



G R O U P  
 INSURANCE  
**W&M**  
**BF**  
 WINTER 2002/2003  
**update**

## A Few Comments From Our CEO, Glenn Titterton

There will be many in the business community and in the community generally, who will have been happy to see the end of 2002. Simply stated, it was not a good year for business. There are as many reasons for this as there are business types, including the direct or indirect effects of 9/11. A common theme is likely to be the collapse of the capital markets. Everywhere we look companies are reporting not only substantially reduced investment income but outright losses on permanently impaired investments. While our approach is very conservative we were not immune to losses, to falling interest rates or to the lackluster performance of the fixed income markets.

We were pleased that our core businesses performed well in very difficult circumstances. Heavy reinsurance premiums meant that local rate increases passed straight through to reinsurers. However, it is in the nature of the insurance industry that we will experience the "ups and downs" of these worldwide cycles and on balance, we were pleased that our core businesses remained strong.

We have scored wonderful successes. We became the first company in Bermuda to reach the level of "Investor in People", since the original pilot project. A. M. Best confirmed our financial strength rating at A- (Excellent) and added a "positive outlook". We continue to forge ahead by focusing on our core businesses, our people and on technology.

We approach the challenges of 2003, confident in our own ability but ever mindful that most economists are predicting a year that will be a continuation of 2002. In other words, another tough year for business. We were pleased to see that Government's budget did not impose additional burdens on business but we are concerned with the long term implications of potential unemployment insurance. Government has promised extensive consultation and we hope that three things will become clear to all concerned. First, that consideration is not supported by any demonstrable "need". Second, that any minimal "need" that may exist from time to time can be met in other simpler ways. Third, that the complex systems and enormous government bureaucracy that will be needed to administer an effective unemployment

insurance system, along with the "tax" burden on both employee and employer far outweigh any minimal perceived benefit.

On the physical side, work on the new PXRE House being constructed by our 60% subsidiary Barr's Bay Properties, is now progressing rapidly and this will be followed by extensive renovations to the Insurance Building. We are currently without air-conditioning for a couple of months and there was some minor and temporary interference with customer car parking in our forecourt. However, we are pleased that we have been able to continue to operate efficiently from our existing offices without any major inconvenience to our customers. Customers can conduct their business by visiting us as usual at the Insurance Building, by phone or fax, or on the internet at [www.bfm.bm](http://www.bfm.bm). We are pleased that an increasing number of our customers are taking advantage of the convenience of our 24/7 internet service (and winning prizes in the process!) to arrange their insurance from the comfort of their home or office at a time that suits them.

These are exciting and challenging times and I know I speak for our entire team, when I say that we move forward with confidence and enthusiasm.

## BF&M Choir

"Deck The Halls", "Jingle Bells", "We Wish You a Merry Christmas"

This was the Christmas cheer that rang out from our BF&M Choir this Christmas Eve as they visited the elderly at Westmeath, the Extended Care Unit and Alzheimer's Unit at the King Edward Memorial Hospital. Along with the choirs singing and spreading of cheer they not only left the echo of their Christmas songs and best wishes but tins of biscuits and chocolates for all to enjoy. In our office they continued their Christmas caroling for our customers and staff as a way of saying Merry Christmas to each and everyone.



## Motor Insurance -- Did You Know?

- That your premium is based partly on your estimate of the value of your vehicle at the time of renewal and that you should adjust it each year so you do not pay more premium than necessary
  - that a good driver over 35 years old can be protected against a first claim so that it does not effect your no claims discount
  - that the Project Ride certificate is worth 10% off cycle premiums
  - that by notifying us if your vehicle is going to be off the road for more than 8 weeks, the "road use" portion of the premium can be refunded
- For more information, just contact any of our Customer Relations representatives.

## Walking For Breast Cancer Awareness

BF&M is committed to supporting the Bermuda TB Cancer and Health Association, particularly in raising funds for their new facilities on Point Finger Road, Paget. For the past six years we have been the principal sponsor of Breast Cancer Awareness Month and of the very popular Fun Walk. This year's walk was held on the 2nd October and was a great success. Despite wind and rain, the walks have become so popular that one lady flew in from New York just to participate. Several tourists from the cruise ship participated and others purchased tee shirts or collected BF&M's "health information give away bags" from our table on Front Street.

