

Kingsborough

INSURANCE SERVICES



Specialist Insurance for
Resident Management Companies
and Right-to-Manage Companies



As a Director of a Resident Management Company or a Right-to-Manage Company, we understand the responsibility, commitment and time you and your team dedicate to ensure the smooth running of your development.

At Kingsborough Insurance Services, we specialise in providing comprehensive insurance cover that helps you fulfil your responsibilities and ensures both you and your development are fully protected.

We can assist you with the following products:

- **Directors and Officers Insurance**
- **Building and Terrorism Insurance**
- **Engineering Inspection and Insurance**
- **Contents Insurance**

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SERVICE YOU CAN TRUST

When dealing with the protection of your home or rental property, it is essential that you have confidence in your insurance provider. They must be financially sound, have responsible working practices and settle your claims speedily, with the minimum of inconvenience to you or your tenant. This is what you can expect from Kingsborough Insurance Services.

We take personal pride in the level of service we offer our clients. By fully understanding your needs and requirements, we ensure that we meet

them and give you peace of mind by only ever using insurers who have attained a credit rating of 'A' or higher.

We also offer:

- **Bespoke policy wording for Buildings Insurance**
- **24 hour claims line**
- **Monthly instalment facility at competitive interest rates**
- **No claims discount (full details on request)**

Details of the cover we can assist with can be found on the following pages, but if you would like to discuss your individual requirements further or request a quotation please call Phil Messer on 01425 632341 or email phil.messer@kingsborough.co.uk

DIRECTORS AND OFFICERS INSURANCE

Why do you need this cover?

The introduction of new statutes to UK law over the past 10 years has resulted in personal liability being imposed on the Directors and Officers of Resident Management and Right-to-Manage Companies. In the event of fellow leaseholders suffering financial loss as a consequence of decisions made or actions taken (or not taken), Directors are individually liable or required to contribute personally. Even if any allegations made are not finally proven in a court of law, the defence costs incurred can be significant.

How might a claim arise?

There are various duties imposed upon a Director or Officer including:

- **Common law duties** – legal principles established from many years of case law
- **Fiduciary duties** – to act honestly, in good faith, in the best interests of the company at all times and not to allow personal interests to conflict with those of the company
- **Duties of skill and care** – to exercise the same level of care and skill that a person would use in the management of their own affairs with their level of knowledge and experience
- **Statutory duties** – where an offence under an Act is committed by a Company with the consent or connivance of a Director, or is attributable to neglect, that Director is also guilty of the same criminal offence and can be punished accordingly

Insurance Protection

Kingsborough Insurance Services has developed Directors and Officers Insurance cover, specifically to protect Directors and Officers in relation to “wrongful acts” such as breach of duty or trust, neglect or error or omission in the performance of their duties within the Company.



The indemnity includes:

- **Legal liability** of Directors and Officers for errors and omissions committed in their capacity as such
- **Company reimbursement insurance**, which allows the Company to mitigate both its own financial liability and that of its officials
- **Representation** expenses incurred in connection with:
 - **An official investigation** into the Company's affairs
 - **The prosecution** (criminal or otherwise) of any Director or Officer which arises from a wrongful act

The policy also extends to provide cover for damages and settlement sums awarded as well as the costs of defending the action, which are paid as the action proceeds.

Inception

Full details of the policy cover and a copy of the wording are available on request. A brief Proposal Form will also require completion to enable cover to be incepted.

How much does this cover cost?

The cost of cover will depend on the number of units that the Resident Management or Right-to-Manage Company is responsible for, together with the limit of indemnity that they wish to apply. The limit of indemnity is inclusive of court costs and fees.

The table below provides an indication of premiums payable:

Limit of Indemnity

No of Units	£100,000	£250,000	£500,000	£1,000,000
1 to 25	£121.00	£142.00	£221.00	£320.00
26 to 50	£142.00	£179.00	£273.00	£383.00
51 to 75	£179.00	£221.00	£320.00	£446.00
76 to 100	£221.00	£263.00	£368.00	£509.00
101 to 150	£236.00	£310.00	£415.00	£578.00
151 to 200	£252.00	£331.00	£436.00	£604.00

The above annual premiums are inclusive of insurance premium tax at the current rate.

Higher limits of indemnity and higher numbers of units can be catered for upon application. These prices are correct at the time of going to press June 2009.



BUILDINGS AND TERRORISM INSURANCE

Having the right cover in place to protect your assets can be invaluable

All too often damage can occur that results from incidents that are beyond your control, but costly to repair. This is particularly relevant in large developments; for example, damage to wood flooring caused by water, storm damage to the roof or even acts of terrorism.

Terrorism cover is often overlooked, but should the worst happen, you would not be able to make a claim for what could be extensive damage, unless you have the appropriate insurance. You do not need to be the target of a terrorist attack to suffer the consequences.

We are able to provide competitive, bespoke quotations for Buildings and Terrorism cover with the added reassurance of an excellent claims service.

Having an insurance valuation of your property gives you peace of mind that your sum insured is appropriate and avoids underinsurance in the event of a claim. Only one site visit needs to be made for the initial calculation. The sum insured can then be reviewed and updated as required for a nominal fee, for example every 3 years.

Valuations assistance

The quotations we provide are unique to your property and based on the information you supply. This will include the sum insured which should reflect the full rebuilding cost of the property and would typically include the following:

- **Demolition**
- **Removal of debris**
- **Professional and local authority fees**
- **Labour and material costs**
- **Building Regulation compliance costs**

We are able to offer our clients preferential discounted rates on property insurance valuations through a RICS qualified firm of valuers.

ENGINEERING INSPECTION AND INSURANCE

Statutory requirements

It is a statutory requirement for Resident Management and Right-to-Manage Companies to arrange twice-yearly inspections of any system that lifts or lowers people; for example passenger lifts, goods lifts, car stackers and car lifts. These must be inspected by an Engineer Surveyor employed and authorised by the Insurance Company to perform the 'Thorough Examination/Inspection Service'.

In addition cover is included for sudden and unforeseen breakdown of the plant with a limit of indemnity of £250,000 with an excess of £100 payable for each and every claim.

Other items of plant, such as pressure vessels, may be inspected if you wish but it is not mandatory to do so.

CONTENTS INSURANCE

Whether you live in your property yourself or the property is tenanted, you will no doubt appreciate the value of having Contents Insurance in place.

Cover can be selected from £10,000 upwards and is calculated on the postcode of the insured property. If you live in the property yourself, cover will automatically include full accidental damage cover and a level of cover for items taken out of the home. Cover is provided on a new for old basis except for clothing where there is a deduction for wear and tear. A quotation and full policy wording is available upon request.

For further details or to discuss your specific requirements, please call Phil Messer on 01425 632341 or email phil.messer@kingsborough.co.uk

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You can check our regulatory status at www.fsa.gov.uk/register or by calling the FSA on 0845 606 1234