



Fergus Re



[www.fergus.bm](http://www.fergus.bm)

# Overview

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Our mission is to position the company for long-term sustainable growth through underwriting discipline and diversification.

Fergus Reinsurance Limited (Fergus Re) is a Class 3B Segregated Account Company licensed and regulated by the Bermuda Monetary Authority (BMA).

Fergus Re's capacity is provided by private investors seeking a long-term, conservative approach to insurance linked investment opportunities.

Fergus Re targets reinsurance of high frequency, low severity casualty insurance program business, generally on a quota share basis or through loss portfolio transfers (LPT).









# History

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## Origin

The company was originally formed in 2008 as a family owned and operated business.

## New Investment

In 2018 new investors led by Checchi Capital Advisors LLC (CCA) contributed working capital of \$10.8m.

CCA provided working capital to support underwriting growth and continues to source risk capital from a diversified investor base through additional equity subscriptions.

Checchi Capital Advisors LLC (CCA) is an SEC registered Investment Advisor, responsible for Fergus Re's investment portfolio. CCA employs a strict and detailed investment strategy focused on investment grade fixed income securities, the durations of which are actively managed to match expected insurance claims payment patterns.

The company is named after the River Fergus, a tributary originating from a small spring that flows to the River Shannon in Clare Ireland.

# Underwriting

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## Strategy

Fergus focuses on underwriting quality risks across a diversified portfolio in a disciplined manner. In 2021 we expect continued growth at a disciplined rate. In 2020 we saw higher than normal growth following the low premium base written in 2019. During 2019, the company's focus was on raising additional capital and establishing disciplined processes for sourcing and underwriting reinsurance.

The growth of the portfolio will be cautious and conservative and will depend upon the volume of quality risks that we are able to source and evaluate. There is no outside pressure to grow purely for volume. Rather, our investors are united in their desire for long term sustainability and measured growth.

## Sourcing

Fergus has worked hard to develop diversified distribution channels. These include relationships with brokers, MGAs and various direct industry contacts. The portfolio as currently written includes cedants domiciled in the US, UK and Europe and covers risks in the construction, commercial auto, and miscellaneous liability segments. In the future, Fergus is looking to expand into other classes of business such as workers compensation, property, commercial multiperil, personal auto liability, and professional indemnity, amongst others. We are also looking to expand our geographical footprint in stable regions throughout the globe.

## Risk & Claims Management/ERM

Product risk is a major focus for the Company. Strict underwriting guidelines have been put in place to limit the amount of specific insurable risk, contractual risk, concentration risk, and leverage risk that Fergus underwrites.

# Broker info

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Our Chief Underwriting Officer updates the management team on a weekly basis with regards to all the programmes under review. Each review incorporates an assessment by the Chief Underwriting Officer, with a recommendation to the Underwriting Committee. If a risk is approved by the Underwriting Committee, it is then passed to the Board of Directors who must give final approval and sign off.

Our process of reviewing and underwriting risks in a very patient, disciplined manner is supported by our investor base. Our investors have a long-term interest in generating returns from quality underwriting. They are not pushing for specific premium income targets. Given our relationships with our capital base, we have the ability to increase or decrease the pace of new equity subscriptions based on the availability of good risk opportunities to ensure an optimum capital utilization.

- Collateralized Reinsurer
- Maximum commitment: variable depending on the class and type of business
- Gross Premium per program: \$7-12m. Limit per occurrence and in the aggregate: \$1-2m
- Lines of business: Auto Liability, General Liability, Employers Liability/Workmen's Compensation, Professional Indemnity and ATE legal expenses
- Risk Profile: Primary high frequency, low severity liability classes on a quota share basis
- Loss Portfolio Transfer business: any class







# Balance Sheet Strength

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Please refer to our website for current financial data.

[www.fergus.bm](http://www.fergus.bm)



# Management

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The Board of Directors and managers of Fergus Re include seasoned operators who have successfully built companies and have led them to significant growth.

Adam Checchi started CCA 11 years ago and has grown the company to assets under management of \$1BN+.

Navin Dadlani started two hedge funds in 2005 and grew them to more than \$1BN in assets before starting Fergus.

Eric Fleiss joined the Fergus Board in 2019; he is the CEO of a \$1 billion real estate investment company: Regent Properties. Chip Harris, who also joined the Fergus Board in 2019, has served in various management and director roles in both public and private companies.

He founded Entertainment Properties (NYSE:EPR) where he was President and Director. Mr. Harris was Executive Chairman of the Board of Acacia

Research Corp (NASDAQ: ACTG), and was President of Carlton Browne and Company. He has held various board seats where he has helped companies with their strategic direction. Fergus

board member Stuart Grayston has 50 years of experience in the reinsurance industry. Alicia Dadlani is a former McKinsey & Company consultant who also held a senior management positions at Coca Cola in Toyko and Atlanta.

## Operational contacts

### **Navin Dadlani**

President and Chief Executive Officer

### **Dennis Silvia**

Consultant

### **Chris Powell**

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## Contact

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