



FINANCIAL SERVICES REGULATORY COMMISSION

# NEWSLETTER

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## WHAT'S INSIDE?

- Introductory Note & Limitations
- Industry Overview
- Our Focus
- Highlights & Updates
- Insurers and Intermediaries Directory

### Introductory Note:

We are pleased to present to you the first issue of our Insurance Division Quarterly Newsletter. As promised during our 2019 sector meeting we intend to provide you with quarterly financial statistics based on the performance of the sector.

As at March 31, 2020, there were twenty (20) insurance companies and one (1) Association of Underwriters operating in Antigua and Barbuda. Of the twenty entities, one was under judicial management and one under liquidation. Insurance intermediaries comprised of three (3) insurance brokers, nine (9) insurance agents (1 unregistered), and 115 certificate holders of registration as insurance sales representatives. The information contained in this report has been extracted from the quarterly unaudited returns submitted to the Financial Services Regulatory Commission (the Commission) by these companies.



### Did you know.....

*That the International Accounting Standards Board (IASB) has issued a final version of the International Financial Reporting Standard Insurance Contracts Standard. - IFRS 17, replacing its predecessor IFRS 4 and will become effective for annual periods beginning on or after January 1, 2023. Please see Circular 2 of*

## Industry Overview:

The Insurance Industry asset base grew by 16% for Q1 2020 moving from \$534.23M (Q1 2019) to \$620.55M (Q1 2020). Of note is the growth in accounts receivable of 33% (\$20.01M) to \$77.83M at the end of Q1 2020 compared to the same period last year. A significant portion of total assets, 62% (\$384.22M) are held in income generating investments as at Q1 2020. Asset classes with the highest proportions were cash and deposits which account for 25% (\$151.12M), government securities 17% (\$105.36M) and investments in real estate 10% (\$63.47M) (See Table 1 and Figure 1).

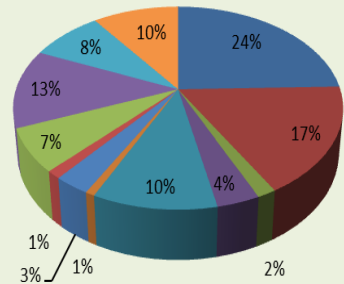
Total liabilities rose 18% for this quarter moving from \$303.95M (Q1 2019) to \$358.50M (Q1 2020). This was due mainly to a 190% (20.94M) upward movement in Other Liabilities mainly attributed to one insurer, which based on all indications is a one-off event.

Total capital and reserves grew by 14% (\$31.77M) in Q1 2020 when compared to Q1 2019, a change in direction from the previous Q1 2018 and Q1 2019 comparison, which saw a decrease of 22% (\$64.62M) (See Table 1). A further breakdown of capital and reserves showed that the results were main-

ly driven by changes to Head Office Account of \$38.14M (of which 62.14% or \$23.80M was from one insurer), an increase in reserves of \$28.21M offset by negative movement of \$29M in Retained Earnings between Q1 2019 and Q1 2020 and similarly concentrated in a single insurer. (See Figure 2)

Figure 1 Insurance Industry Total Assets Q1 2020

- Cash and Deposits
- Government Securities
- Company Bonds and Debentures
- Secured Loans
- Investments in Real Estate
- Investments in Related Parties
- Policy Loans
- Other Investments
- Re-insurers' share of insurance provisions
- Accounts Receivable
- Fixed Assets
- Other assets



### OUR FOCUS

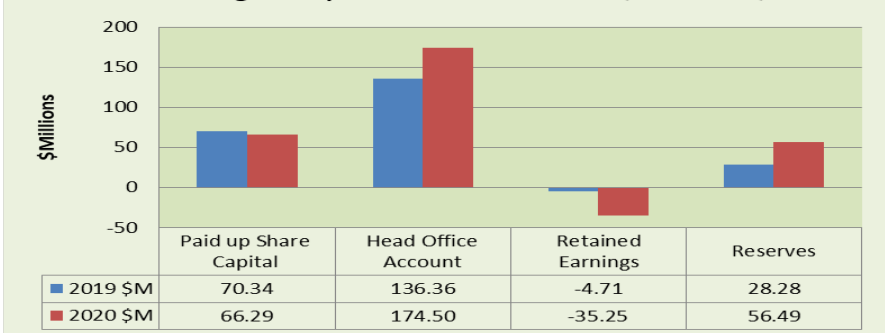
**Cyber Resilience:** The sharp increase in usage of IT infrastructure due to work from home arrangements caused by social distancing protocols could lead to increase cyber-attacks. Ensure that your detection, response, and mitigation efforts are aligned accordingly to protect your systems from threat actors.

