
Attention:

Owners of Flexible Premium Annuity (“FPA”) Policies issued by British American Insurance Company Limited (in Judicial Management) (“BAICO”)

The Governments of the Eastern Caribbean Currency Union (“ECCU”) are pleased to announce the commencement of Phase I of the Policyholders Relief Programme (the “Programme”).

Please note: This Phase of the Programme does not include either Executive Flexible Premium Annuity (“EFPA”) Policies or Flexible Premium Annuity II (“FPAll”) Policies, which are expected to be covered in subsequent phases of the Programme. Please see below for more information.

The ECCU Governments wishes to thank the owners of those policies for their continued patience.

Detailed information: Details about Phase I of the Programme are in the Brochure and Application Form, available on www.baico-intl.com and in BAICO branches from late November/early December.

What will be paid? Under this phase, Owners of FPA Policies issued in the ECCU will receive a payment equivalent to the amount of their policy balance as at August 1, 2009, plus the amount of any premiums that they have paid since that date. If a former FPA Policy Owner never received payment for an FPA Policy that matured or was surrendered before August 1, 2009, they will receive the amount of that surrender/maturity payment.

Condition of payment: As a condition of payment, Owners must sign an Application and Release Form in which they give up all of their rights against BAICO and other specified persons in respect of the FPA Policy, and their Policy will be cancelled as at August 1, 2009. More information about this is available in the Brochure and the Application Form.

How to Apply for Payment

The ECCU Governments wish to provide Policy Owners with the chance to request payment prior to Christmas. Owners of FPA Policies may apply for a payment to be made under the Programme in one of two ways:

For **Immediate Payment:** Attend your local BAICO Branch on the date below that corresponds to the Owner’s

surname. Cheques will be made available for collection on these dates; or

For **Deferred Payment**: After these dates by attending your local BAICO Branch before March 31, 2013.

Although most Policy Owners will wish to receive an Immediate Payment, some persons will only be paid as part of the Deferred Payment Group (see below).

Immediate Payment - Application Dates

FPA Policy Owners seeking immediate payment should attend their local BAICO branch or other location notified on the following dates in their country of residence. Opening times will be announced locally.

Country & address	FPA Owner's Surname starts with	Please attend on
Antigua and Barbuda	A-F	Monday December 3
	G-N	Tuesday December 4
	O-Z	Wednesday December 5
Grenada	A-D	Thursday December 6
	E-L	Friday December 7
	M-Z	Saturday December 8
Dominica	A-F	Thursday December 6
	G-O	Friday December 7
	P-Z	Saturday December 8
Saint Vincent and the Grenadines (note: alternative location will be arranged)	A-F	Monday December 10
	G-N	Tuesday December 11
	M-Z	Wednesday December 12
Saint Lucia	A-D	Monday December 10
	E-L	Tuesday December 11
	M-Z	Wednesday December 12
Saint Kitts and Nevis	A-F	Friday December 14
	G-M	Saturday December 15
	N-Z	Monday December 17
Nevis only	A-Z	Date and location to be notified locally

In **Anguilla** and **Montserrat**, due to small numbers, Policy Owners will be contacted directly to arrange their application and subsequent cheque distribution.

The ECCU Governments expect large crowds to be in attendance on these dates, which may create delays. Your patience is kindly requested. The staff will make every effort to assist as many persons as possible in the allocated period.

Please note that, if your policy balance exceeded EC\$30,000 at August 1, 2009, you will not receive your payment until around the first quarter 2013. However, you should apply now in order to ensure that your application will be finalized without delay once payments are ready to be made.

What Applicants must bring

When making an Application for payment (whether Immediate or Deferred Payment), it is essential that Policy Owners bring:

- A **valid photo Identification**, such as your Passport or Driver's License. If a Policy Owner's name has changed, they should also bring proof of that change of name; and
- If available, your **original FPA Policy**.

