

*Update*

2002 - 2001



*2002 Calendar*

The BF&M theme for this year's calendar "Deeply Rooted", a collection of stunning photographs of Bermuda's succulent plants.

The plants were photographed by Mark Emmerson at the J.J. Outerbridge Building at the Botanical Gardens.

BF&M's Calendar is welcomed into businesses and homes each year and we are gratified that it continues to be enormously popular. Demand usually exceeds supply even though we increase the number ordered from year to year. Our objective is to produce a "Bermudian" calendar with a difference. We often favour what might be termed "environmental" themes such as Bermuda's birds or plant life but are just as likely to focus on local art, historic or scenic places or Bermuda's maritime past. This is a project that we enjoy and the compliments received have made this a fixture in our schedule of community events.



*To our Shareholders and Customers,*

As we write this Winter edition of "Update" we have a great deal to contemplate and much to be thankful for. The tragedy of September 11 affected us all on a personal level but also dramatically impacted the insurance and reinsurance industry worldwide. The September 11 tragedy will reside somewhere in the back of our minds for our lifetime and will influence our thinking for many years to come.

We have previously mentioned that the reinsurance market began to harden at the end of 2000 because of large catastrophe losses in various parts of the world. One could have hoped that a quiet 2001 might have caused the market to stabilize. However, after September 11, reinsurance costs increased dramatically and terrorism became a standard exclusion. These developments flow through to every insurance market in the world. Even a small market like Bermuda is no exception. Rates on most classes of insurance are increasing in 2002 to cover increased reinsurance costs. At BF&M we are making a special effort to assist those of our customers for whom these higher premiums are a particular challenge.

2001 was a challenging year with increased losses in many lines of business. For example, the October storm, which subsequently became Hurricane Karen, caught Bermuda by surprise and our gross claims are likely to reach about \$1.3 million. However, this is why our customers pay their premiums and we hope that we were successful in delivering the highest in customer care throughout the year.

Our progress continues. BF&M Limited and its two principal operating subsidiaries BF&M Life and BF&M General, were awarded a financial strength rating of A- (Excellent) by A. M. Best. We appreciated not only the "Excellent" financial rating but also Best's complimentary comments about our Company and our management. Our 60% owned subsidiary, Barr's Bay Property Limited, received planning permission to build the new five floor 'PXRE House' to the west of the Insurance Building and demolition on the site should start in May. Our leading edge e-commerce capabilities continue to expand and to set the pace for the market. Many of our customers have adapted rapidly to this new service and our web site has received third party recognition as reported elsewhere in "Update".

We are all excited by the challenges and prospects for 2002 and we will raise the bar once again in our continuing drive to deliver extraordinary service to our customers. Thank you for your continuing support.



Glenn M. Titterton,  
 President & Chief Executive Officer.

*Financial Strength Confirmed*



BF&M has been awarded a financial rating of "Excellent" by a respected US rating agency. A.M. Best Co., the world's oldest and most authoritative insurance rating agency, assigned an "A- (Excellent)" rating to BF&M Limited and to BF&M Life and BF&M General, its principal operating subsidiaries. A.M. Best cited BF&M's consistent operating performance, diversified business profile,

secure capitalization and experienced and focused management. They pointed out that BF&M's management is experienced, focused and typical of a larger enterprise. They added that together these advantages bring considerable strength and security for the benefit of the policyholder.

# “Don’t Worry Be Happy”

## “Don’t Worry Be Happy”

Our new advertising campaign is focused, not on BF&M but on you, our customer. The basis for insurance is that individuals and businesses are exposed to levels of risk which they cannot carry themselves. They therefore transfer that risk to BF&M in return for a premium. We willingly accept that risk and having done so we say to our customer, in the words of the popular song, “don’t worry be happy”. This is a non-trivial message. From a position of financial strength, professionalism and with a heritage of serving Bermuda for almost 100 years, we say to leave the risk to us.

Helping us to deliver this message is a little “character”, so far unnamed. More on that later. We hope you get a little chuckle out of his antics on TV.



