6 June 2024

Letter sent by email

To:

Edward Willmott and John Johnston (Joint Provisional Liquidators, Custodian Life Limited) Deloitte Financial Advisory Ltd.

Dear Edward,

I expect this correspondence to be brought to the Court's attention.

On 24 November 2023, the Supreme Court of Bermuda appointed you, Edward Willmott and John Johnston as Joint Provisional Liquidators (JPLs) of Custodian Life Limited (Company) for the purposes of facilitating the restructuring of the Company.

In any appointment of JPLs for restructuring purposes the ultimate purpose of the appointment is to facilitate a remediation of the matters which have given rise to the prospect of the Company being wound up by the Court.

Since the matters that have given rise to the prospect of the Company being wound up remains an issue in dispute, it is your obligation to ensure you have a clear and authoritative determination of the matters at hand before any effective remediation can take place. Only with the Appealed BMA Enforcement determination can a viable remediation plan be developed and implemented. This approach not only facilitates a fair and equitable resolution of the matters in dispute but also ensures that the restructuring process is based on a solid foundation of facts and legal determinations. Consequently, determining the Appealed BMA Enforcement is not merely beneficial but necessary to effectively remediate the matters leading to the potential winding up of the Company by the Court. It cannot simply be assumed that a remediation is required. To incur remediation costs prior to such a determination would be a wasteful use of the Company's finite resources.

By relying solely on the BMA's petition dated 6 November 2023 and the BMA's allegations in the outstanding Appeal of the Decision Notice dated 2 June 2022, you have, as appointed JPLs, failed to:

1. Seek a Definitive Determination: You have not pursued a clear and authoritative resolution of the disputes underlying the BMA's allegations. Without such determination, any steps towards remediation lack a solid legal and factual basis.

2. Prevent Premature Costs: By moving forward with remediation without first securing the necessary determinations, you have exposed the Company and its policyholders to potentially wasteful expenditures. This premature action risks depleting the Company's limited resources on initiatives that may later prove unnecessary or misguided.

3. Ensure Fair Process: You have overlooked the importance of a fair and equitable process that fully considers the outstanding Appeal and the associated allegations. This failure undermines the integrity of the restructuring process and jeopardizes its acceptance by all stakeholders.

4. Establish a Solid Remediation Plan: Without the findings from the Appealed BMA Enforcement, any remediation plan you propose is inherently flawed. The lack of a solid factual and legal foundation means that the plan cannot effectively address the root issues or provide a reliable path to the Company's restructuring.

These failures highlight the need for a more measured and legally grounded approach to the restructuring process, ensuring that all actions are informed by definitive and authoritative determinations.

Further, the "old" management and former Board of Directors was engaged in a series of correspondence and meetings with the BMA in relation to the Company's ability to meet its regulatory requirements as a Class C Long-term insurance company.

On 22 April 2022 pursuant to section 32 and 32C of the Insurance Act 1978, the BMA issued "Directions in case of urgency" to the Company ("Directions"). On 2 June 2022, the BMA issued a "Decision Notice Directions in Case of Urgency" to the Company ("Decision Notice") which confirmed that the Directions "continued to be effective" pursuant to Sections 32, and 32C, of the Insurance Act. On 30 June 2022, the Company appealed the Decision Notice and on 14 July 2022, the Company served the Grounds of Appeal on the BMA.

The Company's Grounds of Appeal were left unanswered by the BMA for almost one year ("Material Delay"). My understanding is also that it was unprecedented in Bermuda's history for a company to appeal a BMA decision and/or progress formal litigation proceedings against the BMA.

The assertion that the JPLs have ignored the BMA's methodology, which is designed to avoid the risk of an independent third party reviewing or overturning their decisions, is significant failure. Instead of concluding the appeal process or engaging in settlement discussions with the Company, the BMA opted for the appointment of JPLs. The deliberate ignorance of the JPLs by neglecting the pertinent facts and historical context raises serious concerns about your objectivity and independence in relation to the BMA.