Jane Barnes and Diana Bridges, on duty at our table on Front Street had reason for much laughter as most participants approach this subject in such a positive and often humorous way. A petite American tourist thanked us for supporting breast cancer awareness and told us she also had a scare with a cyst that fortunately turned out to be benign. As a self-described "small-busted" woman, she described her visit to her doctor's office like this:  
*Doctor - I am afraid you have a lump in your breast.  
 Patient - Doctor, you don't understand. This IS my breast!*

What a wonderful sense of humour. We thank her for her support and inspiration.  
 Over 600 walkers raised total pledges of \$77,905.80. The Top Corporate Sponsor in pledges was Ace Limited, and the Top Individual Fund Raiser was Allison Towlson (\$1,390.00), and runner-ups were Lisa Schweizer and Carol Parker Trott.

We thank everyone who participated or made a donation, especially the large number of BF&M staff.



## Executive Appointments

**PETER M. LAMB CFP, CHFC, CLU, title changed to Vice President, Sales & Customer Relations, BF&M Life Insurance Company Limited.**

Peter joined BF&M in October 2001 as Assistant Vice President, Sales & Customer Relations and his title was changed to Vice President on 1 December 2002, to more clearly reflect his responsibilities. He has twenty-five years of life, health, group and pension experience most recently as Director, New Business Development, Western Canada for a major life insurance company. He holds designations as a Chartered Financial Planner, Chartered Financial Consultant and Chartered Life Underwriter from the Canadian Association of Insurance and Financial Advisors.

Since joining the BF&M family he has proven to be not only an asset to BF&M Life but to the entire Group. His results are impressive and his commitment to training Bermudians has been exemplary not only for our own staff but recently, with the SunLife Representatives.

Peter is supported by an experienced sales and management team and reports directly to Mrs. Carol Bassett, Senior Vice President, BF&M Life Insurance Company Limited.



**DAVID MCLEOD, ACII, appointed Senior Vice President, BF&M General Insurance Company Limited effective 1 August 2002.**

David joins BF&M General having spent many years in various senior positions within the insurance industry. He joined the Royal Insurance Group in 1966 and after completion of his training he progressed through the Company in a variety of Sales and Business Development roles culminating in his appointment as Regional Director - North West England for Royal&Sunalliance Group.

David has worked in many different locations and markets within the UK including the London Market but most of his career has been spent in Branch Operations dealing with Customers be they Brokers or large Corporate Clients. In his last position with RSA he was responsible for all Commercial Insurance from Brokers and Agents managing a Regional Operation spanning Underwriting, Sales, Customer Service, Claims and Accounts. Prior to joining BF&M David worked for Aon managing one of their largest UK clients - The Department of Trade and Industry.

David was educated at Robert Gordon College in Aberdeen and is a qualified Chartered Underwriter. He has participated in the General Management Programme at CEDEF, Fontainebleau, France.



## Executive Development

Since last writing our Executive Vice President, Finance, John Wight attended the Executive Programme at the Tuck School of Business at Dartmouth College in New Hampshire. This was part of our continuing executive development programme which aims to provide our executive team with extensive opportunities for development in preparation for current and future responsibilities.



## Staff Development

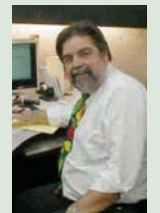
Congratulations to John Wight, Robert Blakesley, May Mai, Mark Smith and Gregory Todd who have achieved further professional qualifications, and to Terry Ball, Fiona Davis, Andrew Hanwell, Pamela Wainwright and Jewell Eve who completed their Supervisory Management course offered through the Bermuda Insurance Institute.

We also congratulate Michaela Bradshaw, Patricia Dill, Stephen Morton, Reeve Young, Zina Tucker, Emma Timperley, and Kevin DeSilva on their professional development.

