

## **INSURANCE: CORPORATE AND TRANSACTIONAL**

### **OVERVIEW**

Our corporate and transactional work in the Insurance sector includes M&A, complex reinsurance transactions, insurance company (and insurance brokerage) formation and redomestications, joint ventures, corporate reorganization transactions, InsureTech transactions and a wide range of third party and affiliate service, agency, administrative and other agreements relating to the operation of our Insurance sector clients' businesses.

Our global Insurance M&A team is consistently recognized for our market-leading position in M&A transactions by deal count and for our particular skill with middle market M&A in both the U.S. and UK. Our Insurance M&A team provides deep sector knowledge for insurance industry transactions with team members having decades of experience representing insurance industry clients and significant regulatory experience.

Our Insurance M&A team's experience ranges from simple acquisitions of shell insurers, to complex, multi-layered acquisitions requiring extensive pre-sale transactions, such as reinsurance of unwanted blocks of business, restructurings, and demutualizations. We also have significant experience with insurance agency and brokerage acquisitions. Our regular involvement in competitive auctions and our experience in acting on both sell-side and buy-side deals gives us a well-rounded, commercial perspective.

### **DEDICATED INSURANCE M&A PRACTICE**

We regularly advise leading insurance, reinsurance and insurance intermediary clients in both the general/property and casualty and life sectors on strategic M&A, joint venture and corporate structuring transactions, including mergers, share acquisitions and disposals, acquisitions and disposals of blocks of business, renewal rights transactions, and a variety of transactions to release trapped capital. Clients include insurance and reinsurance companies, Lloyd's syndicates and managing agents, brokers and distributors, and legacy acquirers. We have a leading practice in the UK transferring legacy business through Part VII transfer schemes and regularly advise on share sales and acquisitions in the legacy sector. Many of our transactions are cross-border in nature and our industry specialists regularly collaborate across our global platform to handle country specific issues. Our Insurance M&A team also leverages off the strength in other areas of our practice such as Tax, Data Privacy/Security, Employment & Labor, and Employee Benefits so that the full depth of our firm's experience is brought to bear where relevant for insurance industry transactions.

## **STRATEGIC ALTERNATIVES & CORPORATE REORGANIZATIONS**

We have guided large, multi-national insurance companies through all manner of complex transformations. We manage these projects holistically, addressing the multi-disciplinary considerations each project raises, such as issues relating to cross-border regulations, tax, IT systems, employment, financing/investments, IP and vendor/commercial contracts.

## **INSURANCE REGULATORY FILINGS AND APPROVALS**

Because our Insurance Team includes Insurance Regulatory experts, we incorporate state and federal regulatory considerations into deal structures and then shepherd them smoothly through the regulatory approval process. Our regulatory experts (which include a former insurance regulator) have substantial experience obtaining insurance regulatory approvals in all jurisdictions, including those requiring full administrative hearings. We routinely handle insurance company changes in control (Form A) and associated filings (affiliate and material transactions and market share increases) in transactions ranging from simple shell acquisitions to complex, multi-jurisdictional mergers and acquisitions. We appreciate the unique approach required for regulatory approvals involving private equity deals, transactions requiring multi-jurisdictional approvals, and those involving multiple regulated industries, such as banking-insurance mergers.

## **ADDITIONAL INSURANCE CORPORATE AND TRANSACTIONAL EXPERIENCE**

We regularly advise on complex reinsurance arrangements, including reinsurance program design and implementation. We also draft and negotiate affiliate and material agreements for our insurance clients, ensuring they comply with insurance regulatory requirements and, where necessary, assisting with regulatory filings and approvals. Our work in this area includes agreements between insurers and their affiliates (such as cost-sharing, tax allocation, reinsurance and pooling agreements), as well as extraordinary dividends, surplus note and other financing transactions, and distribution agreements of various types (agency, MGA/MGU and others).

## MEET THE TEAM



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## RELATED PRACTICE AREAS

- Corporate

## EXPERIENCE

- Represented global insurance group in connection with its first acquisition of a U.S. insurer to serve as the group's U.S. platform for Insuretech/MGA-focused insurance business.