Table 1: Statistical Information and Financial Position of the Industry

Balance Sheet					
	2020 Q1	Previous Quarter	2019 Q1	2018 Q1	Annual Change 2020 Q1/ 2019 Q1
	M\$	M\$	M\$	M\$	%
Total Cash, Loans & Investments	384.22	382.70	369.21	411.72	4%
Accounts Receivable	77.83	66.66	57.82	70.60	35%
Total Assets	620.55	606.45	534.23	620.74	16%
Total Liabilities	358.50	344.93	303.95	323.86	18%
Total Capital & reserves	262.04	261.52	230.27	294.89	14%
Key Industry Performance Ratios					
Solvency Ratio	73.09%	75.82%	75.76%	91.06%	
Liquidity Ratio	93.29%	94.84%	107.13%	122.59%	
Return on Assets	1.51%	-1.62%	2.46%	1.05%	
Return on Capital	3.57%	-3.75%	5.70%	2.22%	
Insurance Risk Ratio	15.74%	16.92%	21.7%	13.35%	

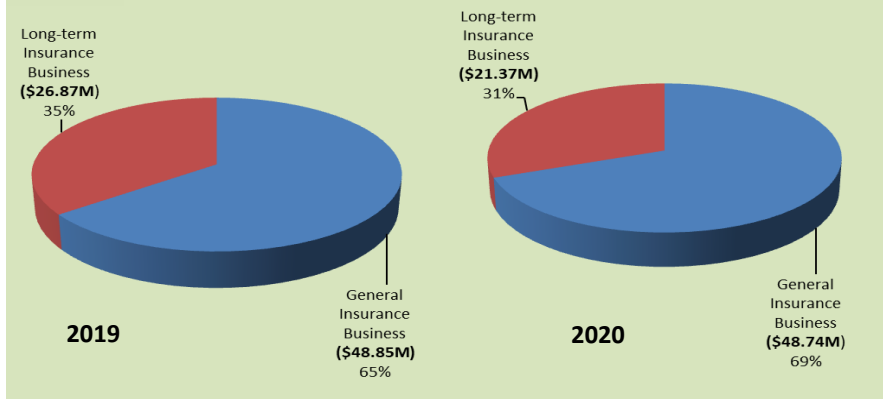
Figure 2

Change in Capital and Reserves from Q1 2019 to Q1 2020



The industry total gross premium written stood at \$70.11M at the end of the first quarter 2020 a 7% decrease from \$75.72M in 2019 Q1. The long term business segment (LT) recorded a decline of 20% from the previous year quarter. General business (GB) did not suffer the same fate; rather the results mirrored that of Q1 2019. General business was the largest contributor to the industry, accounting for 69.5% of total gross premium written. (See Figure 3 )

**Figure 3 Insurance Industry Change in Gross Premium Written from Q1 2019 to Q1 2020**



Overall, net income before tax was \$9.36M, a decrease of 29% or \$3.77M in Q1 2020 relative to Q1 2019 output of \$13.13M. Contributory factors were a 9% decline in net premiums earned, along with a 13% increase in incurred claims. (See Table 2).

