

Business  
Bermuda

# Bermuda: The Premier Jurisdiction

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Business Bermuda

# Welcome to Bermuda



- **Geographic Area:** 53 km<sup>2</sup>
- **Population:** 67,500
- **Employment:** 40,000 employed (59% of the total population)
- **GNP per capital:** US\$ 36,000 in 2000, US\$100,000+ in 2008

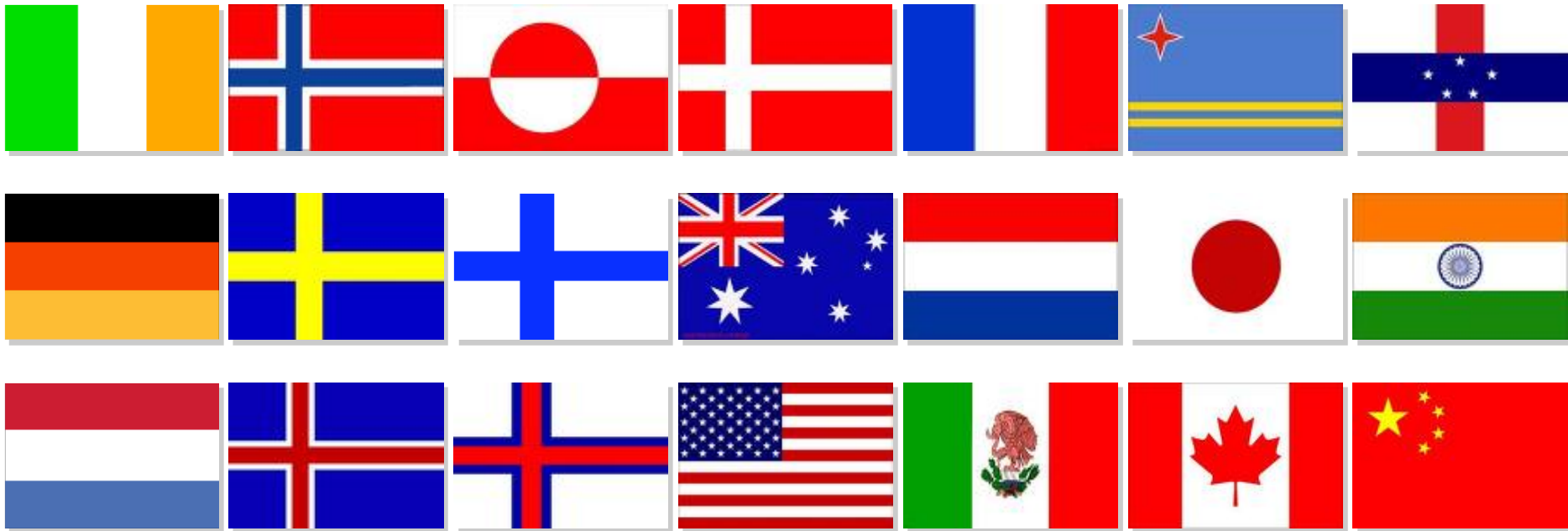
# Welcome to Bermuda

- **Economy:** Services 89%; Industry 10%; Agriculture 1%
- **Unemployment:** 4.5%
- **Inflation:** 3.0%
- **Money:** Bermuda Dollar (aligned with USD)
- **Legal System:** Based on British Law with right of appeal to the Privy Counsel in the UK



# Tax Agreements

**Bermuda has signed Tax Information Exchange Agreements with 21 countries:**



- **1240** licensed insurance entities, **\$473b** total aggregate assets and **\$123.6b** premiums written (2008 numbers)
- **40%** of US property & catastrophe insurance provided by Bermuda class 4 insurers
- **25%** of US medical malpractice cover
- **25%** cover to US reinsurance market
- **27%** cover to EU reinsurance market
- More than **250,000** US Farms in **40** states depended on Bermuda insurance products to hedge crop related risks



- **Banking and Financial Services**
- **Investment and Full Range of Funds**
- **E-Commerce**
- **Insurance and Reinsurance**

