

# NAGICO

## AT A GLANCE

# 2017

IN REVIEW



# Hurricanes Irma and Maria

The Caribbean was significantly impacted by two unprecedented CAT-5 storms in 2017. Over 17 islands in the region were affected and the gross loss caused by the duo has been estimated by AIR Worldwide to be at a minimum 41 billion US dollars, with Puerto Rico to account for as much as 85% of the industry loss. The losses incurred worldwide, during 2017, as a result of natural disasters were so grave that many reinsurers have issued profit warnings for the first time since the 2008 financial crisis, thus reiterating the extent of devastation which has been experienced.

NAGICO saw 13 of the territories within which it operates battered by these powerful hurricanes: St. Maarten (Dutch), St. Martin (French), Tortola, Virgin Gorda, Anguilla, Turks & Caicos, Dominica, Saba, St. Eustatius, Antigua, St. Kitts, Guadeloupe and Montserrat. The NAGICO Group has received more than 12,000 claims, spread across the motor, property and marine lines of business, and is expected to pay well in excess of half a billion US dollars to its policyholders as a result of these two events.

Despite having well defined, reviewed and tested island specific business continuity and catastrophe preparedness plans, challenges were encountered along the way: intermittent communication, limited transportation to and from the islands, restricted mobility due to curfews etc. Regrettably, the speed of claim settlement has been impaired, to a large degree due to the widespread devastation experienced globally this year (Hurricanes Harvey, Irma and Maria as well as the earthquake in Mexico, to name a few), which put adjuster, contractor and auto mechanic resources under strain. These events caused an already limited skilled workforce to become further stretched, particularly in the islands, as it relates to contractors and auto mechanics, which has contributed to delays in estimates being received from policyholders.

In addition, although the NAGICO Group has a suit of more than 30 qualified and experienced adjusters in its team, including the likes of internationally and regionally known York Axis, Cunningham Lindsey, McLaren, Tim Price & Associates and Banks & Co Loss Adjusters, it is quite a mammoth task for over 12,000 claims across 13 islands to be simultaneously processed. It is important to note though that each obstacle encountered was carefully assessed and addressed to ensure progress was made.

As befitting of their individual security ratings, at least A- by AM Best or Standard & Poors, our reinsurers have responded immediately and without hesitation to their obligations. The NAGICO team has been focused on hurricanes Irma and Maria claim management and processing for the past 3.5 months and, we are pleased to advise that as at the end of December 80% of St. Maarten's motor claims, the Group's largest territory, has been settled; 75% of the British Virgin Islands' motor claims, the 2nd largest territory of the Group, was settled; great progress has also been made in the very devastated Dominica, wherein 70% of motor claims has been settled. The Group's overall motor claim settlement level is 75% (i.e. > 4,500 claims have been settled). When looking at our overall claim portfolio, i.e. all lines of business, we have settled 60%. This is a significant accomplishment, all things being considered, especially the sizable volume of claims which the NAGICO Group has received. We are very proud of our staff, agents, brokers and adjusters for their hard work thus far and also of our reinsurers for their diligence in and commitment to remitting reinsurance recoveries swiftly. We all continue to work tirelessly on concluding the remaining cases in the shortest timeframe possible.

# A Message from Peak Re on their Relief Support

A small relief workforce, chaired by the management of Peak Re, was dedicated to support our friends and colleagues in NAGICO. The relief group was formed immediately after we learned of the unprecedented devastation caused by Hurricanes Irma and Maria across a wide swath of the Caribbean which left thousands homeless.

"We must act now and do something for them (NAGICO); there is no time to waste." Franz-Josef Hahn, CEO of Peak Re said to his team while travelling together to the annual international event for re/insurance industry in Monte Carlo at that time. Although we are not a professional relief organisation, our thoughts and prayers were with the people affected and we committed to working with partners to provide as much help as possible.

The first challenge was to re-establish communication with our contacts in NAGICO and to understand their immediate and most urgent needs. Once the lines of communication were established, we understood that our colleagues at NAGICO desired the restoration of its operations soon as possible, in order to provide claim settlement services to their policyholders. They urgently requested for laptops to be delivered as their offices and equipment were badly affected by the hurricanes. Other essential supplies including non-perishable food items, shelter, medicine and electricity were also needed, and were sent as soon as possible.

Thanks to the support of our colleagues and major shareholder Fosun International, essential supplies were delivered to NAGICO after multiple hurricanes were past.