*Table 2: Q1 2020 Statistical Information and Financial Position of the Industry*

Income Statement					
	2020 Q1	Previous Quarter	2019 Q1	2018 Q1	Annual Change 2020 Q1 / 2019 Q1
	M\$	M\$	M\$	M\$	%
Gross Premiums Written (GB)	48.74	43.86	48.85	44.36	0%
Gross Premiums Written (LT)	21.37	24.29	26.87	18.21	-20%
Total Gross Premiums Written	70.11	68.14	75.72	62.57	-7%
Net Premiums Written	41.25	44.23	49.97	39.34	-19%
Net Premiums Earned (GB)	21.84	19.32	24.07	22.88	-9%
Incurred Claims (GB)	10.06	8.88	8.94	8.91	13%
Total Policy Holder Benefits (LT)	6.88	18.07	14.29	8.85	-52%
Management Expenses	16.04	25.44	15.31	13.53	5%
Underwriting Income (Loss) (GB)	2.83	-3.40	6.22	4.10	-55%
Net Income Before Tax (IBT)	9.36	-9.81	13.13	6.53	-29%
Net Income After Tax (IAT)	8.64	-13.20	12.89	6.16	-33%

# HIGHLIGHTS & UPDATES



**Meeting:** We conducted our first Insurance Sector Meeting for the year on June 10, 2020 with focus on the increasing number of motor claims/accidents. Thank you to all who participated and special thanks to representatives from the Royal Police Force of Antigua & Barbuda Traffic Department and the Antigua & Barbuda Transport Board for presenting their statistics and participating in the discussion.

**Training:** The management and staff of the Insurance Division participated in Module 1 of a *Risk-Based Approach to AML/CFT Supervision and Monitoring* Workshop hosted by The World Bank, May 12-13, 2020.

- ⇒ On June 9, 2020 the Insurance Team participated in a discussion with the Cayman Islands Monetary Authority on reinsurance arrangements under the topic “*Reinsurance arrangements: Forming a view on the adequacy of a CAT reinsurance program - the role of home/host regulator*”. The session was organized by the Caribbean Association of Insurance Regulators (CAIR)
- ⇒ On June 26, 2020, the Insurance Team was involved in an ECCU workshop on “*Stress Testing Model and the Development of Scenarios (including pandemic)*” organized by the Caribbean Regional Technical Assistance Centre (CARTAC)

**Upcoming Training and Development:** As part of our ongoing training program, members from the team will be participating in the following:

- ⇒ Toronto Centre Virtual International Leadership Program for Insurance and Pensions Supervision on July 20-22, 2020 under the topic “*Crisis Management, Technology Risk and Climate Change: How To Integrate These Threats Into Supervisory Risk Assessment?*”

## Insurers Directory

**ABI INSURANCE COMPANY LTD. (Active)**

**Classes: General & Long Term**

156 Redcliffe Street, P. O. Box 2386, St. John's, Antigua

**Tel:** 484-6400 **Fax:** 562-8238

**Email:** [info@abiinsurancecoltd.com](mailto:info@abiinsurancecoltd.com) **Website:** [www.abiinsurancecoltd.com](http://www.abiinsurancecoltd.com)

**AMERICAN HOME ASSURANCE CO. (Active)**

**Class: General**

c/o Selkridge Insurance Agency Ltd.

Mahogany Drive, Gambles, P.O. Box W306, St. John's, Antigua

**Tel:** 462-2042 **Fax:** 462-2466

**Agent:** Selkridge Insurance Agency Ltd. **(Registered)**

**Email:** [c.selkridge@selkridgeinsuranceantigua.com](mailto:c.selkridge@selkridgeinsuranceantigua.com) **Website:** [www.aig.ag](http://www.aig.ag)

**Insurers Directory**

**ANTIGUA INSURANCE COMPANY LTD. (ANICOL) (Active)**

**Class of Business: General**

Long Street, P.O. Box 511, St. John's, Antigua

Tel: 480-9000/1/2/3 Fax: 480-9035

Email: [anicol.sk@gmail.com](mailto:anicol.sk@gmail.com) Website: [www.anicolinsurance.com](http://www.anicolinsurance.com)

**BRITISH AMERICAN INSURANCE COMPANY LTD. (Under Judicial Management)**

Judicial Manager: Cleveland Seaforth

c/o BDO Eastern Caribbean

Cnr. Factory Road and Carnival Gardens, P.O. Box 3109, St. John's, Antigua

Email: [Clevelandseaforth@bdoecc.com](mailto:Clevelandseaforth@bdoecc.com)

