



## **Facilitating Investment in Forestry Worldwide**

### **A job Vacancy January 2014**

**Forestry is an alternative non-correlating asset class with sound long term returns that is gaining popularity in investment circles.**

**Forestry is also seen as a crucial component to world governments' plans to ameliorate climate change, improve biodiversity, sustain rainfall profiles, hydrology and stabilise food production down stream.**

**Traditionally driven by the pulp and paper industry, forestry is now a major energy source of renewables, carbon capture and other priceless environmental services.**

#### **Overview**

**ForestRe** is a London based SME specialising in the design of insurance and reinsurance products for forestry and tree crops worldwide. It is a small private company that is known throughout the world in insurance and forestry circles.

Through our Lloyd's facility and other insurance markets, ForestRe looks to provide coverage for investors, commercial plantation managers, for timber, renewable energy and biomass, precious woods, pulp and paper, industrial tree crops, as well as timberland investment management organisations (TIMOs), real estate investment trusts (REITs) and others with an insurable interest in forestry.

ForestRe is recognised as the leading proponent of risk transfer for investors into forestry. This is due to their extensive research on forest risk, frequency, severity and commercial impact. ForestRe makes presentations to investors, pension funds, forest management companies and insurers all over the world.

#### **Vacancy January 2014**

The company is offering an opening for an articulate self-starter, numerate, with an eye for detail but a grand vision and belief in this vital, unique environmental space.

As part of a small highly motivated team the position is both well supported by colleagues but also offers the opportunity to generate ones own profile on a global platform.

December 2013

**ForestRe Limited**

Suite 408, 150 Minories, London EC3N 1LS, UK

Authorised and regulated by the Financial Conduct Authority (FCA)

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<b>Role</b>	<b>Forestry Risk Manager / Underwriter</b>
<b>Key Tasks</b>	
Preparation of underwriting submissions	Using the detailed rating manual, acquire, analyse and model loss data, determine discount and commercial insurance rates. Preparation of underwriting submission for the Lloyd's market and other international reinsurers.
Supporting MD of FRe	Provide the required information and support to the MD regarding underwriting, process, performance and reporting requirements of the company to the Board and investors.
<b>Business Process</b>	
Accounts for rating	By liaising with brokers and clients, assisting the team to prioritise accounts for rating
Rating of accounts	<p>In charge of all rating within FRe using the rating manual and always considering improvements to that rating process.</p> <p>Rating forestry investment applications ('accounts') through:</p> <ul style="list-style-type: none"> <li>○ Data acquisition and verification</li> <li>○ Confirmation of rating variables being: <ul style="list-style-type: none"> <li>• value of deductibles,</li> <li>• salvage,</li> <li>• loss limits,</li> <li>• event frequency</li> <li>• Determining the catastrophic event</li> <li>• cat load % to be used</li> </ul> </li> </ul> <p>Preparation of submissions sheet, rating sheet and other supporting documentation for insurers in and outside of Lloyd's</p>
Documentation	<p>Responsible for sign-off on all external underwriting documents, application forms, wording, slips etc.</p> <p>Chief among these are Issuance of cover notes and policy wordings to brokers/clients</p> <p>To work with team in developing new documents as required.</p>
Overseeing account rating	<ul style="list-style-type: none"> <li>○ Where rating is delegated to team members, to agree check-points during the rating process: <ul style="list-style-type: none"> <li>• Agree loss data</li> <li>• Agree rating variables as above</li> <li>• Ensuring that the Client Relationship Management database ('CRM') is suitably updated</li> </ul> </li> </ul>
Presentation of accounts to Lloyds brokers	<ul style="list-style-type: none"> <li>○ Preparation of cover email for Lloyd's brokers ensuring key facts are available as part of the risk review. Pack to contain: <ul style="list-style-type: none"> <li>• Cover email &amp; Submission sheet / Rating sheet / Maps of locations &amp; accumulation note / Weather report / Loss data / Risk review</li> </ul> </li> </ul>
Underwriting Manual	<ul style="list-style-type: none"> <li>○ Assist MD to update procedures manual for account prioritising and rating with new knowledge, understanding and technology as arise</li> </ul>
Research	<ul style="list-style-type: none"> <li>○ To oversee research on nature of losses and data for accounts</li> <li>○ To provide example key words for research</li> </ul>
Relevant Skills & interests	<ul style="list-style-type: none"> <li>○ An eye for detail and numeracy / statistics</li> <li>○ Meteorology interests/ climate change</li> <li>○ Willingness to learn new skills</li> <li>○ Awareness of environmental issues</li> <li>○ Fluency in A foreign language, from Asia or / and Latin America is an advantage</li> </ul>

## **Due Diligence on ForestRe 2013 year**

All general information and background detail on ForestRe may be found on our website ( <http://www.forestre.com/> ). We only are concerned with forests, native forests, industrial trees (oil palm, rubber, etc) and fruit trees or any woody plantation-type enterprise.

### **What is ForestRe?**

ForestRe acts very much like an Agency.

In our approval with the FCA\* we are described as an insurance intermediary with permissions to assist in the administration and performance of a contract of non-investment insurance contracts for commercial and retail customers.

We are not brokers nor currently, are we underwriters.

**Policy:** Clients receive a Lloyd's policy document: Credit rating of Lloyd's is A+. A Lloyd's in/reinsurance policy is issued to a local insureds or a local insurance carrier depending on the jurisdiction.

**ForestRe capacity** within Lloyd's is provided by seven Syndicates in 2013 as listed below, and their own combined capacity is £2.3 billion (2007).

<b>Syndicate</b>	<b>No.</b>	<b>Share</b>	<b>Web site</b>
Kiln	0510	40.0000%	<a href="http://www.kilngroup.com">www.kilngroup.com</a>
AEGIS	1225	17.3077%	<a href="http://www.aegislink.com">www.aegislink.com</a>
Ark	4020	9.6154%	<a href="http://www.arkunderwriting.com">www.arkunderwriting.com</a>
Liberty	4472	11.5384%	<a href="http://www.libertysyndicates.com">www.libertysyndicates.com</a>
Novae	2007	10.0000%	<a href="http://www.novae.com">www.novae.com</a>
Tokio Marine	1880	9.6154%	<a href="http://www.tokiomarineglobal.com">www.tokiomarineglobal.com</a>
Amlin	2001	1.9231%	<a href="http://www.amlin.com">www.amlin.com</a>

Source: Lloyds.com

All Lloyd's syndicates benefit from Lloyd's central resources, including the Lloyd's brand, its network of global licences and the Central Fund. The Central Fund is available at the discretion of the Council of Lloyd's to meet any valid claim that cannot be met by the resources of any member. As all Lloyd's policies are ultimately backed by this common security, a single market rating can be applied to all syndicates.

**\*FCA: ForestRe is authorised and regulated by the Financial Conduct Authority** (Financial Services and Markets Act 2000): ForestRe FCA registration number is 315263. You can check this from the FCA website <http://www.fca.org.uk/>.