



16 October 2020

NOTICE
Enforcement Actions

CAPITAL MANAGEMENT OF BERMUDA, LTD

HAMILTON, BERMUDA - Bermuda Monetary Authority (Authority or BMA) has successfully petitioned the Supreme Court of Bermuda to wind up Capital Management of Bermuda, Ltd (CMB) pursuant to section 35 of the Insurance Act 1978 (Insurance Act) and the provisions of the Companies Act 1981. CMB was registered as a Class C insurer on 15 September 2011 by the Authority.

Pursuant to the winding-up order of the Supreme Court of Bermuda dated 28 August 2020, Rachelle Frisby and John N Johnston of Deloitte Ltd. Corner House, 20 Parliament Street, Hamilton Bermuda were appointed as the joint provisional liquidators of the CMB.

The Authority deemed it appropriate to petition to the Supreme Court to wind up CMB for several breaches of the Insurance Act:

- (i) Section 15– Failure to prepare accounts in respect of its insurance business (Statutory Financial Statements) from 2015 – 2019.
- (ii) Section 15A – Failure to deliver a declaration to the Authority attesting that the insurer has complied with the requirements of that section for the years 2016 - 2019.
- (iii) Section 16 - Failure to appoint an auditor to audit its Statutory Financial Statements.
- (iv) Section 17 - Failure to file a copy of its Statutory Financial Statements with the Authority from 2015 – 2019.

The Authority viewed the above breaches as serious because of their extent and duration, and no longer had confidence in the CMB's ability to manage its affairs. The Authority's actions highlight the importance of its role in protecting the reputation of the jurisdiction and protecting the interests of policyholders. If anyone has any immediate questions related to the CMB or the liquidation going forward, please contact Rachelle Frisby at rachelle.frisby@deloitte.com or Susan Davis-Crockwell at sdcropwell@bma.bm

EXCELSIOR INSURANCE LTD

HAMILTON, BERMUDA - Bermuda Monetary Authority (Authority or BMA) has successfully petitioned the Supreme Court of Bermuda to wind up Excelsior Insurance Ltd (Excelsior) pursuant to section 35 of the Insurance Act 1978 (Insurance Act) and the provisions of the Companies Act 1981. Excelsior was registered as a Class 2 insurer on 9 September 2016, by the Authority.

Pursuant to the winding-up order of the Supreme Court of Bermuda dated 28 August 2020, Rachelle Frisby and John N Johnston of Deloitte Ltd. Corner House, 20 Parliament Street, Hamilton Bermuda were appointed as the joint provisional liquidators of Excelsior.

The Authority deemed it appropriate to petition to the Supreme Court to wind up Excelsior for several breaches of the Insurance Act:

- (i) Section 8(1A) – Failure to appoint and maintain a principal representative in Bermuda.
- (ii) Section 15 – Failure to prepare accounts in respect of its insurance business (Statutory Financial Statements) from 2017 – 2019.
- (iii) Section 15A – Failure to deliver a declaration to the Authority attesting that the insurer has complied with the requirements of that section for the years 2017 - 2019.

- (iv) Section 17 - Failure to file a copy of its Statutory Financial Statements with the Authority from 2016 – 2019.

The Authority viewed the above breaches as serious because of their extent and duration, and no longer had confidence in the Excelsior's ability to manage its affairs. The Authority's actions highlight the importance of its role in protecting the reputation of the jurisdiction and protecting the interests of policyholders. If anyone has any immediate questions related to the Excelsior or the liquidation going forward, please contact Rachelle Frisby at rachelle.frisby@deloitte.com or Susan Davis-Crockwell at sdcrockwell@bma.bm

NORTHSTAR FINANCIAL SERVICES (BERMUDA) LTD., PB LIFE AND ANNUITY CO.
LTD. AND OMNIA LTD

HAMILTON, BERMUDA - Bermuda Monetary Authority (Authority) issued proceedings in the Supreme Court of Bermuda, Companies (Winding Up), Commercial Court jurisdiction against Northstar Financial Services (Bermuda) Ltd., PB Life and Annuity Co. Ltd. and Omnia Ltd. (Collectively referred to herein as the "Companies").

By order of the Supreme Court dated 25 September 2020, and further to the Notice of appointment dated 1 October 2020, Rachelle Frisby and John N Johnston of Deloitte Ltd. Corner House, 20 Parliament Street, Hamilton, Bermuda were appointed as the joint provisional liquidators (JPLs) of the Companies.

All questions regarding the Companies should be addressed to the JPLs at the following email addresses:

- Northstar Financial Services (Bermuda) Ltd. - cbcbm nfs@deloitte.com
- PB Life and Annuity Co. Ltd. - cbcbmpbla@deloitte.com
- Omnia Ltd. - cbcbmomnia@deloitte.com