In early November Peak Re's CRO Eckart Roth and CFO Cathy Chen visited St. Maarten and St. Martin to attend to the NAGICO Group's board meetings. It became obvious to them that more support to the families of our NAGICO colleagues may be necessary. Cathy and Eckart well noticed the level of damage to the main office and the hard work and great effort put in by all NAGICO staff to get claim payments to insureds as fast as possible.

After listening to the stories and having seen the living conditions across the island but also the working conditions in the building, they left deeply impressed by the dedication of the NAGICO employees and management to live the mission of fast, fair & always there.

Meanwhile, in Hong Kong, we are organising ways to continue supporting the staff and families of NAGICO. Relief work in the affected region is a long term endeavor. As a major shareholder of NAGICO, our thoughts are with our colleagues, their clients and the brokers and agents who support those communities shattered by Hurricanes Irma, Jose and Maria. We are committed to working with partners, both within and outside of our insurance community, to help rebuild lives and communities.



## Sint Maarten

2017 was a momentous year for the NAGICO Group and St. Maarten in particular. It signified 35 years of existence and operation for NAGICO Insurances and this we commemorated with a number of celebratory events, throughout the islands, with our clients and service providers.

We developed and launched a new website which includes a comprehensive inventory of our suit of products and a number of enhanced features for the benefit of our existing policyholders, potential new clients, our partners and those interested in joining our dynamic team. Given our spread across the English, Dutch and French speaking Caribbean, our website offers the option to be viewed in these three languages based on the territory selected. At [www.nagico.com](http://www.nagico.com), parties can request a quote directly from their Agent or Broker of choice, for any of the territories within which we operate. We believe in our intermediary network so it was critical that our new website incorporated our Agents and Brokers and connected our clients directly with them.

Our online Notify us of a Claim facility was also improved. We expanded it to allow non-NAGICO clients or their Agent or Broker to be able to notify us of their claim when the at fault party is a NAGICO policyholder. This addition enables NAGICO to settle these claims in a faster manner and showcase its strength. NAGICO being a forward looking organization added a special Hurricane Claim Notification form to its website in advance of the two powerful hurricanes making landfall. This notification option was a significant convenience to many of our policyholders, in particular those who were off-island at the time of or were evacuated after the passage of the CAT-5 duo.

Although Hurricanes Irma and Maria caused significant damage to St. Maarten, NAGICO's largest territory, and the surrounding islands, we remain financially strong and we are diligently settling our clients' claims. "We are cognizant of the fact that NAGICO has a major part to play in the recovery process of the affected islands and we are working around the clock to settle all claims in the shortest timeframe possible" CEO of NAGICO, Dwayne Elgin said.

We are larger and significantly stronger than we were in 1995 when the region was battered by Luis and Marilyn. We delivered then and we are delivering now; all legitimate claims will be paid by NAGICO.'

Despite being inundated by thousands of claims at our st. Maarten office, our team set out to bring a much needed smile to 1000 persons in dire need on the island. In December, the company partnered with the New Testament Baptist Church, the St. Maarten Police Department and The American University of the Caribbean to prepare and distribute 1000 warm meals and clothing. NAGICO prides itself on being a Group that cares. We would like to thank our agents, brokers, management and staff, all of whom have gone above and beyond to ensure our clients' satisfaction, even while facing their own personal challenges. We appreciate and applaud your dedication and firmly believe that our joint effort will make us even stronger in 2018.

