



LOUISIANA DEPARTMENT OF INSURANCE  
JAMES J. DONELON  
COMMISSIONER

**DIRECTIVE 127  
(REVISED AND REISSUED)**

**TO: ALL INSURERS DOING BUSINESS IN LOUISIANA**

**FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE**

**RE: MANAGING GENERAL AGENTS**

**DATE: AUGUST 31, 2020**

Directive 127, originally issued on May 12, 1995, is being amended to update the cited statutory provision. Acts 2008, No. 415, §1, effective January 1, 2009, redesignated the provisions of Title 22, formerly comprised of La. R.S. 22:1 to 22:3311, into a new format and numbering scheme comprised of La. R.S. 22:1 to 22:2371, without changing the substance of the provisions.

Louisiana Revised Statute 22:1622(4)(a) provides:

“Managing General Agent” (MGA) means any person who manages all or part of the insurance business of an insurer, including the management of a separate division, department, or underwriting office, and acts as an agent for such insurer whether known as a managing general agent, manager, or other similar term, who, with or without the authority, either separately or together with affiliates, produces, directly or indirectly, and underwrites an amount of gross direct written premium equal to or more than five percent of the policyholder surplus as reported in the last annual statement of the insurer in any one quarter or year together with one or more of the following:

- (i) Adjusts or pays claims in excess of an amount determined by the commissioner.
- (ii) Negotiates reinsurance on behalf of the insurer.

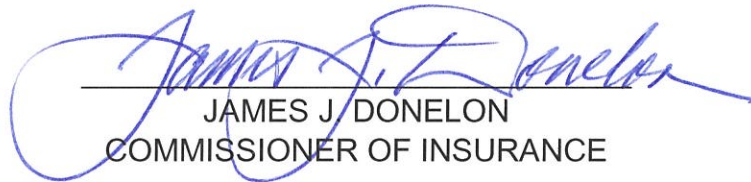
Directive 127 was issued to make the determination of the amount of claims required by R.S. 22:1622(4)(a)(i) quoted above.

The substance of the guidance previously provided has not changed. The Commissioner has determined that a managing general agent is anyone described in R.S. 22:1622(4)(a)(i) above who adjusts or pays claims for an insurer in an amount of ten thousand dollars (\$10,000.00) or more.

Please be governed accordingly.

If there are any questions regarding this Directive, please contact the Deputy Commissioner for the Office of Licensing, electronically at [public@ldi.la.gov](mailto:public@ldi.la.gov).

Baton Rouge, Louisiana, this 31st day of August, 2020.



JAMES J. DONELON  
COMMISSIONER OF INSURANCE