

“ We can also provide cover for personal guarantees retrospectively providing valuable peace of mind for Directors that may not have been aware the cover existed at the point of signing the PG.

Keir Cox, Operations Director

£500k

Funding amount

£300k

Personal Guarantee insured

Overdraft

Type of loan

£7,500

Annual premium

£300k PGI cover for established solicitors practice

Overview to the deal

The partners of this well-established, Solicitors firm approached Purbeck Personal Guarantee Insurance in December 2020 when seeking cover against a £300,000 limited Personal Guarantee attached to a £500,000 overdraft facility with their bank.

The firm had used the facility for their general working capital requirements (primarily case disbursements) since December 2013 and were unaware that they could insure the position. The partners were concerned by the increase of their Personal Guarantee by the bank from renewal of the facility in December and their relationship manager suggested looking at Personal Guarantee insurance to ease their worries.

The Purbeck underwriters worked quickly with the partners and insurers, vetting considerable management accounts as well as cash flow forecasting, to ensure a solution was in place ready for the renewal of the facility.

The client went from application to quotation to purchase within 7 days of enquiring about the cover, an excellent turnaround time given there were several moving parts with the case, which allowed the partners to relax over the Christmas break knowing that 80% of their risk was protected by a global A-rated insurer under the Personal Guarantee Insurance policy.

Interesting facts about the case:

- > Purbeck Insurance are able to cover Personal Guarantees retrospectively.
- > The premium was paid for by the business.
- > The policy provided a safety net in respect of the COVID-19 pandemic and Brexit related headwinds.

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