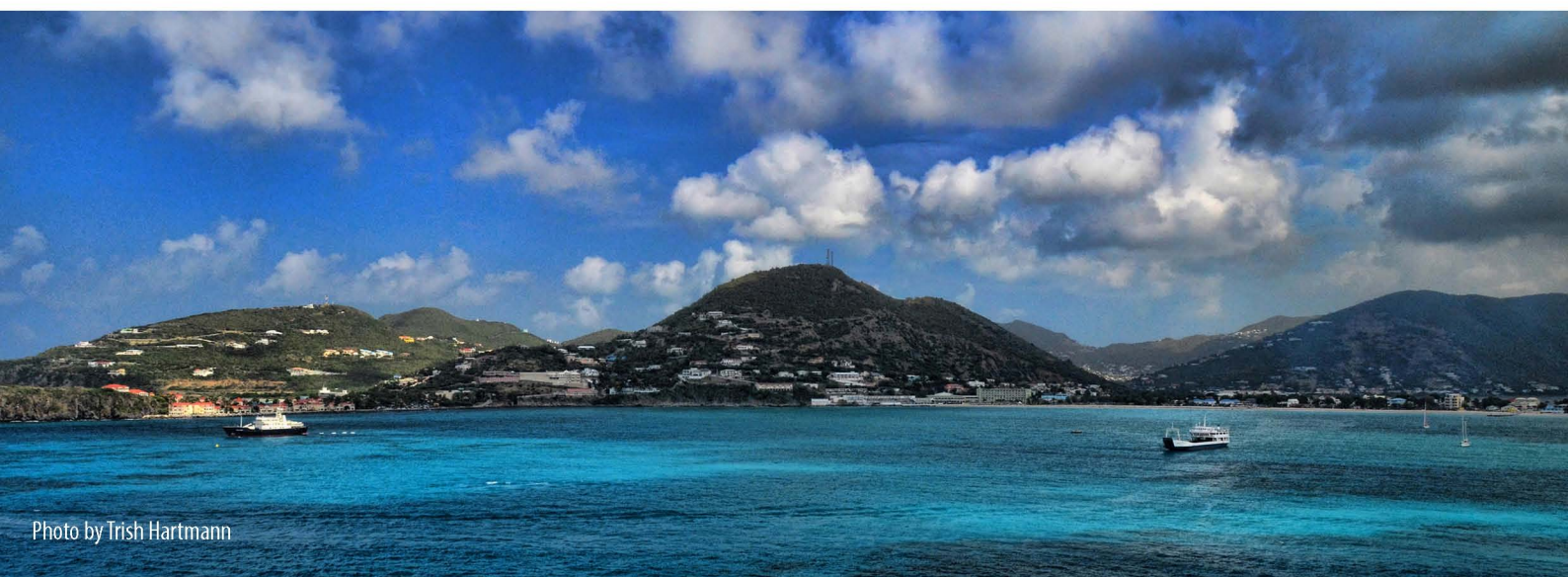


Photo by Trish Hartmann



# ABC Islands

2017 was a year that came with its share of challenges. However, it was also a year in which we sought to embark on a few initiatives to take us forward.

We continued with our switch and save motor campaign, which started towards the end of 2016 in Aruba and Bonaire. We have now extended it to Curacao. By giving prospective clients the opportunity to save an average of 15% on their motor premiums, this campaign has assisted us in generating an additional \$2 million combined in new business across all three territories. For December, we have taken this campaign one step further by offering customers the chance to win various prizes once a new motor policy is purchased.

Another milestone that we have achieved is the launch of our Internship Program in Curacao. We recognize that a strategic partnership with the local universities would serve us well. With this program we have 4 – 5 interns within our operation at any one time. Apart from giving first dibs on talent coming out of our universities, it has allowed us to reduce the pressure on colleagues in a number of key areas. We plan to extend it to Aruba and Bonaire as well.

Having established our Life Online calculator with key banking channels, we have noted an increase in property business. We expect this line of business to continue to grow in 2018.

While not directly impacted by Hurricanes Irma and Maria, we recognize the opportunities that will be generated in the ABC Islands by the Group demonstrating its financial strength throughout the region. As such, our 2018 plans focus on further building upon what we have achieved in 2017 and constantly improving our operations.





# Anguilla

Over the course of the year 2017, we the Anguilla NAGICO Branch Office have had the pleasure of adding new persons to and strengthening our team. For this year we decided that our focus would be optimally contributing to our society.

For our 35th Anniversary celebration we promoted Health Awareness. The event was a WALK/RUN & FAIR, with the slogan **“Being Healthy isn’t a goal; it’s a way of living”**. It was our first big community project and we set ourselves a target of two hundred participants. We are pleased to advise that this target was well surpassed and our objective to promote proper health and fitness was achieved. The event was very exciting and included the prize oriented walk/run, massage therapy demonstrations, Zumba sessions, acupuncture and, the Non-communicable disease department provided persons with free health checks. Persons were enthused with our community effort and requested that we make the event an annual one. We will surely be looking into that recommendation.

During the month of September we were hit by two catastrophic events, hurricanes Irma and Maria respectively. These hurricanes destroyed half of our office, however, we were able to develop a convenient organizational structure to accommodate both our external and internal clients expediently and the team has been focused on settling our policyholders’ claims.

In the upcoming New Year, 2018, we wish to be more pronounced in the community, thus we will engage in a number of projects. We will continue to increase consciousness of safety and proper health and wellness on our small island of Anguilla; this in an effort to increase the longevity of our people.

It is our hope that this will show our island that we aren’t only fast and fair but that we care.





# Grenada

“Proud of our past. Excited about our future!” This is particularly true in Grenada’s case, as the company prepares to embark on an exciting journey in 2018, building upon its present foundation and the momentum created in 2017.