## Announcement



**Peter M. Lamb, CFP, CHFC, CLU.**  
Assistant Vice President, Customer Relations and Sales,  
BF&M Life Insurance Company Limited

BF&M Life Insurance Company Limited is pleased to announce the appointment of Peter M. Lamb CFP, CHFC, CLU, as Assistant Vice President, Customer Relations and Sales.

Peter Lamb 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 in Canada. He holds designations as Chartered Financial Planner, Chartered Financial Consultant and Chartered Life Underwriter from the Canadian Association of Insurance and Financial Advisors.

For the past nine years, Mr. Lamb has played a key role in the establishment of new business opportunities with his former employer.

In his new position, Mr. Lamb will be responsible for customer relations and sales of life, health and pension products. Mr. Lamb will report directly to Mrs. Carol Bassett, Senior Vice President, BF&M Life Insurance Company Limited.

Mr. Lamb will be supported by an experienced sales and management team.



## Long Service Awards

### 145 YEARS OF SERVICE (from left to right)

- 30 years** Cyril DeRosa, Senior Accountant

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- 25 years** Pinky Stoneham, Team Leader, Personal Insurance Support Services

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- 20 years** Kristina Soares, Business Support Analyst
- 20 years** Charlene Shakir, Senior Reinsurance Processor
- 20 years** Gina Bradshaw, Vice President, Technical Services

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- 15 years** Michael Soares, Network Support Technician

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- 10 years** Barrie Mancell, Development Underwriter

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- 5 years** Sonia Cox, Group Sales Representative

# Stepping Out for Women's

## Health & Breast Cancer Awareness

October 2001



### Fighting Breast Cancer

BF&M was proud to again be the principal sponsor of the fifth **Women's Health & Breast Cancer BF&M Fun Walk**. The event, held on 3rd October, attracted 594 walkers of which 384 did the 5K walk.

Walkers of all ages completed the walk and attracted pledges, which at the time of writing, totalled a wonderful \$67,672. The funds raised will be applied to The Bermuda TB, Cancer & Health Association's Cancer Resource Centre's new building on Point Finger Road, Paget.

BF&M held a reception to recognise our Top Fund Raisers and the many volunteers who helped us on the night. The Top Fund Raisers were Natalia Faria, with pledges of \$1,604, Patti Merrit with pledges of \$1,250 and Susan Holland with pledges of \$1,023.

The Corporate Team Spirit award went to PriceWaterhouseCoopers, and fourteen individuals were welcomed into the "Pink Ribbon Club" for contributing \$500 or more.

We thank everyone who participated and made the event an outstanding success.



## THE WEBSA AWARDS 2002

BF&M's leading edge "e-surance" website ([www.bfm.bm](http://www.bfm.bm)) which allows Internet users to purchase and renew insurance policies online, was recently awarded three "Best in Bermuda" honours for **Best Service Site**, **Best Health Site** and **Best Technical Achievement** in the first annual Bermuda WebSAwards.

The WebSAwards, Bermuda's first website competition and awards presentation, is intended to promote the use of the Internet and e-commerce in all aspects of daily life. The awards also recognise excellence in the areas of web design, E-commerce and technology and aim to promote the utilisation and awareness of the Internet for business and personal use.

BF&M's success in the WebSAwards confirms the leadership position that we have taken in providing "anywhere, anytime" access to our customers for sales and renewal functions via the web since June 2000. Any new or existing BF&M customer can log on at [www.bfm.bm](http://www.bfm.bm), view their insurance portfolio, receive real time quotes, renew policies, submit claims, purchase new policies and request assistance 24 hours a day, seven days a week from any computer with Internet access.

**BF&M's E-business team (shown left) consists of**  
**Left to Right Back Row :** Darry Stansbury, George Jeffcock, Mike Jones, Peter Hall, Stephen Pepper, Donny Moniz, and Nick Faries. **Front Row:** Denis Robert, Glen Gibbons, Andrew Hanwell, Karin Leggatt, Gayle Stowe, Kevin DeSilva and Makita Wade.



