

NEW INSURANCE COMPANY SETTING UP IN GUERNSEY

08 MARCH 2018

A new insurance company is being established in Guernsey by arbitration and litigation finance provider [Burford Capital](#).

The company, listed on the London Stock Exchange, is the world's most experienced, transparent and well-capitalised provider of finance to the legal market, has been based in Guernsey since founding in 2009. It helps companies to manage legal costs and risk.

It is in the process of launching its own insurance company to offer legal finance clients a new insurance product to address cost risk in commercial litigation and arbitration.

Burford has written more than 50,000 such policies through an English insurance business in a relationship with MunichRe, focused on the middle market. It said that this market had declined following regulatory changes, but adverse cost risk remained a key issue for larger complex litigation and arbitration. It is focusing on the market for costs of claims in the region of £20m.

Burford has announced that it has applied for a licence to establish Burford Worldwide Insurance as a wholly-owned Guernsey-incorporated insurer, and expects to receive approval from the Guernsey Financial Services Commission 'imminently'.

It said it would have significant capital available through Burford Capital's balance sheet and extensive reinsurance arrangements negotiated with leading reinsurers.

[Marsh Management Services Guernsey](#) is advising Burford and will act as its insurance manager.

"Burford has extensive experience in providing adverse costs insurance. We brought our prior business to an end as its agency structure and its increasing platform costs were undesirable, but we see considerable demand for adverse costs coverage in the large dollar claims in which we specialise, and it makes eminent sense for us to meet that demand through our own insurance provider," said Christopher Bogart, chief executive officer of Burford Capital.

Dominic Wheatley, Chief Executive of Guernsey Finance, said: "This is positive news for Guernsey, and reflects our insurance industry's particular ability to meet niche demand in highly technical and innovative areas. Guernsey continues to be seen on a global stage as a jurisdiction for high quality specialist insurance activities."

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Guernsey Finance Chief Executive Dominic Wheatley

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WE ARE GUERNSEY is the brand under which Guernsey Finance promotes the island's financial services sector internationally. Guernsey Finance - the promotional agency for the island's finance industry internationally - is a joint industry and Government initiative responsible for the promotion of Guernsey. Under the leadership of Chief Executive Dominic Wheatley, the agency ensures that the core values and competencies of the island's finance sector are accepted and respected by the global community and that financial business development flows are enhanced.

PO Box 655, St Peter Port,
Guernsey, GY1 3PN

+44 (0)1481 720071

INFO@WEAREGUERNSEY.COM

