

Finalization of the sale of the BAICO's traditional life insurance business to Sagicor

Written by

Thursday, 21 March 2013 17:56 - Last Updated Thursday, 16 May 2013 12:04

FOR IMMEDIATE RELEASE

Issued by: Governments of the Eastern Caribbean Currency Union, Sagicor Life, Inc, and the Judicial Managers/Administrator of BAICO

Tuesday March 19, 2013

Completion of transfer to Sagicor

We are pleased to announce that, following the receipt of approvals from all nine Insurance Regulators and Courts within the ECCU and The Bahamas, where BAICO is incorporated, the transfer of BAICO's traditional insurance business to Sagicor was finalized last Friday, March 15, 2013.

As a result of the transaction, over 15,000 former BAICO policyholders have had their policies recapitalized, and are once again able to enjoy their original policy terms and access their insurance benefits.

What do transferring Policyholders need to know?

Sagicor will make contact with each affected policyholder whose policy has been transferred, in order to welcome them to Sagicor, and to confirm how to continue receiving their policy related benefits, pay premiums and make claims.

Sagicor has made interim arrangements with BAICO for BAICO branches in the ECCU to provide ongoing customer support to policyholders. This means that BAICO will accept premiums and claims, and conduct other customer services on behalf of Sagicor. You may

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contact your local BAICO office to find out important information, such as the status of your policies. Alternatively, you may e-mail Sagikor at baicohelp@sagikor.com or call on 1800-744-7707.

Payment of claims, surrenders, maturities and bonuses

Sagikor will also directly contact over an estimated 1,500[1] persons in the ECCU who are owed historical claim amounts, surrender payments, maturity payments, and bonuses by BAICO in order to make these payments. The ECCU Governments have provided funding for these amounts to be paid. Recipients will need to sign an appropriate release as a condition of receiving their payment.

Lapsed Policies

Some policyholders would have allowed their policies to lapse for a variety of reasons. The ECCU Governments and Sagikor will now focus on identifying whether a solution can be implemented for those traditional life insurance policyholders whose policies lapsed between the commencement of BAICO's judicial management and the announcement of the sale of the traditional life insurance business to Sagikor. Once this work has concluded, an update will be provided.

Background

On June 29, 2012, the Governments of the Eastern Caribbean Currency Union and the Judicial Managers of BAICO announced that:

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British-American Insurance Company Limited (In Judicial Management) ("BAICO") has entered into an agreement to sell part of its insurance business to Sagikor Life, Inc ("Sagikor"); and

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the ECCU Governments have undertaken to provide funding to assist in restoring value to the transferring policies. We would like to express our acknowledgement and appreciation for the ongoing patience and understanding of BAICO policyholders in the ECCU.

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[1] Based on figures as at September 2012.

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