

# Personal Guarantee Insurance

Policy Summary



The purpose of this Policy Summary is to help you understand the insurance by setting out the significant features, exclusions and important information. You should still read the full Policy Wording for a full description of the terms of the insurance, including definitions. This Policy Summary does not form part of the Terms and Conditions.

### **Insurance Provider**

This insurance is underwritten by Markel International Insurance Company Limited, 20 Fenchurch Street, London, EC3M 3AZ subscribing to Contract Number SC1902G210AR/1 and is arranged, distributed and administered by Purbeck Insurance Services which is authorised and regulated by the Financial Conduct Authority.

### **Duration of the contract**

The period of insurance is for 12 months or as otherwise stated in your Policy Schedule.

### **Premium**

The premium payable is as stated in your Policy Schedule.

### **Insurance Cover**

This is a claims made insurance which covers claims or potential claims notified within the Period of Insurance. The Insurance will indemnify you in the event a formal demand is made on your Personal Guarantee by the Lender following the Company entering an Insolvency Procedure.

## Significant Features

This table provides you with a summary of what is covered and what is not covered under the insurance contract.

What is covered	What is not covered
<p>In return for paying the premium stated in the schedule the Insurer will pay the Lender:</p> <ul style="list-style-type: none"> <li>• if the Company has entered into an Insolvency Procedure, and</li> <li>• The Insolvency Procedure has concluded, and</li> <li>• The insolvency practitioner has realised the assets and distributed the proceeds of the Company, and</li> <li>• Following negotiation with You and or Your representatives the Lender has made a final request for settlement</li> </ul> <p>The Insurer will pay the Lender:</p> <ul style="list-style-type: none"> <li>• The final Amount Demanded by the Lender which will be no greater than the Sum Insured shown in the policy schedule. Less:</li> <li>• Your Contribution. Less:</li> <li>• Any amount You owe to the Company or any Other Company owes to the Company at the conclusion of the Insolvency Procedure.</li> </ul> <p>The Insurer will also pay Your costs resulting from the use, with Our prior agreement, of the Demand Mitigation Response Service in the event that the Company has entered into an Insolvency Procedure.</p> <p>The most the Insurer will pay in the Period of Insurance stated in the schedule for the use of the Demand Mitigation Response Service is £10,000.</p>	<p>The Insurer will not cover:</p> <ul style="list-style-type: none"> <li>• A claim which has not been first made against You and reported to Us during the Period of Insurance.</li> <li>• A claim where You have not met the conditions of this policy.</li> <li>• A claim made in respect of a demand by the Lender for payment under the Personal Guarantee, which is caused by any deliberate, dishonest, fraudulent or reckless act or omission committed or condoned by You.</li> </ul>

## Conditions

These are the conditions of the policy that You need to meet as part of this contract. If You do not meet these conditions, We may reject Your claim or a claim payment could be reduced, or in some circumstances Your policy may not be valid.

### General conditions

You will need to meet the following conditions throughout the Period of Insurance:

- a) You must notify Us in writing of any request for payment by You of any Personal Guarantee made by the Lender.

You must notify Us in writing of any circumstance of which You become aware that is likely to give rise to request for payment by You of any Personal Guarantee made by the Lender.

You must notify the Support Desk if any of the following events occur:

- i) the Company receives a demand for repayment from a banking creditor, asset-based lending creditor, invoice financing creditor or private debenture holder, whether secured or unsecured;
- ii) the Lender takes any steps to enforce the Personal Guarantee or if the Insured has reason to believe that the Lender is likely to take steps to enforce the Personal Guarantee;
- iii) the Company defaults on any loan agreement with the Lender;
- iv) a notice of intention to appoint an administrator is served on the Company; or
- v) You intend to or are scheduled to meet with a licensed insolvency practitioner to discuss the Company's affairs.

If You comply with the above, then any subsequent request for payment of the Personal Guarantee by the Lender will be regarded as having been made within the Period of Insurance.

- b) Prior to entering into an Insolvency Procedure, You must ensure that the Company liaises with the Support Desk and obtains approval, in writing, in respect of the appointment of a Panel Member as the sole Office Holder and must maintain the appointment of this Office Holder throughout the Insolvency Procedure. In the event of an Insolvency Procedure, You must ensure that We are kept informed and updated in respect of the Insolvency Procedure.
- c) You will need to ensure that the Company has promptly followed all advice provided by the Support Desk and/or any Panel Member.
- d) You must take all reasonable and practicable measures so that the Company maintains comprehensive insurance cover in relation to any matter which could reasonably be expected to bring about a loss which could affect the Company's solvency. The Company should also maintain comprehensive insurance cover relating to the loss or damage of all assets in respect of which the Personal Guarantee has been given.

- e) You will need to make all reasonable efforts to ensure that the Company meets its liabilities to the Lender and to avoid the Lender from making a demand under the terms of the Personal Guarantee.
- f) You must take all reasonable and practicable measures to recover any amounts paid by Us.
- g) In the event You are made Personally Bankrupt this policy will be considered invalidated from the date at which You are made Personally Bankrupt.
- h) You may be entitled to receive a refunded premium pro-rated for the remaining Period of Insurance.
- i) We are entitled at any time to pay the Lender the Sum Insured (or as much as remains available) or any lesser amount for which any claim can be settled. If We do this, We will be under no further liability to You or the Lender in respect of the claim.