## Seasonal Hints and Tips for Boaters

As spring approaches and we dust off the winter cobwebs here are a few handy tips for boaters:

- Thoroughly check your boat and ensure that its equipment is in sound working condition. Don't assume that because it was working at the end of last season it will still be operating correctly. Don't forget items such as through hull fittings, manual and electric bilge pumps, running lights, VHF radio, etc.
- Maintain the engine in accordance with the manufacturer's recommendations.
- Update your safety package to meet legal requirements (information is available from Marine & Ports and from good marine shops). Remember that many items, such as flares, have a limited life and may need replacing. Check the entire kit, including expiry dates, carefully - your life could depend on it.
- Check the condition of your anchor including the chain, thimble, shackles and especially the rode itself. Your safety could depend on your anchor which will be of little use if any part of it is weak. It makes sense to carry an extra anchor.
- Replenish your first aid kit.
- Have your moorings and bridle checked (the bridle often needs replacing every year and the moorings must be checked by an experienced professional every two years).
- Refresh your knowledge of the rules of the water.
- Insure your boat and make sure you are covered for liability claims in case you injure someone else.
- Make sure your boat registration is current (the "boys in blue" will be doing their job, so don't get caught out).
- Before leaving the moorings remember to check the weather forecast and file a float plan.



From all at BF&M, have a safe and enjoyable season on the water. And as marine specialist Ross Spurling reminds us "its just common sense" and "an ounce of precaution can save you a whole lot of grief". Call Ross if he can assist you with your marine insurance needs.



## International Computer Drivers License

Support continues at BF&M for this exciting new company sponsored computer literacy initiative. In our last issue of Update we mentioned that BF&M had offered the ICDL course to all staff on a "first come first served" basis. A total of 43 staff are currently enrolled in the course, with others waiting for a space. Seven staff have now completed the 7 module course and we congratulate Kristina Soares, May Mai, Michael Soares, Peter Lamb, Quilleta Gomes, Shaynelle Harvey, and Deborah Botelho on their success.

This course was also extended to our Alumni (Pensioners) and 6 members can be seen every Wednesday hard at work on the laptops under the supervision of Diane Murray.

BF&M is proud to enthusiastically endorse this programme and to congratulate the Computer Society of Bermuda for their initiative in making this course available locally.

## Great Prizes On Line !

From November, renewing or buying insurance online brings additional rewards. Not only can you transact your insurance business from the comfort of your home or office at any time of the day or night, 365 days a year, but you are automatically entered in our monthly draw for one of our great prizes, which include digital cameras, PDA's etc. You will also be eligible for the 3 month draw for a great Dell computer system valued at more than \$2,500. This is just one more way we at BF&M can say thank you to our "E-surance @ bfm" on-line customers.

Winners so far have been:-

November – Michael Furtado and Brian Quinn  
 December Jonathan Law and Timothy Grice  
 January – Alan Wood and Claire Johnson  
 The winner of the quarterly prize of a complete Dell computer system was Alan Wood. Congratulations to all our winners and welcome to the advantages of "e-surance @ BF&M"



## Coalition for Protection of Children

BF&M staff love to spread the joy of Christmas especially for those less fortunate then ourselves, and this year the staff purchased a large assortment of toys for the Coalition For The Protection of Children, which was presented to them at their annual Christmas party.

These children are our future and deserve to have something special happen to them every day, however that does not happen, therefore it was with great pleasure that we could help brighten their Christmas.



## BF&M's Christmas Spirit

Christmas is a fun time at BF&M with staff and management participating in many festive activities. This year Santa came to visit and all the "little kiddies" and some big one's as well, were able to have their picture taken on Santa's knee in front of the Christmas tree.

## Educational Savings Program



BF&M is pleased to announce our newest product offering, the EDUCATIONAL SAVINGS PROGRAM. With today's high costs of post secondary education rising, it is important to plan early to avoid disappointment. This product is designed to help parents, families and grandparents save for their children's or grandchildren's education through a systematic method of investing. Investing just \$100.00 per month at 5% will yield \$ 34,000 in 18 years. Funds that go a long way to supporting their education. At maturity these funds may be taken over a term period or in cash.