**75** percent of the **Fortune 500**  
companies are domiciled in  
**Bermuda**

More than **15,000** international companies  
are **registered** in **Bermuda**



# Bermuda Business Stats

- **1476** registered fund structures with NAV of over **\$183b**, **43** licensed fund administrators
- **4** licensed banks with over **\$22.3b** total aggregate assets
- Growing international shipping registration with **159** commercial vessel on the registry
- Growing international aircraft registration with over **500** aircraft on the registry
- BSX, nearly **700** listed entities with a total market capitalisation of approx. **\$355b**

- **Developed industry which is growing steadily.**
- **There are four banks:**
  - Butterfield Bank Ltd
  - HSBC
  - Bermuda Commercial Bank Ltd
  - Capital G Bank Ltd
- **The value of assets: \$ in excess of \$22 billion.**
- **The return on assets exceeds the 8% minimum rate required by the Basil Agreement on Capital Requirements**



## Purpose

1. To issue and redeem notes and coins
2. To supervise, regulate and inspect any financial institution which operates in and from within Bermuda
3. To promote the financial stability and soundness of financial institutions
4. To supervise, regulate or approve the issue of financial instruments by financial institutions or by residents
5. To assist with the detection and prevention of financial crime
6. To foster close relations between financial institutions themselves and between the financial institutions and the Government
7. To manage exchange control and regulate transactions in foreign currency or gold on behalf of the Government
8. To advise and assist the Government and public bodies on banking and other financial and monetary matters
9. To perform such functions as may be necessary to fulfill the said objects

# The Bermuda Stock Exchange

- Bermuda Stock Exchange has numerous recognitions and designations, including:
  - S.E.C, F.S.A., Australia, Ireland, UK Customs, and many others
- Provides services 24 hours through an electronic platform
- Rated Number 1 Offshore Exchange in the world and in the top 15 worldwide
- Largest Offshore Exchange
- Secondary Exchange for companies in the process of incorporating or to get onto other exchanges such as the NASDAQ



## Bermuda is:



- On the OECD's White List
- Vice Chair of the OECD's Global Forum Steering Committee
  - Premier, The Hon. Paula Cox, JP, MP

# Why Bermuda?

## Major Economic Assets:

- Average Annual growth 6.4%.
- Average annual inflation of 3.0%
- Unemployment is less than global averages at 4.5%
- Political and Economic Stability
  - AA+ Stable Global Credit Ratings (Fitch)
  - Per Capita GDP of US \$97,000

**Freedom of investment and circulation of capital  
(Freedom of transfer of profits)**

**Expertise and experience in the principal sectors of  
international business**



# Why Bermuda?

- Sound Judicial and Regulatory Regime
  - Dating back 400 years
  - Based on British Common Law and Statute
- State of the Art Infrastructure
- Environmentally sound
- Expertise
  - Leanly staffed centres of intellectual excellence
  - Highly skilled lawyers, actuaries, accountants, finance, and risk professionals

# Why Bermuda?

- Location
  - Proximity to Wall Street and London
  - Favorable Distance and Time-Zone
- Convenience
  - Major market
  - Focused / credible regulatory environment
  - Income tax considerations
  - High quality of life
  - No barriers to exit





# Well-Established Infrastructure and Connectivity



**Off-Island Bandwidth: 45 Gb/s to 1 Tb/s**  
**Infrastructure installed as of 2009**  
**Resilient cable infrastructure**  
**Multiple physical cable operators**

