



## **BURFORD ANNOUNCES NEW INSURANCE BUSINESS TO ADDRESS ADVERSE COSTS RISK**

6 March 2018 – Burford Capital Limited (“Burford”), a leading global finance and investment management firm focused on law, today announced that it is in the process of launching its own insurance company to offer its legal finance clients a new insurance product to address adverse costs risk in commercial litigation and arbitration globally.

The insurance product will meet a need in the marketplace for significant levels of adverse costs cover for major cases in cost-shifting jurisdictions around the world.

Burford has extensive experience in providing adverse cost insurance, having written over 50,000 such policies in its very successful English insurance business. That business focused on the middle market (with most policies providing less than £3 million) and was built on a longstanding agency relationship with MunichRe. While demand for mid-market English adverse cost insurance has declined in light of regulatory changes, adverse costs risk remains a key issue for larger complex litigation and arbitration, Burford’s core business focus.

Today, it is difficult to find a path forward on litigation claims once the adverse costs exposure approaches £20 million as there is presently limited capacity for such claims in the insurance market. Moreover, adverse costs protection is often a prerequisite in large cases as individual defendants are typically unwilling to take on the kind of joint and several adverse costs exposure that can exist in such cases. There is also growing demand for such protection in large arbitration matters.

To provide this new insurance cover, Burford has applied for a licence to establish Burford Worldwide Insurance Limited and expects to have full regulatory approval imminently. This wholly-owned insurer, incorporated in Guernsey, has already received outline approval. Burford Worldwide Insurance will have significant capital available through Burford’s balance sheet and extensive reinsurance arrangements that have been negotiated with leading reinsurers. Marsh Management Services Guernsey Ltd has advised Burford throughout this process and will act as insurance manager of Burford Worldwide Insurance, and Marsh’s Guy Carpenter & Company has placed the reinsurance.

Craig Arnott, Managing Director of Burford Capital in London, said: “The added risk of adverse costs exposure has the potential to dampen the ability of clients to pursue significant litigation in cost-shifting jurisdictions like the UK, particularly in high-cost areas such as competition, and with particularly harsh consequences for law firms. Burford is pleased to offer a product that specifically mitigates that risk for the clients and law firms.”

Christopher Bogart, Burford Capital’s Chief Executive Officer, added: “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 specialize, and it makes eminent sense for us to meet that demand through our own insurance provider.”

**Contact:**

UK/Europe: Neil McLeod, PHA Media, 020 7440 0811, [neilm@pha-media.com](mailto:neilm@pha-media.com)  
US: Emma Murphy, Neibart Group, 718 875 4545, [emurphy@neibartgroup.com](mailto:emurphy@neibartgroup.com)

**About Burford Capital**

Burford Capital is a leading global finance and investment management firm focused on law. Its businesses include [litigation finance](#) and risk management, asset recovery and a wide range of legal finance and advisory activities. Burford is publicly traded on the London Stock Exchange, and it works with law firms and clients around the world from its principal offices in New York, London, Chicago and Singapore. For more information about Burford: [www.burfordcapital.com](http://www.burfordcapital.com).

**About Burford Worldwide Insurance Limited**

Burford Worldwide Insurance Limited is awaiting final licensing by the Guernsey Financial Services Commission. It will be a wholly-owned member of the Burford Capital Group. Its directors will include Callum Beaton, a highly experienced insurance expert who has served as Chief Executive of Thomas Miller Risk Management (Guernsey) Limited and President of the Insurance Institute of Guernsey, and who is a Chartered Insurer and a Fellow of the Chartered Insurance Institute, and Charles Parkinson and David Lowe, two of Burford Capital Limited’s current non-executive directors. Marsh Management Services Guernsey Ltd will act as insurance manager, and Marsh’s Guy Carpenter & Company has placed the reinsurance.