**CARIBBEAN ALLIANCE INSURANCE COMPANY LTD. (Active)**

**Class of Business: General**

Caribbean Alliance House, Cnr. Newgate & Cross Streets, P.O. Box 1609, St. John's, Antigua

Tel: 481-2900 Fax: 481-2950

Agent: A.M. Insurance Agency (Registered)

Agent: Kelsick Insurance Agency (Not Registered)

Agent: Selkridge Insurance Co. Ltd. (Registered)

Email: [enquiries@caribbeanalliance.com](mailto:enquiries@caribbeanalliance.com) Website: [www.caribbeanalliance.com](http://www.caribbeanalliance.com)

**CLICO INTERNATIONAL LIFE INSURANCE LIMITED (Under Liquidation)**

Judicial Manager: Deloitte Consulting Ltd. represented by Patrick Toppin The Goddard Building, Haggatt Hall, St. Michael Barbados, BB11059

Website: [www.clicolife.com/layouts/15/start.aspx#/SitePages/Home.aspx](http://www.clicolife.com/layouts/15/start.aspx#/SitePages/Home.aspx)

**CUNA CARIBBEAN INSURANCE (OECS) LIMITED (Active)**

**Class of Business: Long-Term**

c/o Bryson's Insurance Agency

Friars Hill Road, P.O. Box 162, St. John's, Antigua

Tel: 480-1220 Fax: 462-5538.

Agent: Bryson's Insurance Agency (Registered)

Email: [mparchment@brysonsinsurance.com](mailto:mparchment@brysonsinsurance.com)

**GENERAL INSURANCE COMPANY LTD. (Active)**

**Class of Business: General**

Upper Redcliffe Street, P.O. Box 340, St. John's, Antigua

Tel: 462-2346 Fax: 462-4482

Email: [info@gicantigua.com](mailto:info@gicantigua.com) Website: [www.gicantigua.com](http://www.gicantigua.com)

**GK INSURANCE (EASTERN CARIBBEAN )LIMITED (Active)**

**Class of Business: General**

c/o Star Insurance Agency

P.O. Box W2157, St. John's, Antigua

Agent: Star Insurance Agency (Registered)

Email: [managerffcp@gmail.com](mailto:managerffcp@gmail.com) Website: [www.gracekennedy.com/thegroup/financial-services/insurance/](http://www.gracekennedy.com/thegroup/financial-services/insurance/)

**GUARDIAN GENERAL INSURANCE LTD. (Active)**

**Class of Business: General**

c/o Kenneth A. Gomez & Sons

#6 Royal Palm Place, Friars Hill Road, P.O. Box 195, St. John's, Antigua

Tel: 481-1850 Fax: 481-1859

Agent: Kenneth A Gomez & Sons (Registered)

Email: [insurance@kagomez.com](mailto:insurance@kagomez.com)

Website: [www.overseas.myguardiangroup.com/guardian-general-insurance/eastern-caribbean-states](http://www.overseas.myguardiangroup.com/guardian-general-insurance/eastern-caribbean-states)

**ISLAND HERITAGE INSURANCE COMPANY LTD. (Active)**

**Class of Business: General**

c/o Bank of Nova Scotia, High Street, P.O. Box 342, St. John's, Antigua

Tel: 480-1500 Fax: 480-1554

Agent: Bank of Nova Scotia (Registered)

Email: [althea.walter@scotiabank.com](mailto:althea.walter@scotiabank.com) Website: [islandheritageinsurance.com](http://islandheritageinsurance.com)

**LLOYDS UNDERWRITERS - (Association of Underwriter) (Active)**

**Class of Business: General**

C/O Bryson's Insurance Agency

Friars Hill Road, P.O. Box 162, St. John's, Antigua

## Insurers Directory

### MASSY UNITED INSURANCE LIMITED (Active)

#### Class of Business: General

Woods Centre, Friars Hill Road, St. John's, Antigua

Tel: 480-3050 Fax: 480-3064

Agent: Anjo (Insurances) (Division of AWH Holdings LTD.) (Registered)

Agent: CIBC First Caribbean Insurance Agent (Registered)

Email: [anjo\\_ins@candw.ag](mailto:anjo_ins@candw.ag) Website: [www.massyunitedinsurance.com](http://www.massyunitedinsurance.com)