- Represented MGA-focused insurance group in its acquisitions of (or a controlling interest in) several insurance producers/MGAs.
- Represented leading MGA in its acquisition of a block of auto insurance business from a Texas domiciled insurer that had been placed into receivership, through a reinsurance and renewal rights transaction.
- Represented life insurer in its formation of a new property & casualty insurance company in Missouri.
- Represented leading non-standard auto insurer in its successful bid to acquire an insurer in liquidation.
- Represented insurance group focused on alternative auto insurance solutions in its acquisition of two U.S.-based insurers.
- Represented a state insurance liquidator in connection with an agreement to resolve ownership of large deductible recoveries arising from claims paid by state insurance guaranty associations on certain large deductible policies issued by the insurer.
- Represented private equity fund in connection with the formation of a joint venture entity in which it held the controlling interest and the acquisition by the JV entity of two Texas domiciled P&C insurers. The transaction also involved a post-closing restructuring of the insurance holding company system to split out agency and other service functions from the insurers and the negotiation of MGA and other service agreements to govern the provision of such services to the insurers post-closing.
- Advised an NYSE-listed insurance holding company on a global restructuring that involved every aspect of its subsidiaries' worldwide insurance operations. The project involved the formation of a new life insurance company licensed in 49 states and several U.S. territories, the transfer of the insurance subsidiaries' worldwide investment portfolio, multiple asset sales, mergers and reinsurance transactions, and a comprehensive review of the holding company system's worldwide policies and affiliate agreements.
- Represented James River Group, Inc. (NASDAQ), an insurance holding company primarily owning and managing specialty property/casualty insurance companies, in its sale to the D.E. Shaw Group for \$575 million.
- Advised Towers Watson on its \$250m disposal of its global reinsurance brokering business to JLT, creating the world's 4th largest global reinsurance broker, leading a team advising on all UK, French, German and Bermuda aspects of the transaction.

- Represented Relation Insurance (formerly Ascension Insurance) in its acquisitions of the assets or equity interests of numerous insurance agencies.
- Represented American Benefits Consulting in its sale to Alliant Insurance Services, Inc.
- Represented California-based insurance brokerage in its acquisition of the assets of an insurance producer specializing in agribusiness, sports and personal lines insurance.
- Advised multi-national technology company specializing in internet-related services and products on the development of a cyber insurance product for its Cloud commercial customers and on associated insurance regulatory issues. Represented private equity fund and its MGA portfolio company in the formation of a Series LLC to serve as a start-up incubator for underwriting and program administrator businesses.
- Advised London-based and New York-based investors in connection with their investment in a Barbados segregated cell reinsurer and in connection with a Modified Coinsurance arrangement with a U.S.-based insurer/cedent.
- Advised AXA Insurance (UK) plc on the disposal of its £600m 2014 and prior disease portfolio to RiverStone, and associated reinsurance arrangements.
- Advised Sun Life of Canada on the amendment and restructuring of over £3.2 billion intra-group annuity reinsurance arrangements between Sun Life of Canada U.K. and Sun Life Canada. This included merging two separate treaties and making a number of changes to reflect Solvency II, changes to expense arrangements, set-off of deposit back funds and enabling derivative arrangements.
- Advised Randall & Quilter on its acquisition of Syndicate 1110 from ProSight Specialty Insurance, including ProSight's two corporate members that provide capital support to S1110, ProSight Specialty Underwriters Limited and ProSight Specialty Managing Agency Limited. We also advised on quota share and stop loss reinsurance arrangements between the Syndicate and the ProSight Group.
- Assisting BGCI in its recent acquisitions of Ed Broking from its PE owner Lightyear Capital and an MGA business based in continental Europe from Tokio Marine.
- Represented Randall & Quilter on the merger of two UK insurers with two Maltese insurers to form two European companies and the subsequent re-domestication of the two companies to Malta.
- Advised Enstar on two separate projects to consolidate its UK carriers, involving Part VII transfers by 11 insurance companies.

- Represented various clients in connection with shell insurance company acquisitions and dispositions, including shell insurance companies domiciled in California, Illinois, Nebraska, Ohio, Oklahoma and other jurisdictions.

## RELATED INSIGHTS

Insights

13 March 2023

### **What are the climate change reporting requirements that UK insurers are required to comply with?**

In line with the UK's Net Zero Strategy, the UK became the first G20 country to adopt the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), with effective dates rolling out for different organisations between 2021 and 2025. Reporting of climate-related risks and opportunities became mandatory for the largest UK companies (including general insurance companies) from 6 April 2022, the largest life insurers were covered in 2022 and other life insurers became subject to the reporting requirements from 1 January 2023.

Awards

Sep 28, 2022

### **Legal 500 UK 2023**

Insights

Mar 02, 2022

### **Corbin & King: Denial of Access clause and Composite policy cover for COVID-19**

The Commercial Court has found in *Corbin & King Ltd v Axa Insurance UK Plc* that a Non-Damage Denial of Access ("NDDA") clause responds to COVID-19 business interruption losses. Further, that where the policy provides cover by reference to the Insureds' "business" where access to its "premises" was restricted, that the insured would be entitled to claim the sub-limit of cover in respect of each premises, for each lockdown or restriction. This decision, if upheld by appellate courts, could materially increase some insurers' exposure to COVID-19 business interruption losses if they have underwritten comparable NDDA covers.

Insights

Feb 25, 2022

### **Is COVID-19 a Catastrophe?**

Awards

November 4, 2021

### **U.S. News - Best Lawyers® 'Best Law Firms' 2022**

Awards

October 5, 2021

### **Legal 500 UK 2022**

Insights

Apr 09, 2020

## **London market impact of U.S. COVID-19 BI law challenge**

Insights

Apr 01, 2020

**Coronavirus/COVID-19 UK Quick Guide – what insurance cover could be impacted?**

Insights

Mar 26, 2020

**Must reinsurers follow their cedants' COVID-19 related claim settlements?**