



Press Release 2020-024

Progress on restructuring Ennia

Willemstad/Philipsburg - On July 4 and 6, 2018, at the request of the *Centrale Bank van Curaçao en Sint Maarten* (CBCS), an emergency measure was issued in respect of several companies of the ENNIA Group (ENNIA). The aim of the emergency measure is to achieve a restructuring of ENNIA in order to restore its solvency—this also in view of ENNIA’s long-term obligations to its policyholders. The following is an update on the steps that have been taken in that regard.

Restructuring

Immediately after the emergency measure came into force, the CBCS, together with ENNIA, identified all possible solutions to the solvency deficit, also carrying out a feasibility study. In collaboration with its advisors, the CBCS included the most concrete and feasible of these options in a restructuring plan that is already partly being implemented. For instance, large sums of funds and investments previously on U.S. bank accounts have been returned to the insurance company's control and preparatory steps are being taken towards a more transparent and less risky structure for the group. In several areas, the relevant components of ENNIA are now more loosely connected and (unlike the situation before the emergency regulation), the insurer’s actual capital position and risk profile can now be clearly assessed. In the coming time, efforts will continue towards a step-by-step adjustment of ENNIA’s corporate structure and a gradual lifting of the emergency measure in respect of ENNIA. These restructuring efforts will also continue after the gradual lifting of the emergency measure has begun. The aim is to safeguard the interests of ENNIA’s policyholders and those of other creditors, while ensuring its continuity. As soon as more details can be released on the progress of the restructuring efforts, the CBCS will share these.

Legal Action

In October of 2019, ENNIA initiated legal proceedings against several persons, including Mr. Ansary, who according to ENNIA and the CBCS are responsible for the serious problems that have arisen at ENNIA. The action was taken after an in-depth investigation

had revealed that the serious problems at ENNIA were in part caused by large-scale unlawful withdrawals of funds that should have remained available to policyholders. The aim of these proceedings is to secure compensation for as much of said withdrawals as possible, in the interest of the policyholders. A court judgment is not expected on short term. Extensive legal actions such as this one take time, while tactics to delay the proceedings always remain a possibility. The first phase of the proceedings (summoning of the defendants by the court) has been completed and ENNIA will continue to ask the court for an expeditious handling of the case. The expectation is that it will not be necessary to await the outcome of the proceedings in order to press on with ENNIA's restructuring to ensure its continuity.

Social Involvement and Innovation

ENNIA too is being confronted with the consequences of the COVID-19 pandemic. Nevertheless, it continues to value social involvement—also with regard to the consequences of this pandemic. It therefore also continues to monitor and whenever possible support social projects. Additionally, ENNIA has taken steps to improve the level of service offered to its policyholders in the short term. ENNIA is also pursuing further innovation of its insurance products and is currently working on the implementation of new technologies in this regard.

Management Team

Next week, the CBCS will be appointing a new management team at ENNIA, headed by Lesley-Ann Brodie as Chief Executive Officer.

Willemstad, July 23, 2020

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN