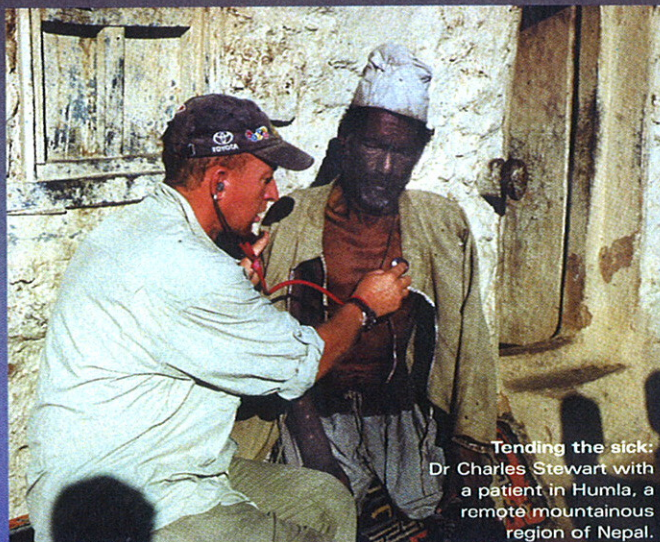


Making a world of difference



Tending the sick: Dr Charles Stewart with a patient in Humla, a remote mountainous region of Nepal.

Mairi Mallon meets Audette Exel and Sharon Beesley, the remarkable women behind ISIS, a company that combines high finance with high ideals.

Sitting in the recently refurbished high-tech offices in Crow Lane, Audette Exel and Sharon Beesley look the picture of the perfect businesswomen. They are well-groomed, in sombre expensive suits and they talk turkey with the best of them. New Zealand-born Exel, after all, made her name here as managing director of the Bermuda Commercial Bank and a former chairman of the Bermuda Stock Exchange while English-born Beesley was a high-flying corporate lawyer.

So it comes of something of a shock to find that these two women had cast aside their executive jobs, designer clothes and comfortable homes to trek across the inhospitable plains of Uganda and the mountains of Nepal. They lived in tents, and found themselves heartbroken by the plight of the children and adults living in these third world nations. It was an experience that changed their lives forever. Call it a mid-life crisis, or the moment of reckoning, but Exel and Beesley decided that it was time they did something that really made a difference.

The result was a partnership named ISIS, named after the Egyptian goddess of prosperity, who straddled three worlds: the underworld, the world of the living, and heaven. Exel and Beesley



Open for business: Sharon Beesley (left) and Audette Exel (right) travelled to Uganda for the opening of the community based health-care hall at Kiwoko Hospital. They were met by Dr Charles Stewart (second from left) and Uganda's First Lady Janet Museveni.

thought it an apt name for an organisation that straddled the poverty-stricken third world and Bermuda's rich hi-tech business world. ISIS was set up in 1997 to fulfil the dreams of these two high-flying business women who had thought — as many others have over the years — there has to be more to life than this.

Exel recalls: "We had the most amazing experience in Uganda, when we went to this little hospital and we said, 'What can we do? How can we

work with these people?' And we dreamed up the whole idea of starting up a healthcare training project with them, funding some of their staff, building a healthcare hall and all the rest of it. And we went ahead and did it."

Beesley adds: "We looked at the condition of the children in Nepal, and knew we had to do something. We had both sponsored girls in Nepal independently from each other from years back. They are now grown up and have had a good education. But now we help fund the charity that helped those girls in the first place. It is really quite something."

However it wasn't as easy as simply getting out their chequebooks and writing out a sum that would ease their consciences. They decided that to make a real difference they had to set something up that would generate real funds in order to keep and sustain any kind of charity work. And what better way of doing this than tapping into their existing knowledge of the Bermuda markets? Then they could make a bundle of cash for the under-nourished children of the third world.

Along with Dr. Charles Swart, a doctor they met on their travels, the women founded both a charity and a business in a way that they could earn a crust, but mainly so they could fund a char-



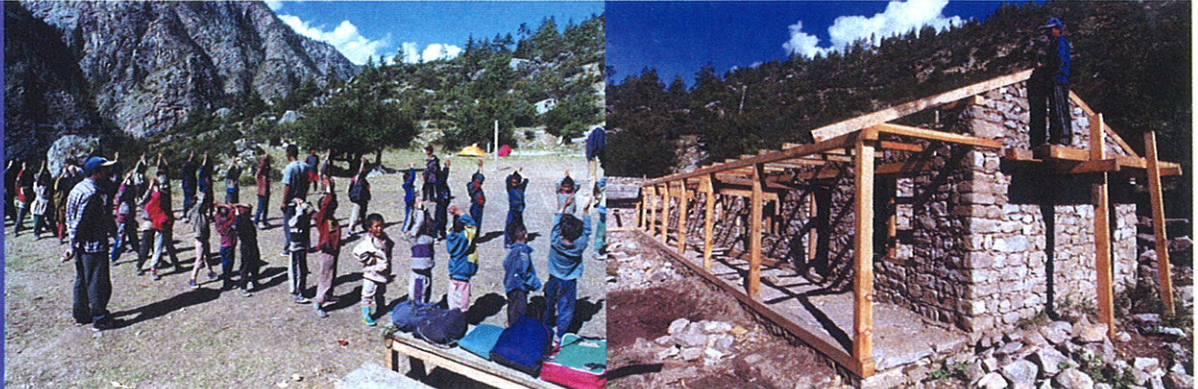
Money well spent: The clinic special care baby unit at Kiwoko Hospital in Uganda built with money from the ISIS Foundation. It is now the most sophisticated premature baby facility in the country.