## Exclusions

The Insurer may not pay Your claim, or any payment could be reduced:

- a. if, prior to commencement of the Period of Insurance You knew, or ought to reasonably have been aware, of any reason to suspect that it was likely that:
  - i. the Company is insolvent or would enter into an Insolvency Procedure;
  - ii. a demand would be made by the Lender in respect of the Personal Guarantee; and/or
  - iii. any Policy Notification would arise
- b. if the Lender makes any demand for payment under the Personal Guarantee undertaking, which is caused by any deliberate, dishonest, fraudulent or reckless act or omission committed or condoned by You;
- c. if You have received monies from the Company to which You are not entitled, whether or not actuated by bad faith;
- d. if You fail to act upon the recommendations of the Support Desk and/or the Panel Member following a Policy Notification.
- e. if the Personal Guarantee is covered by any other insurance, We will not pay the Lender more than Our proportionate share.
- f. Our liability is the Sum Insured and Our liability shall not be regarded as varied because of the number of insureds, directors or participants in the Personal Guarantee.

## Notifiable Events, Claims Notification and Claims Handling

You are entitled to access the Support Desk for advice on financial matters. The Support Desk will, where appropriate, refer you to a Panel Member for additional support.

The Support Desk and Panel Member will endeavour to provide timely responses and ideas which you may put into practice. If appropriate, requisite fees will be agreed between you and the Panel Member for advice and assistance given.

The Support Desk should be contacted in the following situations:

- Policy Notification
- Claim Notification

Details of Policy Notifications are included within your Policy.

You will need to notify us as soon as possible if an event occurs which is or is reasonably considered to be a Policy Notification.

The Support Desk contact details are:

### **Purbeck Insurance Services**

McGowan House  
Somers Road  
Rugby  
Warwickshire  
CV22 7DH

E-Mail: [support@purbeckinsurance.co.uk](mailto:support@purbeckinsurance.co.uk)

Telephone: +44 (0)208 004 7252

## Cooling Off

You can cancel your Policy within the first 14 days of the Policy being issued and provided there is no claim or potential claim to be paid, your premium will be refunded in full.

After the 14-day cooling off period, you can still cancel the Policy at any time by writing to us. Provided there is no claim or potential claim to be paid, you will be entitled to receive a pro-rata premium refund.

To cancel your Policy you can write to us at:

### **Purbeck Insurance Services**

McGowan House  
Somers Road  
Rugby  
Warwickshire  
CV22 7DH

E-Mail: [contact@purbeckinsurance.co.uk](mailto:contact@purbeckinsurance.co.uk)

Telephone: +44 (0)208 004 7252

When writing to us, please quote your Policy number in any correspondence.

### Your right to complain

If you are not satisfied with any aspect of our service or the insurance provided, you should contact us by writing to:

#### **Purbeck Insurance Services**

McGowan House

Somers Road

Rugby

Warwickshire

CV22 7DH

E-Mail: [contact@purbeckinsurance.co.uk](mailto:contact@purbeckinsurance.co.uk)

Telephone: +44 (0)208 004 7252

We will do our best to resolve your complaint but, if you are still not satisfied, you can refer the matter to the Financial Ombudsman Service.

#### **The Financial Ombudsman Service**

Exchange Tower

Harbour Exchange Square

London

E14 9SR

Helpline: 0800 023 4567

Switchboard: 020 7964 1000

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

If you were sold this product online or by other electronic means and within the European Union (EU) you may refer your complaint to the EU Online Dispute Resolution (ODR) platform. Upon receipt of your complaint the ODR will escalate your complaint to your local dispute resolution service – this process is free and conducted entirely online. You can access the ODR platform on <http://ec.europa.eu/odr>.

### Your right to compensation

The Insurer is covered by the Financial Services Compensation Scheme (FSCS). The Insured may be entitled to compensation up to 90% of the Claim in the unlikely event the Insurer cannot meet its obligations. Further information about compensation arrangements is available from the FSCS.

### Applicable Law



If there is a dispute between you and the Insurer, you and the Insurer are free to agree the law applicable. Unless specifically agreed to the contrary this insurance shall be subject to the laws of England and Wales.



Purbeck Insurance Services is a trading name of Purbeck UK Limited a company registered in England and Wales with company number 10345620 and has its registered office at 20 – 22 Wenlock Road, London, N1 7GU.

Purbeck UK Limited is authorised and regulated by the Financial Conduct Authority with Firm Reference Number 756820.

Purbeck UK Limited is a Managing General Agent and has binding authority to enter into and administer contracts of insurance on behalf of Markel International Insurance Company Limited.

Markel International Insurance Company Limited is authorised and regulated by the Prudential Regulatory Authority and is regulated by the Financial Conduct Authority and the Prudential Regulatory Authority.