Potential applicants are asked to ensure that they are the Owner of the Policy. This can usually be checked by looking at the original Policy document, or the Annual Report received in respect of the Policy. A person who is not the Owner of the FPA Policy will not be able to collect payment on behalf of any other person unless they meet the requirements outlined in the Brochure.

If a Policy Owner's current or former spouse is noted as either the Annuitant or the Beneficiary under the FPA Policy, in addition to the Owner, that person will need to sign the Application Form. This is because the current or former spouse may have a legal interest in the Policy. The current or former spouse will also need to attend the payment location, and provide their valid photo Identification.

Which FPA Policies will receive Deferred Payments?

Owners of FPA Policies who fall into the following categories will only be paid in the Deferred Payment group:

- Death claims (in which case, claim documentation will need to be submitted - please see the Brochure for details)
- Applications made by or on behalf of minors
- FPA Policies where the Aug 1, 2009 value exceeded EC\$30,000 (see above information for payment timing)
- All or most applications made by persons outside the ECCU

- Cases where the Owner's identity cannot be satisfactorily verified, or all persons that need to sign the Application Form have not clearly done so
- Applications received after the Immediate Payment date allocated to you
- Persons who have moved off-island, but whose new address has not been notified on BAICO's system
- Other more complex or unclear applications that cannot be resolved in a reasonable timeframe

If you will be seeking a Deferred Payment, you must submit your Application Form and supporting documents to the BAICO branch prior to March 31, 2013. A cheque will be issued once your application is processed, which is expected to take approximately six weeks and possibly longer during the Christmas/New Year period.

What if someone cannot apply on the allocated dates?

FPA Policy Owners who do not apply during the set period prior to Christmas should not be concerned that they will miss out on a payment. They will be able to submit applications at a later date, although they are not likely to receive funds before Christmas.

If persons are aware of an FPA Policy Owner residing outside the ECCU, they are encouraged to contact them in order to make them aware of this Programme. Non-resident Policy Owners who cannot apply in person will need to follow the process described in the Brochure, and will be processed as a Deferred Payment.

What is the difference between FPA, EFPA and FPAII Policies?

The type of policy you have will appear on the original document issued by BAICO. Policy Owners should locate their original Policies to check what type of policy they have.

As a general guide:

- **FPA Policies** (covered under Phase 1) are traditional insurance policies, most likely to have been used by a person to save for a pension or lump sum on their retirement. FPA Policy Owners will generally have made regular contributions to their Policy.
- **EFPA AND FPAII Policies** (to be covered under Phases 2 and 3) were mainly funded by a single premium payment to BAICO, and often used as shorter term investment offering higher returns to Policy Owners.

Please note that the above descriptions are a general guide only, and the circumstances of many Policy Owners may be different to the above.

When will the next Phase of the Programme start?

Once Phase I of the Programme is nearer to completion, BAICO Policyholders who have EFPA and FPAII Policies will be invited to apply for assistance.

Owners of these policies are intended to be assisted in Phase 2 of the Programme, currently planned for launch during the first quarter of 2013. The exact timing will depend on when funds are received by the ECCU Governments and operational arrangements can be implemented.

During Phase 2, it is expected that EFPA and FPAII Policy Owners will receive a payment of up to EC\$30,000 based on the amount of their principal balance. Policy Owners with a principal balance over EC\$30,000 are expected to receive an additional payment during Phase 3, the amount of which will be determined based on final amounts received by the ECCU Governments for this purpose.

Acknowledgement

The ECCU Governments acknowledge and express their appreciation to the Government of the Republic of Trinidad and Tobago, which has committed to provide a significant funding to support the ECCU Governments' response for BAICO policyholders.

The Governments also express their appreciation for the valuable assistance of the Judicial Managers and Administrator of BAICO, both in the ECCU and in The Bahamas, and to the management and staff of British-American Insurance in Trinidad (BAT) for their assistance in implementing Phase I of this Programme.

Issued by The Governments of the Eastern Caribbean Currency Union

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