



NEWSLETTER

Introduction

Welcome to Tysers Environmental Insurance solutions update, Autumn 2011. In this edition we highlight some recent projects in the Contaminated Land and Renewable Energy sectors.

Brownfield development appears to be starting (post banking crisis), with a number of large scale projects in both residential and commercial sectors. It has been noted that major house builders and banks/funders are increasingly seeking long term protection to be in place. This may be a result of the impact of key cases such as Sandridge and Corby and the record number of developer/contractor insolvencies.



Increasing competition between insurers has decreased premium costs.

PETROL STATIONS UK

The market appears very active in this sector with both portfolio transactions and single site development. Tysers have insured hundreds of sites across the UK with clients that include supermarkets, SIPP funds and developers/funders.

Tysers have also developed an approach to portfolio due diligence and insurance risk transfer that can help minimise costs.

SUPERMARKET DEVELOPMENT UK

Tysers have recently acted for a major supermarket on a complex site. The site had a long mixed history that included former land use for manufacturing, gas and associated chemical works. The policy was developed in close liaison with both the purchaser's and vendor's lawyers to reflect both parties desires. A thorough understanding of the technical issues was key as the site was relatively technically complex with some high risk exposures. Tysers experience and technical capability was sufficient to ensure a positive input into the project such that the transaction was agreed.

Without the insurance in place the transaction would not have occurred as neither party could agree on suitable conditions for risk transfer. Often insurance can facilitate and unlock transactions that may not of otherwise occurred.

"WITHOUT THE INSURANCE IN PLACE THE TRANSACTION WOULD NOT HAVE OCCURRED".

RESIDENTIAL/EX-RESEARCH & DEVELOPMENT CENTRE – SOUTH OF ENGLAND

A developer contacted Tysers for support on a project for the acquisition and redevelopment of a major international pharmaceuticals site. Working with the client's and vendor's corporate lawyers, a policy was designed that reflected both parties interests and the long term development plans for the site. The policy included protection for both pre-existing contamination and protection during the sites remediation and redevelopment over a 10 year period.



FillSecure has attracted a number of significant orders this year. A recent project involved the transfer of a large landfill facility from a major chemical company disposing to a developer. The required financial provision was relatively complex as areas of the site were being closed and new cells developed. The Environment Agency approved the use of FillSecure as meeting the site's environmental permit requirements and the transaction was secured in a relatively short timeframe.

Please see www.fillsecure.com for more information.



TYSERS RENEWABLE ENERGY SOLUTIONS



Reputation, professionalism and experience



We have recently worked for a 5mW Solar Farm in Gloucestershire to provide the project company with a fully comprehensive suite of insurances including protection of revenue in the event they miss a connection date to secure Feed in Tariff revenue at optimum levels.

Tysers' renewable energy team has been actively working for several clients developing the waste to energy market. Recent experience gained from advising on schemes ranging from 50mW to 200mW has demonstrated the benefit of an integrated project insurance solution bought by the developer. Our clients were able to offer potential investors and funders the peace of mind necessary to unlock funds.

With another expected change in Feed in Tariffs due early 2012, we have seen a huge increase in residential and small scale commercial solar pv installations. We are currently working for clients with in excess of 20,000 installations to complete before March 2012 and have assisted in the de-risking of the schemes to satisfy their lenders.

Through our innovation we are able to offer developer clients and their customers, insurance coverage to support the guarantees and warranties attaching to these installations. Cover is available for up to 10 years post completion for residential and commercial schemes.

Pembroke College Cambridge have recently commissioned Tysers' client Solgen UK to install a roof mounted solar photovoltaic system. By careful selection of MCS accredited technology and installation contractors the College will have a system capable of delivering green energy for 25 years.

We acted for Solgen UK in the placement of a fully comprehensive package of insurance to satisfy the long term concerns of the College.

It is hoped that the remaining Colleges will follow Pembroke's lead following a successful installation.



CARBON LEAPFROG

At Carbon Leapfrog's recent Creating Low Carbon Communities conference in London's Guildhall, Tysers' renewable energy team launched an insurance facility for community based renewable energy schemes in the UK.

Mathew Hussey of Tysers commented that;

"Tysers is delighted to participate in events like "Creating Low Carbon Communities. This event has given us the opportunity to get close and support local community based projects and give them access to mainstream insurance products at a price they can afford."

Following a successful launch, we have received considerable interest from communities across the whole of the UK and are actively working on several renewable energy schemes for delivery in 2011. The first completed projects are expected to be river based hydro schemes and windfarms.

Leapfrog can be contacted via their website

www.carbonleapfrog.org



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