Ideal home: This house with its own kitchen garden was funded by the ISIS Foundation as a blueprint for the ideal home in Uganda. Pictured is healthcare training area leader of Kiwoko Community-based hospital team Ssekidde K. Moses

New beginning:

The children in Humla, Nepal take their classes outside while they wait for their school (right) to be built with money raised by the foundation.



ity the way they wanted it.

They tried to get funding from other charitable organisations, thinking that their promise that every dollar given to the charity would be a dollar spent on essential life-saving measures, absorbing all the administrative expenses themselves, but they were unknowns in the world of charitable foundations and they were eyed with suspicion by the big fund-raisers.

Undeterred, they went ahead anyway. Their philanthropic vision led to the setting up of the ISIS Foundation, a charitable trust based in Bermuda whose emphasis is to “initiate and manage outreach primary health care projects in the developing world,” and ISIS Ltd, a Bermuda-based finance and insurance consultant.

The sole purpose of the exempted company was to generate revenue to cover the long-term administration costs of the ISIS Foundation. Many scoffed at such philanthropy, but hard-headed businessmen and women still recognised the talents of Beesley and Exel. If the pair wanted to throw away their hard-earned money in the direction of a charity, who were they to complain.

Exel says: “We sat down over many bottles of wine and cups of coffee and dreamt something up and then we went out and actually physically created it. And I really feel emotional about it. It is an incredibly life-changing event to put everything at stake, Bees has staked her legal career on the line, I’ve staked my business career on the line, every cent of capital either of us had, we put into ISIS to keep ourselves afloat. We staked our reputations

on doing it. We put our families at bay to a certain extent in terms of our lives. It is basically a dream and even though Bees and I are always joking and saying how do we stop working so hard, it’s the most fantastic feeling to have dreamt something and then be here. I walk in the door in the morning and I can’t believe we are here.”

The orders kept coming in, and the pair have had several coups — acting as private placement agent to raise equity for Max Re and being instrumental in establishing AME Re, the new captive insurance kid on the block set up specially for one of the world’s biggest churches (See *Business Partners* on page 56). Amongst other coups, ISIS has also acted as project manager and advisor to the Australian Investment Bank in setting up an offshore mutual fund in partnership with a large Australian multi-national company, and as advisor to the European Bank in combining a hedge-fund investment strategy with investment in a Bermuda-based insurance company.

Exel says: “The concept of ISIS is a simple one. We believe that it is impossible for any charity to achieve long-term sustainability of its aid projects, unless it can sustain itself. As we are business people by training, we decided that we would sustain the ISIS Foundation over the long-term by establishing a quite separate, profit-making business — ISIS Ltd. — and use the revenues of that business to pay all the administrative costs of the ISIS Foundation. ISIS Ltd generates revenues by receiving consultancy fees and commissions in its work with the insurance and finance

markets.”

The money for the charity comes out even before payroll, and the women admit to having had a few hairy moments counting up the cash at the end of the month. Beesley, who also raises a child on her own, admits it is hard work. She says: “A single job — which we both did before — is exhausting. And now, of our own volition on top of that, we are maintaining and managing the Foundation. It is extremely hard work.”

But, adds Exel, “it is more fun. Since the day we walked in the door together at ISIS there has not been a single day I have not wanted to come to work. That really is the truth. Even in the early days when we weren’t sure that we could make payroll, and we would lie awake at night. It is fun in here, but its terribly hard work.”

The two women are not only partners, but also best friends. They see their work more a kind of crusade rather than a nine-to-five job. When asked how many hours they put in each day, they could not answer. But 12 hours seems to be the norm — nine to nine. They never take holidays away from work, and say they always carry the burden of organising the Foundation with them — along with a laptop.

They are a bit like *The Odd Couple*. When they speak, they fill in sentences for each other, one correcting the other, butting in, and finishing sentences with the ease of an old married couple. Exel, the more talkative of the two, butts in constantly, unable to contain her enthusiasm: “It’s been the most dramatic life change I have ever

made; there is a saying that the only thing that is more overrated than running your own business is natural childbirth. There is something to be said for that but once you have passed the threshold of only answering to yourself, or each other, ie. your partners, it is great. For the first time in our lives we do not live in a world of paper. As lawyers we created business transactions, and we documented them and negotiated them and at the end of the day you say, 'See that set of documents there? That was a really brilliant finance deal.' It means nothing to the real world."