# On-Island Bandwidth

## Fiber Optic Providers (up to 1GB) -----

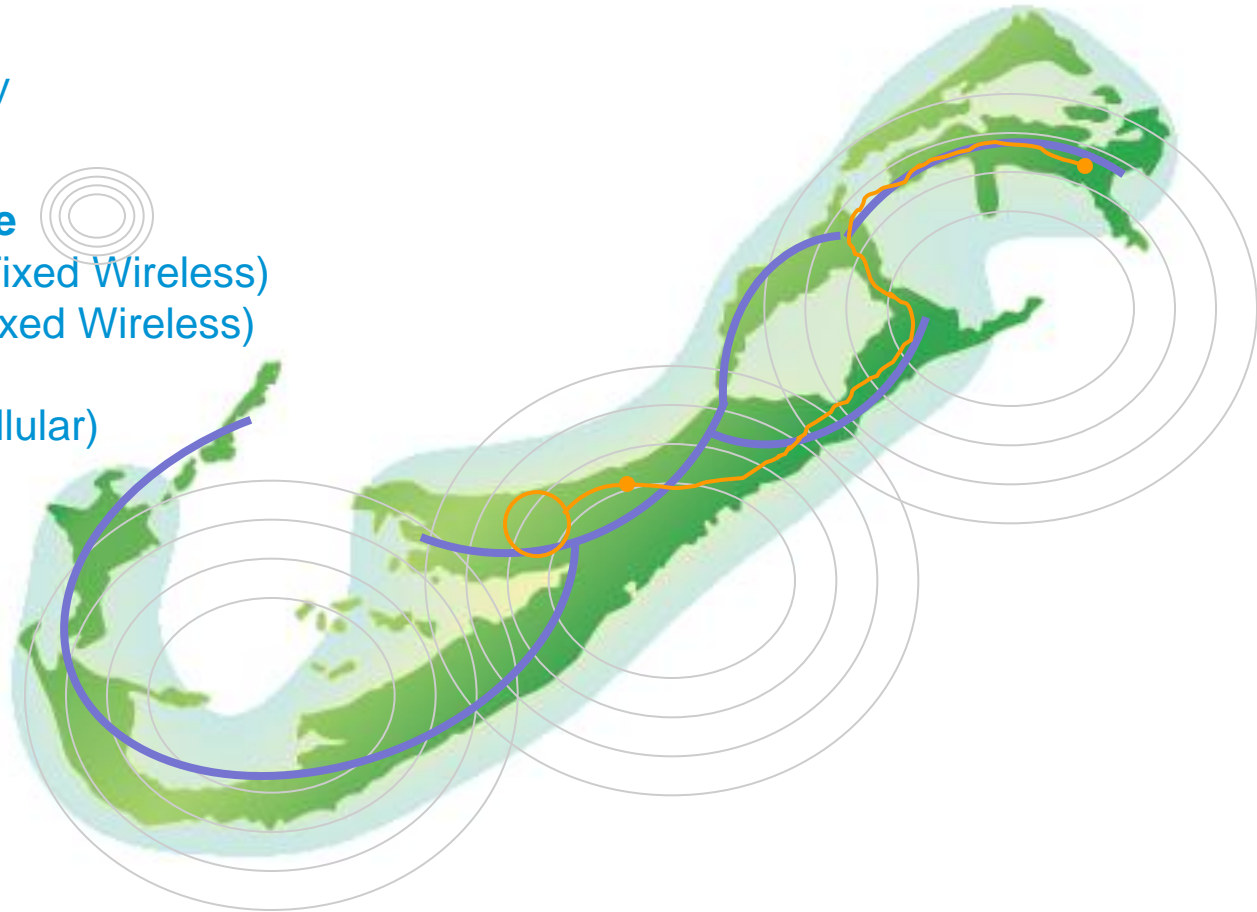
- Bermuda Telephone Company
- Quantum Communications

## Island Wide Backbone -----

- Bermuda Telephone Company
- Bermuda CableVision

## Island Wide Wireless Coverage

- Northrock Communications (Fixed Wireless)
- M3 Wireless (3G Cellular & Fixed Wireless)
- Digicel Bermuda (3G Cellular)
- CellularOne Bermuda (3G Cellular)



- **Internet Usage**
  - 78% of businesses have a website
    - 56% use “.bm” and 40% use “.com”
  - 25% of businesses use an online payment facility
- **Technology Usage**
  - 93% for Business to Business (B2B)
  - 78% for Business to Consumer (B2C)
  - 71% for Business to Government (B2G)
- **Security and Disaster Recovery/Business Continuity**
  - Firms with defined security policies
    - Large firms: 89%
    - Medium firms: 59%
    - Small firms: 46%
  - 85% of businesses have a DR/BCP Plan

## **Bermuda is Known and Respected as a World Competitor**

- The Bermuda Insurance market is second in the world after London with New York in third place based on the amount of premiums underwritten out of New York
- The Bermuda Insurance Market offers new solutions to resolve international insurance
- D & O
  - Excess Liability
  - Catastrophe

**Your Future is in  
Bermuda!**

**Thank You**