

Sustainable careers



The insurance and finance consultancy Isis has one main aim — supporting a charitable foundation that the company's partners set up. **Mairi Mallon** reports.

They live a kind of double life. On the one hand they are high-flying executives wheeling and dealing hundreds of thousands of dollars every year with some of the best brains in the insurance and reinsurance sectors. On the other, they give nearly everything they earn to a charitable foundation that is helping save lives in Nepal and Uganda.

Meet Audette Exel and Sharon Beesley. They are a new breed of executive philanthropists. As the main partners in Isis, a Bermuda-based finance and insurance consultant, they offer their services to the huge number of insurers, reinsurers and financial services companies that have flocked to the mid-Atlantic island. At the same time they run a charity, the Isis Foundation, which is wholly funded by their work at Isis.

"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," says Ms Exel. "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 — and use the revenues to pay all the administrative costs of the Isis Foundation."

The women, best friends since they met a decade ago in Bermuda, took a sabbatical from their hectic business lives in 1994 to travel the world. What they saw in the mountains in Nepal and the plains of Uganda shocked them both to the core. They had to do something.

Ms Exel says: "We had the most amazing experience in Uganda when we went to this little hospital and we said 'what can we do?' In Nepal there were all these undernourished people, little children without even the most basic healthcare and no education to speak of; not even a school. We said 'how can we work with these people?'"

When they returned to Bermuda they

■ Foundation founders: Sharon Beesley in Nepal, above left, and Audette Exel in Uganda.

decided to make money doing what they knew best and to pass on profit to the less fortunate. They founded Isis and the Isis Foundation.

"We looked at the condition of the children in Nepal and knew we had to do something," says Ms Beesley. "We had both sponsored girls independently from each other in Nepal 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."

Ms Exel adds: "We dreamed up the whole idea of starting up a healthcare training project in Uganda with the healthcare workers, funding some of their staff, building a healthcare hall and all the rest of it. In Nepal we set up a clinic and have a regular doctor who visits and are building a school."

The pair make their money for their good deeds from alternative risk transfer (ART) or financial (re)insurance. Bermuda has become a specialist in ART and the women have muscled in on the action. They sell themselves as a prime example of the convergence of insurance, capital markets and banking techniques.

Ms Beesley says: "Financial lines transactions are generally structured to meet the particular needs of each client and these are different in each varied 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 funding, removing liabilities from a balance sheet that have impeded growth and assisting a company to finance transactions that it otherwise may not be able to close."

Previous success

The partners both made their names in Bermuda as tough businesspeople in the 1990s. Ms Exel, who is managing director of Isis, was managing director of Bermuda Commercial Bank, Bermuda's third largest bank, where she got herself noticed by boosting profits substantially. She is a lawyer who specialised in international finance and had been called to the Bars of New South Wales in Australia, Bermuda and England and Wales.

Ms Beesley, Isis's executive director, is a Cambridge University law graduate and is qualified to practice law in the UK, Hong Kong

and Bermuda. She was head of banking at Bermudian law firm Mello Hollis Jones & Martin, as well as principal counsel for Bermuda Commercial Bank. She advised the Bermuda Stock Exchange on the development of its catastrophe exchange.

The impressive curricula vitae are the backbone of Isis. Even those sceptical about their foundation have turned to them. "The main reason business comes to us? — reputation and expertise," says Ms Beesley.

"We have a small niche. We are structured finance people who worked in insurance markets for a long time. That is really it," she says. "Isis really works as a consultant to institutions that are structuring their businesses or financings using Bermuda as a base and for fund managers who want to launch or restructure offshore 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, so really we are well positioned to work with onshore clients exploring the offshore world."

Ms Exel says that although insurance underwriters take risks that "would just stand your hair on end", such as on space satellites: "Ask them to take a credit risk or to analyse an asset class they are not comfortable with or a finance transaction and they are scared witless."

Goodwill thrives

Seven years on and both the partners have proved wrong the critics who laughed at their goodwill aims. They are not quite out of the woods yet, but the hard slog of starting up the business is behind them and they claim to have a long line of satisfied clients who keep coming back for more.

They acted as project manager and adviser to the Australian investment bank Macquarie, for which they set up an offshore mutual fund. For the German bank HypoVereinsbank they negotiated blending a hedge fund investment with an investment in a Bermudian insurer. They also acted as the private placement agent for Max Re, raising equity for the company which began business in Bermuda last year. That established them in Bermuda's business world.

They have also found financial lines solutions to complex problems. The solution for US-based managed futures managers that wanted to widen investor pools and encourage investors to hold funds to maturity was for a Bermuda-based insurer to provide a principal return guarantee payable at the maturity date.

There was also a landmark moment when they helped set up African Methodist Episcopal Re, a captive for one of the world's biggest churches which reinsures billions of dollars worth of church assets around the world. Isis is getting more approaches from churches that like the idea of giving money to a business that helps do good. re