences companies...here, a domicile like Bermuda makes long-term fiscal sense.

So, it's no hyperbole to say there's never been a better time to be in Bermuda. And, by extension, there's never been a better moment to invest here, to launch a start-up or a new service, to leverage Bermuda's strengths to grow your own portfolio and assets.

We were in New York earlier this year for a live media event the BDA co-hosted with Bloomberg at Bloomberg headquarters. It was an initiative targeting senior US business leaders to raise awareness about the island. We had over 150 potential investors and Mike Bloomberg himself on hand. Some of you may know he's a 20-year Bermuda resident who welcomed us and turned the spotlight on our island's substantial global economic value. He said: *"The island plays a special role in the global economy; it helps to fuel growth and support jobs through trade and investments, so we have stake in Bermuda's growth."* He even tweeted about us.

Bloomberg News co-founder and Editor-in-Chief Emeritus Matt Winkler had some interesting insights that day. He noted there are 25 Russell 3000 Index members domiciled in Bermuda today—with a total market capitalisation of \$91 billion. Ten years ago, only eight firms based in Bermuda made that list, with a total value of \$29 billion.

The market cap of Bermuda-domiciled companies grew 3.2 times during the past decade, while the value of the Index increased just 1.5 times. The companies now on the list have also evolved to reflect a more diversified economy, with healthcare, life-sciences, asset management, technology and other businesses.

Winkler pointed out that foreign acquirers invested over \$9.5 billion, a record amount of money (at least in the past 12 years), for assets in Bermuda in 2016 alone.

So, the value of Bermuda is going up—it's at an all-time high. This is good news for the island, good news for investors, and very good news for our agency.

The BDA works hard to support existing companies here, as well as go after new business. And we also play a significant advocacy role for Bermuda overseas, protecting and enhancing Bermuda's reputation as a blue-chip international financial centre. Our message to investors is that Bermuda is different. Where else do you find such a one-stop-shop environment—a place that's home to asset managers of all shapes and sizes, an experienced network of quality service providers, wealthy investors and their family offices, shipping companies, and of course major insurance and reinsurance corporations?

The business that gets done every day on this island is tangible, beneficial and helps drive world economies. A study done by economist Charles Ludolph a few years ago found our business model supports close to a half-million jobs globally, creating and supporting employment not only on our own island, but also in our onshore trading partners.

So, why Bermuda? I know the boxers here will appreciate this: what allows us to punch above our weight (economically speaking)?

Location, for starters. Most of you experienced the straightforward journey here from North America. Less than two hours from New York, about two-and-a-half hours from Toronto, daily direct flights to London. We're neatly between market time zones.

Our infrastructure is an advantage. Bermuda has a secure, modern, world-class physical and technological set-up, with excellent telecommunications, fibreoptic broadband redundancy, and a fully-electronic stock exchange.

Innovation—that's a biggie. This jurisdiction is an incubator of new ideas, a hub of entrepreneurial energy. We've attracted the lion's share of the insurance-linked securities (or ILS) market. We count over 22-billion dollars' worth listed on the BSX, more than three-quarters of the world's total. And now, distributed ledgers like blockchain, and other new technologies set to disrupt the status quo are making Bermuda their centre of excellence.

Our regulator, the Bermuda Monetary Authority (BMA), is world-respected for instilling a culture of transparency, compliance and cooperation here. As the Minister mentioned, we currently have more than 100 treaty partnerships with nations around the world. We've signed Model 2 intergovernmental agreements with the US and UK under FATCA. We've adopted OECD standards for BEPS compliance. The automatic exchange of financial account information has taken effect via our new systems for the Common Reporting Standard (CRS) and

Country-by-Country (CbC) reporting. The quality of our regulator can be credited with all these achievements.

As well as satisfying global compliance criteria, our agility has another big advantage: it translates into speed-to-market for Bermuda-based companies. It gives them a substantial competitive edge, and I know that matters to you.

We stake our reputation on the people in this market, too. Bermuda is a magnet for world-class talent across industry sectors. The Big Four accounting firms, auditors, financial advisers, lawyers, IT specialists, actuaries, underwriters, brokers, fund administrators, directors, trustees, fiduciaries and corporate secretaries—you'll find them all on the ground here. That's something many people onshore do not realise. But during your visit, you can see for yourselves. So, people are our greatest selling point.

This is the type of quality that makes Bermuda such an attractive and safe harbour in turbulent times.

Amid all the geopolitical uncertainty triggered by Brexit and the US Trump Administration, Bermuda offers a reliable, well-regulated, secure, and reputable home-base amid the disruption. Bermuda provides you with the assurance that your assets and business interests are being managed with due care and protection.

Last, but not least the Bermuda lifestyle is, of course, another major drawing card.

After a day at the office, you can be enjoying an evening swim or a cruise...maybe a dark 'n' stormy right here...in less than a half-hour. It's why Bermuda has drawn folks like John Lennon, David Bowie and Bloomberg and of course Michael Douglas and Catherine Zeta-Jones. Mark Twain visited Bermuda eight times and loved it so much, he is renowned for saying, "You go to heaven if you want to—I'd rather stay right here."

We hope you feel the same way. Come back—for business or pleasure. And when you do, get in touch with the BDA. Our team can work alongside you, make introductions to government, connect you with industry, with the regulator and realtors.

We stand prepared to help you start up, re-locate, or expand your business in this jurisdiction, just as we're doing for many new companies that are choosing Bermuda for all the right reasons.

Until then, we'll consider you our honorary "ambassadors." Please help tell our story.

So, enjoy your visit this week. See what Bermuda's all about. And know that our island is always ready to welcome you back.

Thank you.