

43 VICTORIA STREET  
HAMILTON 12  
BERMUDA

PHONE: (441) 295-5278  
FAX: (441) 292-7471  
EMAIL: [enquiries@bma.bm](mailto:enquiries@bma.bm)



## PRESS RELEASE

**For Release: 21<sup>st</sup> February 2011**

### **BERMUDA INSURANCE MARKET RETAINS RESILIENCE IN ANOTHER CHALLENGING YEAR**

#### **Latest statistics show market continues to write significant levels of business, captive sector growth in gross premiums written**

The Bermuda Monetary Authority reported today that the Bermuda insurance market continued to record impressive results despite another challenging year.

Bermuda insurers recorded an increase in aggregate total assets to \$496 billion, as compared to the \$472.9 billion achieved the previous year. Despite the prolonged soft market and global economic recession impacting overall results for the industry to some extent, total gross premiums written remained strong at \$119.7 billion, as compared to the previous year's total of \$123.5 billion. The captive sector wrote \$32.6 billion in gross premiums, a year-on-year increase of 66% over the \$19.6 billion recorded for the prior year. This increase can be attributed primarily to significantly higher premiums being written by particular entities in the sector, as well as the Authority reclassifying a number of companies within the market to more accurately reflect their risk-profiles.

Jeremy Cox, CEO of the Authority said, "2010 was a challenging year for the global financial sector with continued economic turmoil and uncertainty experienced around the world. Notwithstanding these conditions, the Bermuda insurance market maintained its resilience, still achieving significant results both in underwriting premiums and total assets. Our commercial sector especially remains strong. In addition, the volume of gross premiums written by our captive sector demonstrates Bermuda's sustained leadership among captive domiciles."

"As well as recording this substantial performance, at the end of 2010 Bermuda had a total of 845 captives," added Shelby Weldon, Director, Insurance, Licensing and Authorisations at the Authority. "The difference between the 885 total captives recorded in 2009 can be attributed to the Authority's reclassification of firms as well as the routine cycle of deregistrations and amalgamations common to global insurance markets."

Mr. Weldon also noted that the jurisdiction recorded a comparable level of new company registrations in 2010. "A total of 35 new (re)insurers were registered during the period. In 2009, 37 were approved for a licence and registration," he said. "Most of the new market entrants for 2010 were a combination of captive and commercial insurers within the Class 3, 3A and 3B sectors. The companies covered various lines of business, including property and catastrophe and professional liability. There were also



43 VICTORIA STREET  
HAMILTON 12  
BERMUDA

PHONE: (441) 295-5278  
FAX: (441) 292-7471  
EMAIL: [enquiries@bma.bm](mailto:enquiries@bma.bm)

## PRESS RELEASE

encouraging signs of growth in the formation of Special Purpose Insurers. The greatest proportion of business came from the US during the year, with respect to both the captive and commercial markets.”

Mr. Cox added, “It is gratifying to see that Bermuda remains a significant force in the global insurance market. These latest figures attest to the market’s ability to maintain its strong performance despite prevailing economic conditions. In addition, they show that the underpinnings of the jurisdiction’s success, such as disciplined underwriting by firms coupled with a high-quality regulatory environment, continue to support Bermuda’s position as a leading domicile for insurance and reinsurance business.”

**- End -**

**Attachment:**

Market Statistics by Class of Insurer 2009.

**Note to Editors:**

Underwriting results are compiled from Statutory Financial Returns filed by (re)insurers with the Authority. Due to staggered timing of submissions, receipt of year-end filings for 2010 is in process. At this time, total year-end results are available for 2009.

**Contact:**

**Pat Phillip-Bassett**

**Deputy Director**

**Corporate Governance and Communications**

**Direct line: 278-0263**

**E-mail: [pbassett@bma.bm](mailto:pbassett@bma.bm)**

43 VICTORIA STREET  
HAMILTON 12  
BERMUDA

PHONE: (441) 295-5278  
FAX: (441) 292-7471  
EMAIL: [enquiries@bma.bm](mailto:enquiries@bma.bm)



## PRESS RELEASE

### Attachment: Market Statistics by Class of Insurer For the Year ended 31<sup>st</sup> December, 2009

Class of Insurer	Number Of Co's	Gross Premiums	Net Premiums	Assets	Capital & Surplus
Class 1	251	\$3,573,067,089	\$2,737,413,699	\$15,339,834,792	\$9,564,034,433
Class 2	278	\$8,425,967,532	\$6,677,300,577	\$41,191,867,998	\$17,971,398,098
Class 3	277	\$21,884,997,258	\$19,637,894,541	\$91,805,013,053	\$28,852,298,522
Class 3A	132	\$14,816,428,129	\$13,369,922,092	\$56,398,671,855	\$21,393,119,850
Class 3B	16	\$14,983,008,919	\$11,528,027,699	\$36,449,598,068	\$15,922,038,035
Class 4	33	\$31,668,826,899	\$27,914,410,194	\$146,306,470,515	\$71,669,576,230
Long-Term	73	\$24,405,020,790	\$24,405,020,790	\$108,550,454,226	\$16,702,724,273
SPI*	1	\$0	\$0	\$9,440,071	\$366,427
<b>Totals:</b>	<b>1061</b>	<b>\$119,757,316,616</b>	<b>\$106,269,989,592</b>	<b>\$496,051,350,578</b>	<b>\$182,075,555,868</b>

\* Newly registered in 2009