

Notice to all Brokers of Enterprise Insurance Company plc

As stated in previous communications I was appointed Provisional Liquidator of Enterprise Insurance Company plc (“the Company”) by Order of the Supreme Court of Gibraltar on 25th July 2016. I am required to report back to the Court within three months of my appointment as to the assets and liabilities attributable to the Company’s general insurance business and also to recommend whether a liquidator should be appointed in respect of the Company. The hearing at which I will present my report and recommendation to the Court has been set for the 26th October 2016 at 10am.

I am continuing with my work to determine the assets of the Company and have commissioned fresh actuarial reviews of the appropriate level of claims reserves arising from insurance policies issued by the Company.

The application for my appointment was made by the Gibraltar Financial Services Commission on the basis that the directors of the Company had determined that the Company was insolvent. All my work and draft reviews received to date indicate that this is indeed the case. While I have not yet finalised my report to Court, on the basis that the Company’s liabilities attributable to its general insurance business exceed its assets, I will most certainly be recommending that a liquidator should be appointed in respect of the Company. The Supreme Court will then need to determine whether a liquidator should be appointed at the hearing on 26th October 2016.

To prevent the continued accrual of liabilities on an insolvent estate I intend to disclaim all insurance contracts as onerous contracts and to file notices of disclaimer with the effective date being 26th October. The purpose of giving you advance notice of this is to enable you to arrange alternative insurance for your client policyholders as the effect of such disclaimer is to terminate or end all contracts of insurance so disclaimed and means that policyholders will no longer from that date hold a valid policy of insurance in the absence of arranging alternative cover.

While I can in no way presuppose or predict the decision of the Court, I believe it is likely that the Court will proceed to appoint a liquidator and the purpose of this notice is to inform brokers and policyholders of my intention to disclaim based on the information currently available to me. It is understood that there may be practical and timing issues involved in obtaining new cover for all policyholders and therefore it would appear that brokers and policyholders should act on the basis that insurance policies issued by the Company will be invalid as of 26th October 2016 given the intention to disclaim on that date.

Upon receipt of this notice please inform and advise your client policyholders accordingly.



Freddie White
Provisional Liquidator
Enterprise Insurance Company plc

30th September 2016