Having launched just 5 years ago, NAGICO, despite being the “new kid on the block”, has experienced 16% growth in 2017 in a highly competitive market, where 16 insurers operate. This is testament to the excellent work of our staff and suite of highly motivated and driven Agents and Brokers.

At the helm of our Grenada operations is Operations Manager Chantelle Bristol and Principal Representative & Accountant, Theresa Noel. Chantelle, a qualified and well-seasoned Chartered Underwriter, is originally from NAGICO Trinidad and Tobago. She took up the opportunity in April 2017 to energise and develop our Grenada operations and that she has done very well with the team. Theresa recently obtained an MBA in Finance and has been diligently, over the years, ensuring appropriate controls are maintained at our office. Together, these ladies have created a nicely motivated, committed and driven team that produces results!

In true NAGICO style, our Grenada subsidiary is well balanced and very supportive of the island developments, local communities and their development. NAGICO is the proud sponsor of the Grenada Boys Secondary School, who we are pleased to advise won the 2017 Intercol Championship! Also, as we prepare to enter 2018, NAGICO is the confirmed Gold Sponsor for the upcoming “Grenada Sailing Week”. This highly regarded Regatta, carded for January 29th - February 2nd 2018, traditionally kicks off the Caribbean Sailing Season and is well attended by teams from all over the region. We are excited to be represented at this prestigious event.

In such a highly competitive environment, NAGICO Grenada will continue to differentiate itself as the company that provides meaningful value to its customers, agents and brokers through its product offering and service delivery.





# Trinidad & Tobago

Amidst all the challenges which we faced in 2017, from an economy in recession, to Tropical Storm Bret, we managed to keep our heads above water and more importantly to improve several aspects of our operation. While 2016 was a bumper year for the territory in terms of production, the targets set for 2017 proved challenging as the economy continued to decline. The arduous conditions saw the curtailment of government contracts which directly impacted the general insurance market. Our production will thus be slightly lower than 2016 but higher than 2015.

During 2017, the internal restructuring of the insurance operations saw an improvement in service delivery, both from Underwriting and Claims. In the Claims department, we introduced the Claims Concierge Service which based on feedback received has progressively enhanced customers' claims experience. This approach will continue and be amplified in 2018.

A very positive development in 2017 was the partnership with Bayshore Financing to assist our customers with premium financing given the challenging economic environment. Through this arrangement, customers and brokers alike can access financing for payment of premiums.





# 2017 Microsoft Innovation Summit

The 2017 Microsoft Innovation Summit, themed “Journey Towards Digital Transformation” was held on the 12th December 2017 at the Hilton Trinidad and Conference Centre. With a wide selection of presenters focusing on Cloud Computing and Big Data, and how organizations are leveraging the use of this technology, our own Andre Mills was invited to speak on NAGICO’s experience having migrated a number of its IT services to the Cloud and to describe the impact on the organization. The Panel Discussion was led by the General Manager Microsoft Caribbean, Herbert Lewy, who helped navigate the audience through NAGICO’s journey.

The conversation centered around NAGICO’s deployment of Office 365 and how the use of this technology has transformed the operations by incorporating Skype for Business, SharePoint, One Drive for Business and Power BI. The major take away though was the real-life experience of the NAGICO Group responding to the events of Hurricanes Irma and Maria, and being able to get its operations back up and running in what is considered to be ‘record time’.





This coming back online was completely possible as a result of the strategic decision to migrate major applications of the organization to the Cloud and having a strong Disaster Recovery Plan in place across the Group. The NAGICO story resonated throughout the event and provided a strong opportunity for those present to see the true strength of The NAGICO Group.

The General Manager for Microsoft Caribbean made specific mention that the experience of NAGICO is “indeed a success story for Microsoft and one which we desire to document” given the impact of the recent events in other territories. He stated, “We are pleased to partner with NAGICO to share with you the possibilities of our services but more so learn of NAGICO’s strength in overcoming adversity”.

## NAGICO’s Project of 1000 Smiles

NAGICO is proud to have had a successful initiative which focused on the local communities in Sint Maarten for the holiday season. Staff and volunteers handed out Christmas meals and T-shirts on December 9th, 2017 to several communities including Philipsburg, Belvedere, Dutch Quarter, Midle Region, St. Peters, Fort Willem , Downs Street and Cole Bay. In collaboration with the SXM KPSM Sint Maarten Police, The New Baptist Church and the American University of the Caribbean, the project’s organising team was able to carry out their mission – to bring a smile to 1000 faces.



See what our Clients have to say about NAGICO's  
Hurricanes Irma and Maria Claim Settlement.



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