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PRESS RELEASE

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Cancellation of Registration - Phoenix CRetro Reinsurance Company Limited

HAMILTON, BERMUDA – The Bermuda Monetary Authority (Authority) has cancelled the insurance registration of **Phoenix CRetro Reinsurance Company Limited** (Company), a Special Purpose Insurer (SPI), for breaches of the Insurance Act 1978 (Insurance Act). Exercising its powers to cancel the registration of the Company pursuant to the provisions of sections 41(1)(b)(ii), (iv) and (v) of the Insurance Act, the Authority is satisfied that the Company was in breach of the Insurance Act in four key areas: has not conducted any business within two years of its registration; had not paid annual fees due; had not filed Statutory Financial Statements for the years ended 31 December 2013 to 2019 inclusive; had not filed Statutory Financial Returns for the years ended 31 December 2013 to 2019 inclusive.

The Authority is taking this action to safeguard the interests of potential clients of the Company. It viewed the above breaches as serious because of their nature and extent, and because they demonstrated systemic weaknesses of the Company's internal controls in all regards. The breaches outlined above came to light after the Authority received a complaint about the Company's business practices and conduct. Based upon the findings of its investigation, the Authority no longer had confidence in the Company's ability to manage its affairs to the benefit of its potential clients or satisfy the Minimum Criteria as detailed in Schedule 1 of the Act. The cancellation of the Company's registration highlights the importance of the Authority's role in protecting the reputation of the jurisdiction and protecting the interests of clients of the Authority's regulated entities.

Once the enforcement action was initiated, the statutory process was followed, culminating in a ten-day appeal period which expired on 26 August 2020. The decision was not appealed.

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