### NATIONAL GENERAL INSURANCE CO (NAGICO) (N.V.) (Active)

#### Class of Business General

c/o Bryson's Insurance Agency Friars Hill Road, P.O. Box 162, St. John's, Antigua

Tel: 480-1220 Fax: 462-5538

Agent: Bryson's Insurance Agency (Registered)

Email: [mparchment@brysonsinsurance.com](mailto:mparchment@brysonsinsurance.com) Website: [www.nagico.com/?territory=Antigua](http://www.nagico.com/?territory=Antigua)

### NETHERLANDS INSURANCE COMPANY (W.I.) LIMITED (Active)

#### Class of Business: General

c/o Kenneth A. Gomez & Sons

#6 Royal Palm Place, Friars Hill Road, P.O. Box 195, Antigua

Tel: 481-1850 Fax: 481-1859

Agent: Kenneth A Gomez & Sons (Registered)

Email: [insurance@kagomez.com](mailto:insurance@kagomez.com) Website: [WWW.netherlands.co.gd/](http://WWW.netherlands.co.gd/)

### PAN AMERICAN LIFE INSURANCE COMPANY EASTERN CARIBBEAN LIMITED (Active)

#### Class of Business Long-Term

c/o Selkridge Insurance Agency Ltd.

Mahogany Drive, Gambles, P.O. Box W306, St. John's, Antigua

Tel: 462-2042 Fax: 462-2466

Agent: Selkridge Insurance Agency Ltd. (Registered)

Email: [cselkridge@paligagent.com](mailto:cselkridge@paligagent.com) Website: [www.palig.com/eastern-caribbean](http://www.palig.com/eastern-caribbean)

### PIC INSURANCE COMPANY LIMITED (Active)

#### Class of Business: General & Long-Term

#42 Nevis Street, St. John's, Antigua

Tel: 481-3740 Fax: 481-3759

Email: [info@picinsuranceanu.com](mailto:info@picinsuranceanu.com) Website: [www.picinsuranceanu.com](http://www.picinsuranceanu.com)

### SAGICOR GENERAL INSURANCE INC. (Active)

#### Class of Business: General

No. 9 Sir Sydney Walling Highway, St. John's, Antigua

Tel: 480-5555 Fax: 480-5520

Email: [keith\\_herbert@sagicorgeneral.com](mailto:keith_herbert@sagicorgeneral.com) Website: [www.sagicorgeneral.com](http://www.sagicorgeneral.com)

### SAGICOR LIFE INC. & SAGICOR LIFE (EASTERN CARIBBEAN) INC. (Active)

#### Class of Business: Long-Term

No. 9 Sir Sydney Walling Highway, St. John's, Antigua

Tel: 480-5550 Fax: 480-5520

Email: [marisia\\_james@sagicor.com](mailto:marisia_james@sagicor.com) Website: [www.sagicor.com](http://www.sagicor.com)

### SCOTIA INSURANCE EASTERN CARIBBEAN LIMITED (Active)

#### Class of Business: Long-Term

C/o Bank of Nova Scotia

High Street, P.O. Box 342, St. John's, Antigua

Tel: 480-1500 Fax: 480-1554

Agent: Bank of Nova Scotia (Registered)

Email: [althea.walter@scotiabank.com](mailto:althea.walter@scotiabank.com) Website: [www.scotiabank.com](http://www.scotiabank.com)

### STATE INSURANCE COMPANY LIMITED (Active)

#### Classes of Business: General & Long-Term

Redcliffe Street, P.O. Box 290, St. John's, Antigua

Tel: 462-3945 Fax: 481-7860

Email: [info@sicantigua.com](mailto:info@sicantigua.com) Website: [www.sicantigua.com](http://www.sicantigua.com)

### SUN GENERAL INSURANCE INC. (Active)

#### Class of Business: General

#2 Woods Centre, Friars Hill Road, St. John's, Antigua.