## Exam Results

BF&M continues to attach great importance to professional training and we congratulate the following staff who passed examinations since our last report:

**Antoine Furbert**  
**Michaela Bradshaw**  
**Reeve Young**  
**Stephen Morton**  
**Kuanette Bagley**  
**Mark Smith**  
**John Wight**  
**Sue Cabral**  
**May Mai**  
**Gregory Todd**  
**Robert Blakesley**  
**Leslie Shane**

## Management Development

The continuing development of our management team is critical as we face the challenges of a rapidly changing business, community and social environment. Our Management Conference in January at The Reefs, focused on creating an engaging and adaptive corporate culture. For almost two days, John Izzo, PhD, led an enthusiastic seminar, focused on alignment and the requirements of a high-performance workplace.



## Pension Update

Pension legislation has now been operative for two years. Our Golden Accumulator provides for professional investment management through Butterfield Asset Management and professional pension administration through BF&M. All this is done at a reasonable cost to the customer. As our account base continues to grow, refinements are being made to the programme through the advice of our customers and staff. Further developments will be announced in the very near future.



## Festival Of Lights

The Festival of Light Competition was started in 1996 as a joint project of BF&M and Belco. Over the past 5 years, it has encouraged community participation in lighting both homes and businesses to enhance the Christmas spirit. At the same time, we have donated some \$53,000 in the names of the winners to their selected charities

This year our sixth annual Festival of Lights included 35 official entries and the winners received a total of \$10,250, which they donated to their chosen charities. The happy winners and charities were:

### EASTERN RESIDENTIAL

- 1. Mr. Chris Bardgett**  
Charity – Friends of Hospice
- 2. Mr. & Mrs. Edmund Faria**  
Charity – St. Vincent de Paul Society
- 3. Mr. & Mrs. Raymond Madeiros**  
Charity – St. Vincent de Paul Society

### EASTERN COMMERCIAL & RETAIL

**The Corporation of St. George's**  
Charity – St. George's Foundation

### CENTRAL RESIDENTIAL

- 1. Mr. & Mrs. Howard Mitchell Jr**  
Charity - Bermuda TB, Cancer & Health Association & Friends of Hospice
- 2. Beverley Tavares**  
Charity – Bermuda Agricultural Group
- 3. Manuel Jacome**  
Charity – Salvation Army

### CENTRAL COMMERCIAL & RETAIL

**The English Sports Shop**  
Charity – Big Brothers & Big Sisters of Bermuda

### WESTERN RESIDENTIAL

- 1. Mr. & Mrs. Dennis Sherlock**  
Charity - Packwood Home
- 2. Mrs. Erskine Binns & Family**  
Charity - Sunshine Leaque
- 3. Veronica, Suzanne & Michael Koren**  
Charity - Bermuda Diabetes Association

### WESTERN COMMERCIAL RESIDENTIAL

**Willowbank Hotel**  
Charity – Windreach Bermuda Trust

### COMMUNITY WINNER

**Sheila M. Swan & Friends**  
Charity – Lady Cubitt Compassionate Association

## Investing in Bermuda

Bermuda Stock Exchange sponsored their second "Investing Fair" held in XL Capital Limited Foyer on Saturday 17th November. The event was a great success attracting over 500 interested investors, who had the opportunity to meet and chat with men and women behind Bermuda's leading public companies. BF&M once again participated, displaying our informative booth manned by John Wight, Executive Vice President, Finance & Secretary; Glen Gibbons, Vice President Customer Relations and Sales; and Peter Lamb, Assistant Vice President, Customer Relations and Sales. The BF&M team answered questions from interested investors and handed out information and literature on various insurance coverage available, along with BF&M mugs, water bottles and canvas bags.



## Christmas Cheer

The BF&M Choir spread a little cheer on the 14th December visiting Westmeath Senior Citizens Residences and The Extended Care Unit at King Edward Memorial Hospital. They distributed cookies and chocolates and sang jolly holiday Christmas tunes. On 24th December, the choir spread their Christmas cheer once again in the BF&M Building foyer singing Christmas carols to our Customers and staff