On 12 March 2024, the law firm Carey Olsen, which the Company had used during the entire process with the BMA, wrote a letter to you on behalf of myself that also pointed out that completing the appealed BMA Enforcement serves the Company's and Policyholders best interest. In that letter, we respectfully urged the JPLs to reconsider their position and allow the Company to complete the Appealed BMA Enforcement prior to considering to what extent a remediation is necessary. We did that for a number of reasons:

- The purported "need" to remediate is an issue in dispute, which will only be determined by the Appealed BMA Enforcement.
- To incur remediation costs prior to such determination would be a wasteful use of the Company's finite resources.
- Should the Company succeed in the Appealed BMA Enforcement and our belief is also that the Company would succeed on all fronts, the grounds which purportedly justify a remediation would fall away and the Company would consequently be deemed to have been compliant with Bermuda law as the dates of Directions and the Decision Notice in April and June 2022 respectively.
- Even if the Company would only succeed on a few fronts, the result would serve the Company's and Policyholders best interest by greatly reducing the scope of the remediation required and the consequential cost to the Company's value.
- The BMA delayed the Appealed BMA Enforcement for almost one full year before seeking to avoid those proceedings altogether by initiating a Section 30 investigation and filing a Petition thereafter.

Therefore, the only fair way for this matter to proceed is for Petition and my hearing to be adjourned until the Appealed BMA Enforcement Proceedings is determined. For the reasons outlined above, this is clearly in the Company's and the policyholders best interests – as opposed to progressing a costly, full-fledged remediation (which could ultimately be completely unnecessary), which would consequentially also require foreign proceedings being initiated against me.

The letter also provided you with a non-exhaustive list of comments on incorrect claims and misrepresented points made in the BMA's Petition on matters which are material both to the determination of the Appealed BMA Enforcement as well as the merits of the Petition itself. Regrettably, your letter dated 14 February 2024 endorses the BMA's position on all fronts. This is astonishing, given your awareness of the incorrect claims and misrepresented points from the outset.

You have been appointed to a pivotal and entrusted role as JPLs to safeguard the stakeholders of the Company. Through your actions and inactions, you have failed in your assignment and fallen short of the standards expected of proper JPLs.

Furthermore, during the in-person meeting on 8 January 2024 with Edward Willmott, Marcin Czarnocki, and undersigned, I provided sensitive information I am in possession of about the conduct of the BMA and its Directors and Officers. During that meeting, Edward Willmott, confirmed that neither you nor your team had reviewed the series of correspondence between the Company and the BMA. The sensitive information was further explored and detailed with evidence in my letter dated 12 March 2024 which can be summarized as follows:

The Bermuda Monetary Authority altered its approach to align with its agenda and achieve its objectives, namely preventing the Company from having its case heard by an independent tribunal. I showed that the BMA is engaging in deceitful practices, employing corrupt tactics under directives from above, both internally but also politically thus revealing a pervasive and entrenched culture of corruption within the Authority.

The letter also explored the BMA's practice of circumventing the insurer's right to appeal an authority decision which is a significant cause for concern. It implied that the regulatory processes may not adequately adhere to established legal procedures, raising questions about the Authority's accountability and adherence to legislation. Such situation suggests a potential imbalance in the security and safety net afforded to private individuals and entities, signaling a need for a closer examination of the regulatory framework to ensure fairness, transparency, and adherence to legal principles.

Moreover, it showed disconcerting indications of bias within the BMA, as evidenced by decisions to be swayed more by political and personal considerations rather than on objective facts. Those serious claims highlighted the critical need for a thorough and comprehensive investigation to preserve and restore trust and credibility within the regulatory body.

When you are presented with the aforementioned new information, which would prompt any reasonable and rational professional to reconsider their existing approach, you instead dismiss it as inconsequential due to a purported lack of evidence. To disregard this information, especially when the evidence provided contained details that I could not possibly have known without being reliable, is perplexing. The failure to follow up on the information, which was ultimately obtained from a whistleblower, is astonishing and represents a significant lapse on your part. This is particularly concerning as I have indicated that the evidence I have shared thus far is merely the tip of the iceberg regarding the behavior of the BMA, its Directors, and Officers.

At this stage, your endorsement of the BMA's proven inaccuracies and deceitful practices, coupled with your disregard for the information provided by the Company and myself, can only be described as a complete failure in your duties as the appointed JPLs of the Company.

