

1 July 2025 - Update by JPLs of Custodian Life regarding complaints about the BMA and the JPLs by certain policyholders and IFAs.

It has come to the attention of the Joint Provisional Liquidators (“JPLs”) of Custodian Life Limited (“Custodian”) that repeated complaints are being made to the Ministry of Finance and Ombudsman, by persons identifying themselves as, or purporting to be, policyholders and IFAs, in connection with the decision by the Bermuda Monetary Authority (“BMA”) to petition for the provisional winding up of Custodian and have JPLs appointed to carry out a restructuring of the Custodian, as well as the manner in which the JPLs have conducted their duties since their appointment.

The JPLs have been advised that certain complaints allege that the BMA has acted “*illegally to destroy a financially sound and fully audited business*”. It is also alleged that the reasons for the BMA’s decision remain unclear and that the ongoing investigation has been subject to undue delay on the part of the BMA.

Further, the JPLs have been informed that certain complaints have called for a public enquiry into the actions of the BMA and that individuals at the BMA have been subjected to profanities, personal attacks and highly inappropriate commentary. The JPLs and their staff have also been the target of similarly inappropriate personal slurs and derogatory remarks. These actions are not acceptable.

The JPLs wish to place on record that the appointment of the JPLs was made **by agreement** between the BMA and Custodian’s sole director and principal, Mr Joakim Samuelsson (“Mr Samuelsson”), pursuant to the BMA’s statutory and regulatory functions under the Insurance Act 1978 and the Companies Act 1981. Mr Samuelsson had an opportunity to oppose the appointment of JPLs, but ultimately chose to consent to the appointment order made on 23 November 2023.

The JPLs understand that, prior to the presentation of the winding up petition on 6 November 2023, Custodian had not filed audited accounts, nor completed all requisite statutory filings in proper form, since 2021, the last audited accounts having been filed in respect of the financial year ended 31 December 2020. The JPLs have reviewed the correspondence between Custodian and the BMA since 7 April 2021, being well over **two years** prior to the filing of the BMA’s winding up petition on 6 November 2023.

This decision to consent to the appointment of the JPLs by Mr Samuelsson was made after reviewing a statutory investigation conducted by an independent professional investigator at the request of the BMA into Custodian’s financial position, the results of which were that Custodian had failed or refused to cooperate with the investigator’s requests for information, and that its financial statements were defective. It was for this reason that the BMA was unable to ascertain Custodian’s true financial position and

determined that its policyholders were potentially at risk. Not only was the appointment of the JPLs effected with the full consent of Mr Samuelsson, but the Supreme Court of Bermuda saw fit to grant the BMA's application and appoint the JPLs as court-appointed provisional liquidators of Custodian.

Since the JPL's appointment, Mr Samuelsson has failed to provide the JPLs with a complete and reliable register of policyholders or with sufficient Custodian records to enable the JPLs to verify the segregated account status of the policyholder accounts and complete their court-appointed duties, which includes distributions to policyholders. The delays in the investigation of Custodian's affairs have been caused by the deliberately obstructive conduct of Mr Samuelsson, who, despite agreeing to the appointment of JPLs and a production order, has failed to provide critical records to the JPLs and who has conducted a campaign of misinformation with policyholders and IFAs. It should be noted that Mr. Samuelsson was declared to be in contempt of the Supreme Court of Bermuda over one year ago and still remains in contempt

In light of these circumstances, and the consequent risks facing policyholders, the BMA's decision to seek the appointment of provisional liquidators and Mr Samuelsson's decision to agree to their appointment on behalf of Custodian was, in the view of the JPLs, an appropriate and measured regulatory response aimed at the protection of policyholders and stakeholders, pending further investigation into, and remediation of, Custodian's financial affairs so as to ensure full financial and regulatory compliance.

Given the above-mentioned facts, allegations or suggestions that there is a credible basis for a public enquiry into the BMA's conduct have not been substantiated. Any policyholders, IFAs or other interested parties who consider themselves aggrieved are always at liberty to approach and appear before the Supreme Court of Bermuda, which is the proper forum for the determination of any such matters. The Court will consider any properly made applications or representations made by affected stakeholders in the course of these proceedings.

The JPLs acknowledge the profound and ongoing impact that this prolonged period of uncertainty has had on policyholders. They have devoted (and continue to devote) extensive efforts to identifying a lawful, fair, and practical solution to establish a mechanism to support all policyholders. Regrettably, the lack of information for over 60% of the policyholder population has significantly hindered progress towards achieving this goal.