

Bermuda's reputation is bringing in the business – by Lilla Zuill

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The insurance business flowing in to Bermuda following the terrorist attacks in New York and Washington – six new Bermuda-based ventures, with close to \$6 billion in targeted capital have been announced since September 11 – should be seen as an endorsement of Bermuda as a jurisdiction.

This according to Audette Exel managing director of ISIS Limited, a Bermuda-based corporate finance business which works with the finance, insurance and reinsurance sectors.

Ms. Exel, formerly managing director of the Bermuda Commercial Bank, runs ISIS with business partner Sharon Beesley. Both are lawyers with career backgrounds in banking: Ms. Beesley was formerly the head of banking at the law firm then known as Mello, Hollis, Jones and Martin.

The two, who have been friends for more than 15 years since working at the same English law firm in Hong Kong – set up ISIS in 1997.

The decision to base their venture in Bermuda was based on Bermuda's strong reputation as an offshore jurisdiction.

"Typically Bermuda has been innovative," Ms. Exel said.

Speaking of ISIS Limited's core business, the partners said that 80 percent of their focus is on the convergence between banking and insurance. "We act for insurance companies moving into the financial sector, or vice versa," said Ms. Exel.

The company – with a staff of seven – also offers legal consulting for corporate finance and insurance entities. In their advisory capacity, Ms. Exel said they have been advising clients on due diligence, merger and acquisition transactions.

The duo said that 2001 has been a good business year. In May, ISIS acted as adviser and project manager when Germany's second largest bank, HypoVerinsbank – in a joint venture with Bermuda-based Max Re – set up Grand Central Re, a Class 4 Bermuda insurance company with an initial shareholders' equity of \$200 million.

The project exemplifies the convergence between the two sectors with Max Re Capital bringing insurance management and underwriting expertise to Grand Central Re, and HypoVerinsbank bring asset management and banking experience to Grand Central Re.

ISIS had previously acted as the private placement agent for Max Re's initial private placement.

The ISIS heads said business across the industry was slow in the immediate aftermath of September 11 but had picked up.

"Post September 11, we have done a lot of advisory work," Ms Beesley said.

Speaking further, Ms. Beesley said the company will not directly benefit from the post September 11 increase in insurance business as the companies which are being set up are addressing traditional insurance needs and fall outside of the area of convergence with the company will benefit from corporate finance advisory work for the new entities.