Additionally, with reference to your letter 30 April 2024 (responded to 2 May 2024) to me in my capacity as sole executive director of the Company and the beneficial owner of the shares in the Company you state:

"It is simply not possible for the JPLs to evaluate the merits of any defence to the BMA allegations (and prosecute the Appeal in any meaningful way) while you, as sole executive director of the Company and the only person with access to and control of the required Company information, maintain your refusal to provide the very information and documents that led the BMA to impose the Urgent Directions and Decision Notice in the first place."

This statement is demonstrably inaccurate and misleading. Furthermore, it raises concern, particularly given the duration of your appointment as JPLs (for restructuring purposes only) now exceeding six months.

The Urgent Directions (subject to appeal) were not predicated upon a refusal to furnish information and documents but rather on erroneous assertions and misrepresentations, which you have deliberately ignored throughout your appointment.

Likewise, the Decision Notice (subject to appeal) was not contingent upon a refusal to furnish information and documents but rather on erroneous assertions and misrepresentations, which you have deliberately ignored throughout your appointment.

You have been privy to all correspondence exchanged between the Company, its legal representatives, Carey Olsen, and the BMA, including our appeal and its grounds. Thus, you possess the necessary information to assess the merits of any defense against BMA allegations and to prosecute the Appeal meaningfully.

As mentioned earlier in this letter, you previously acknowledged to me that you had not reviewed the correspondence between the Company, its legal representative, and the BMA. This acknowledgement together with your statement in that letter affirms your lack of engagement with the underlying reasons for your involvement and your failure to fulfill your obligations as the appointed JPLs for the Company.

Furthermore, in my letter dated 23 May 2024 I reminded you of your fiduciary duties, which include acting in the best interest of the policyholders, creditors, and the estate. That your actions will be reviewed, particularly concerning the extent and necessity of cost incurred. Driving unnecessary cost can diminish the value of the estate, adversely affect the policyholders, and constitute a violation of your fiduciary duties.

It is concerning that on 28 May 2024 you release a payment of USD 633,284.28 to yourself (Deloitte) and on 29 May 2024 another payment of USD 410,733.05 to your law firm, Harneys. This is particularly troubling given your repeated claims of lacking the necessary information to review the Company's solvency, yet you did not hesitate to release these funds.

By doing so, you have either:

1. Determined that the Company is solvent or;
2. Transferred segregated assets, as per the BMA's and your determination of segregated funds.

If the transfers were based on the Company's solvency, we could proceed with redomiciling the Company immediately. If based on the latter, this raises significant issues.

I would also like to highlight the support I have from IFAs representing the vast majority of the Company's policyholders. Given the contents of this letter, Carey Olsen's 12 March letter, my 12 March letter, and your actions and inactions, what do you think will happen when I make everything public?

Regarding your communications with known policyholders and their authorized representatives, these contain inaccuracies and misrepresentations aimed at discrediting me and the service provider to the Company. To me, you are taking a significant risk using obvious lies when communicating with those. I can only surmise that presenting the truth does not sufficiently serve your purpose of garnering support from these individuals to advance your agenda by any means necessary.

Finding legal representation in Bermuda has proven difficult due to unresponsiveness or conflicts of interest among respected law firms. Despite these challenges, I retain the right to seek legal representation. My previous representation by Kyle Masters at Carey Olsen was disrupted due to conflicts instigated by your legal team.

When seeking the Court Order against me, Mr. Willmott, you used incorrect claims and misrepresentations as facts, which you should have been able to dismiss. Instead, you leveraged these inaccuracies to obtain the Court Order against me.

Finally, due to severe mental health constraints, I am unable to attend the hearing on June 6, 2024. My medical certificate states that my sick leave currently extends to 30 June 2024. As previously stated, the only fair way for this matter to proceed is either for the Petition and my hearing to be adjourned until the Appealed BMA Enforcement Proceedings is determined or for the entire process to be revisited, allowing for a negotiated and conclusive resolution between the BMA and the Company.

Yours Sincerely,

Joakim Samuelsson
Ultimate Beneficial Shareholder Custodian Life Limited
(Director without powers)