With five investment options and flexibility the plan can accumulate sufficient funds to help offset the high costs to a child's additional educational requirements. Call one of our accumulation specialists today at 295-5566 or email esp@bfm.bm to find out how BF&M Cares.

## The 7th Annual Festival of LIGHTS

DONATIONS TO CHARITY

Make the Festive season the best of the Festive season and Community First Movers stand before in that children the winners had chosen.

35 YEARS

Diana Bridges  
Executive Assistant -  
BF&M Corporate



25 YEARS

Carol Bassett  
Senior Vice President,  
Customer Relations & Sales,  
BF&M Life Insurance Co Ltd  
Andrew White  
Fortress Manager /  
Reinsurance Specialist,  
BF&M Risk Management



20 YEARS

Wander Lynch  
Accounts Clerk,  
BF&M Life Insurance Company  
Quilleta Gomes  
Health Claims Processor,  
BF&M Life Insurance Company



15 YEARS

Glen Gibbons  
Vice President, Customer Relations & Sales,  
BF&M General Insurance Co Ltd  
Elizabeth Durrant  
Vice President,  
BF&M Risk Management



10 YEARS

John Wright  
Executive Vice President,  
Finance & Secretary  
Jane Barnes  
Medical Case Manager,  
BF&M Life Insurance Co Ltd  
St. Clair Tucker  
Claims Adjuster,  
BF&M General Insurance Co Ltd



5 YEARS

Pam Wainwright  
Team Leader, Health Claims Processing  
BF&M Life Insurance Co Ltd  
Lauren Gobin  
M&I Clerk,  
BF&M Life Insurance Co Ltd  
Andrew Horwell  
Team Leader, Customer Relations,  
BF&M General Insurance Co Ltd  
Vincent Chaves  
Assistant Vice President, Controller,  
BF&M Life Insurance Co Ltd  
Sharmaine Tucker  
Housekeeper



## Long Service Awards

210 Years of Combined Service  
 BF&M Congratulates these staff and thanks them for their commitment and dedication to the company and our many clients who depend on them.



## Investor In People

On October 29, 2002, BF&M became the first company in Bermuda, since the pilot project, to achieve the international standard of "Investor In People". We like being first and we are therefore proud to be the holders of certificate number "BDA 001".

In order to achieve this standard BF&M had to embrace and implement "best practice" across a broad range of employment practices and employee relations. Most visible was the company's commitment to employee development through a massive programme of training, educational and development initiatives. The international assessor interviewed a broad cross section of staff and management and told us unofficially that of the over 600 companies that he had assessed, he would place BF&M in the top 10%. We believe that this is a tremendous tribute not only to our achievement of "best practice" standards but to the quality and commitment of our employees. They determined whether and when we were ready for assessment and it was their testimony that earned us the award.



INVESTOR IN PEOPLE

## Festival Of Lights

"Sharing the Holiday Spirit"

The annual "Festival of Lights" for Charity competition sponsored by BF&M and Belco produced 40 entries and was a huge success. BF&M and BELCO donated a total of \$10,250 in cash prizes to the winners' choice registered charities.

Special mention must be made of the Cedar Park Community entry which raised the bar for this category. Residents on two streets in the community participated causing one judge to liken the display to "Disneyland". The residents say that next year will be even bigger and better.

The winners of the 2002 Festival of Lights for Charity competition were:

Residential	Cedar Park Community	
Eastern	1st	Mr. & Mrs. Walter Bardgett
	2nd	Mrs. Lois Paynter
	3rd	William, Valerie & Rachel Masters
Central	1st	Mr. & Mrs. Edmundo Fania
	2nd	Mr. & Mrs. Raymond Madeiros
	3rd	Mr. & Mrs. Howard Mitchell Jr.
West	1st	Mr. Stephen Thomson
	2nd	Mr. & Mrs. Dennis Sherlock
	3rd	Mr. & Mrs. Bernard Blee
Community	Cedar Park Community	
Commercial & Retail		
Eastern	The Corporation of St. George's	
Central	Archie Brown, Hamilton	
Western	Elbow Beach Hotel, Paget	

BF&M thanks the judges and this year's participants for their time, creativity and commitment to "sharing the holiday spirit" with the entire community.