Tel: 481-2715 Fax: 481-2713

Email: [sherrie-ann.brazier@sungeneral.net](mailto:sherrie-ann.brazier@sungeneral.net) Website: [www.sungeneral.net](http://www.sungeneral.net)

## Intermediaries Directory (Agents)

### AM INSURANCE AGENCY LIMITED (Registered)

#17 Townhouse Plaza, American & All Saints Roads, St. John's, Antigua.

Tel: 462-6060

Email: [aminsuranceantigua@gmail.com](mailto:aminsuranceantigua@gmail.com) Website: [www.aminsuranceantigua.com/](http://www.aminsuranceantigua.com/)

### ANJO (INSURANCES) (DIVISION OF AWH HOLDINGS LTD.) (Registered)

Woods Centre, P.O. Box 104, St. John's, Antigua

Tel: 480-3050 Fax: 480-3064

Email: [jhall@anjoinsure.ag](mailto:jhall@anjoinsure.ag) Website: [www.anjoinsure.com/](http://www.anjoinsure.com/)

### THE BANK OF NOVA SCOTIA (Registered)

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Tel: 480-1500 Fax: 480-1554

Email: [althea.walter@scotiabank.com](mailto:althea.walter@scotiabank.com)

### BRYSON'S INSURANCE AGENCY (Registered)

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Tel: 480-1220 Fax: 462-5538

Email: [mparchment@brysonsinsurance.com](mailto:mparchment@brysonsinsurance.com)

### CIBC FIRST CARIBBEAN INSURANCE AGENT (Registered)

C/o CIBC FirstCaribbean International Bank Ltd.

Old Parham Road Branch, St. John's, Antigua.

Tel: 480-5050 Fax: 480-5140

Email: [Dawn.Solelyn@cibcfib.com](mailto:Dawn.Solelyn@cibcfib.com)

### KELSICK INSURANCE AGENCY (Not Registered)

Old Parham Road, St. John's, Antigua

Tel: 462-0049 Fax: 462-9441

Email: [kia\\_anu@candw.ag](mailto:kia_anu@candw.ag) Website: [www.kelsickinsurance.com/](http://www.kelsickinsurance.com/)

### KENNETH A. GOMEZ & SONS INSURANCE AGENCY (Registered)

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Tel: 481-1850 Fax: 481-1859

Email: [kevin@kagomez.com](mailto:kevin@kagomez.com) Website: [www.kagomezinsurance.com/](http://www.kagomezinsurance.com/)

### SELKRIDGE INSURANCE AGENCY LTD. (Registered)

Mahogany Drive, Gambles, P.O. Box W306, St. John's, Antigua

Tel: 462-2042 Fax: 462-2466

Email: [c.selkridge@selkridgeinsuranceantigua.com](mailto:c.selkridge@selkridgeinsuranceantigua.com)

### STAR INSURANCE AGENCY (Registered)

Sir George Walter Highway, St. John's, Antigua

Tel: 562-9513

Email: [managerffcp@gmail.com](mailto:managerffcp@gmail.com)

## Intermediaries Directory (Brokers)

### GALLAGHER INSURANCE BROKERS (Barbados) LIMITED (Registered)

#60 Roberts Building, Nevis Street, P.O. Box 3547, St. John's, Antigua

Tel: 562-3305 Fax: 562-5374

Email: [AarionNicholas@cgm Gallagher.com](mailto:AarionNicholas@cgm Gallagher.com) Website: [www.cgm Gallagher.com](http://www.cgm Gallagher.com)

### THE RISK MANAGEMENT BROKING CONSULTANCY (Registered)

Temple Street, P.O. Box 2839, St. John's, Antigua

Tel: 461-4907

Email: [mccoyda@gmail.com](mailto:mccoyda@gmail.com)

### TOMLIN INSURANCE BROKERS (ANTIGUA) LIMITED (Registered)

Suite 19 Jasmine Court, Friars Hill Road, St. John's, Antigua

Email: [Edward@tomlinbrokers.com](mailto:Edward@tomlinbrokers.com) Website: [www.tomlinbrokers.com](http://www.tomlinbrokers.com)



## COMMENTS AND FEEDBACK

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<https://www.fsrc.gov.ag/>



#### ***Our Mission:***



*To develop Antigua and Barbuda as an effectively regulated, well managed major financial services jurisdiction.*