



Managing General Agents

Managing General Agents (“MGAs”) are becoming an increasingly important feature of an insurance market that faces key challenges from competition to control distribution. MGAs are effective vehicles for the provision of underwriting and claims handling skills that are focused on portfolios of particular customers or risks.

We have extensive experience in helping insurers, intermediaries and investors achieve their commercial, legal and compliance objectives in operating through MGAs. Our specialist advice covers the effects on and of MGAs in relation to insurers’ prudential / capital considerations, and insurers’ and intermediaries’ conduct considerations as to relationships with customers and counterparties.

While there are high levels of demand to establish, engage with, invest in, or acquire MGAs, the overall model of delegated or outsourced distribution, underwriting and claims handling is subject to increasing regulatory scrutiny and, in some cases, criticism. The UK’s Financial Conduct Authority has challenged the insurance industry on the extent to which the industry can ensure that the fair treatment of customers and the integrity of the insurance market is central to MGA operations. MGA outsourcing arrangements, which can often be part of ‘chains’ of distributors, also raise questions for insurers as to governance, management information flows and the effectiveness of capital modelling under Solvency II. The forthcoming Insurance Distribution Directive could also pose difficulties in relation to UK MGAs’ interaction with distributors in the EEA.

Product lines, including reinsurance, we have advised on in relation to MGAs include:

- Commercial and consumer credit, including residual value and ‘GAP’
- Energy
- Financial lines, including directors and offers, trade credit and political risk
- Marine, aviation and transport
- Motor
- Professional indemnity
- Property/casualty and business interruption
- Transaction insurance and guarantees.

Our Areas of Expertise Include

Advising on all operating phases and issues, including:

- Formation, funding and shareholder agreements
- Authorisation, ‘passporting’ and other licences, including Lloyd’s processes
- Portfolio transfers and run-off
- Corporate transfers and reorganisations
- Joint ventures between MGAs and third party investors
- Corporate governance and employment related matters.

Examples of our recent work on MGA issues:

- Advising on the ownership of customer data and renewal rights following the sale of part of an MGA’s book
- Advising on the establishment of an MGA for energy risks, passporting from the EU to mediate London Market risks, and obtaining approved coverholder status at Lloyd’s
- Advising on inspections rights and obligations following a material cross-border outsourcing, and advising on discussions with the Financial Conduct Authority.



What our clients have to say

“ They are genuinely commercial in their approach. ”

“ They have their finger on the pulse of industry and regulatory developments. ”

What our clients have to say

“ Their level of service is excellent. ”

“ We rely on them to help enhance the effectiveness, value for money and reputations of our in-house legal and compliance team. ”

Our team

To find out how DWF can support your insurance law and regulatory needs, please contact a member of our team below.



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A selection of our awards



Winner 'Best Managed National Firm' and 'Best Financial Management' at the Managing Partners' Forum Awards for Management Excellence 2014

Winner 'Large law firm of the year' at the Manchester Legal Awards 2014

Winner 'Best Major project' at the Lawyer Management Awards 2013



9.4 out of 10

for our 'quality of advice' in an external assessment undertaken by Legal Week

Go further - DWF is the legal business where expertise, industry knowledge and leading edge technology converge to deliver solutions that enable our clients to excel.

With over 2,300 people across the UK and Ireland, we make sure that wherever you are, wherever you aim to be, we will go further to help you get there.