Exel is, according to Beesley "the eternal optimist", Beesley the touchstone of reality and commonsense.

Exel admits: "I dance around in here saying look at this, this is so amazing, and Bees comes in and says, 'Yeah, what time did you work until last night?' But this is the most life-changing choice we ever made. We see this as the rest of our lives. We will just continue to work, probably long hours. Hopefully down the line, the balance will be more equal. But we certainly see the work as vocational."

Exel continues with enthusiasm: "This is it. One thing I say to people is if you could think of your perfect job, this would be it. I feel we have invented the Foundation for our perfect job. Because we do the business that we love, we work with the top quality players in the world at what we do, we work together, we are in here in jeans and t-shirts most of the time and at the back end of it we are actually saving kids lives. And it doesn't get any better than that. We have a freedom as well as a spiritual fulfilment if you like and we are both are completely non-religious, but this is the most soulful thing that we have ever thought up to do."

Beesley adds: "We aren't simply sitting behind a desk and making rich people richer ... or even ourselves. But what we are trying to do is make a difference in the lives of the children."

Their most recent trip was to Nepal. Exel says: "We went down to inaugurate the training centre, and we nearly didn't go, because we were so busy. In the end we said let's do it, and we went down for a week and I swear I will die remembering what it was like to walk back into that hospital and see the healthcare training hall we built and meeting the health workers we were funding, and seeing the model home and the model veggie garden and being a part of this. And we had this huge African inauguration. It was the most emotional week of our lives. We sobbed our way through that week."

Five years on and both Exel and Beesley have proved the critics wrong. They are not quite out of the woods yet, but the hardest slog of starting up the business is behind them and they have a long line of satisfied clients.

Beesley says: "ISIS really works as a consultant to a number of multi-national institutions who are structuring their businesses or financings using Bermuda as a base. We also deal with fund managers who want to launch or restructure off-

shore investment funds. We have spent many years working both in the onshore regulated markets as finance lawyers, and then in the offshore market as lawyers and bankers, and so really we are well-positioned to work with onshore clients exploring the offshore world."

Exel says: "When you try and put the insurance pack together with the banks to create a finance related package, you have to get the insurer to think about itself as a sales person. And as the finance markets move related insurance product, you have to get the insurer to think about itself like a bank. It has to move incredibly quickly. They are proactive about chasing business and closing deals, where in the insurance markets our finding has been they haven't, even though they hold themselves out to be specialising in finance-related insurance product.

"The other thing is, which I find really fascinating, insurance underwriters will take risks that would just stand your hair on end. They are prepared to bet on a satellite being shot into earth and whether or not it is going to explode. There is no data on that, there is so limited a track record and those guys will take those bets and bet hundreds of millions of dollars on that. But ask them to take a credit risk, or ask them to analyse an asset class they are not comfortable with or a finance transaction and they are scared witless to do it and that has been a real challenge for us."

The impressive curriculum vitae of the

women are the backbone of their business.

Exel, who holds the title of managing director of ISIS Ltd, was managing director of Bermuda Commercial Bank from November 1993 to December 1996. Initially she was appointed as acting managing director, but her success at the difficult job got her the full-time role. She was credited with being instrumental in helping profits increase by around 75 percent a year, and assets increased from \$170 million to \$450 million. During her first year of management, the Bank was the best performing stock listed on the Bermuda Stock Exchange. She was also chairman of the Bermuda Stock Exchange in 1995-6 and is a director of the Bermuda Monetary Authority.

Exel is also a lawyer by profession and practised as a lawyer specialising in international finance. She has been called to the bars of New South Wales, Australia; Bermuda, England and Wales. Executive director Beesley has a Master's degree in law from Cambridge University and is qualified to practice law in the UK, Hong Kong and Bermuda. Beesley was head of banking at the Bermuda law firm of Mello Hollis Jones & Martin and was the principal counsel for Bermuda Commercial Bank.

Beesley's other practice areas are predominantly offshore investment funds and general international cross-border transactions. Her domestic practice included advising the Bermuda

Stock Exchange on the development of the Catastrophe Exchange in Bermuda.

Beesley adds: "ISIS is also licensed as an insurance broker. In this capacity, we work as niche finance and insurance consultants, focusing on structuring and sourcing finance-related insurance products for the Bermuda insurance and reinsurance markets."

A finance-related insurance product, sometimes called alternative risk transfer or financial lines, involves the use of insurance to help manage financial and business exposures of corporations in the different areas of their business. In this sense, the ISIS partners say it is a prime example of the convergence of insurance, capital markets and banking techniques.

Beesley explains: "Financial lines transactions are generally structured to meet the particular needs of each client and these are different in each varying set of circumstances. As with any form of financial structuring, they require significant time and effort to bring to completion. They can, however, have markedly beneficial effects for clients lowering the costs of a client's funding, removing liabilities from a balance sheet that have impeded a company's growth, and assisting a company to finance transactions that it otherwise may not be able to close." B

On the web: www.isis.bm