






On the face of it...



NOVEMBER 2009 NEWSLETTER

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FIRST BROKER FORUM HAILED A SUCCESS

Over 50 brokers from across the South West headed to Exeter recently to attend Angel's inaugural D&O Broker forum making it a major success.

"Unlike many events of this type that you can go to, Angel Underwriting's Exeter Broker Forum was fast and informative, and was delivered by specialists to a highly appreciative audience" commented Michael Anderson, MD of Plymstock Insurance.

Brokers from as far away as Portsmouth attended the event with Peter Reed of Drayton Reed commenting "It was a good seminar and well worth the drive."

The three speakers provided attendees with a real insight into the very latest risks and exposures facing directors and officers today and highlighted just how D&O insurance can protect them and their personal assets.

David Barrett, an advanced Insurance technical trainer and D&O specialist, gave an exuberant analysis of what directors and officers liability insurance entails and had delegates captivated with his unique style.

Alex Lock, employment law specialist at Beachcroft LLP, highlighted the need for companies to protect themselves from employment related issues with his extensive first hand experience of defending such cases.

Andrew Stokes, Health and Safety specialist also from Beachcroft LLP – illustrated the exposure to companies facing allegations of corporate manslaughter with real life examples of well known corporate cases..

"When we announced that we were hosting our first forum, interest in the event was high, which was encouraging, but we were delighted on the day when there was not a spare seat to be had" said Mark Shreeve, Angel Underwriting CEO.

"The Forum gave us an opportunity to highlight the main issues driving the D&O market today and some of the key factors that brokers need to be aware of when considering the level of D&O cover required for their clients.

"We were very pleased with the content and quality of the presentations and with the feedback we received, both at the event itself and subsequently from those who attended, which was extremely positive," Mark continued.

According to Nick Beaton of Northcott Beaton "Angel put on a fantastic event which was both informative and interesting and was held at a magnificent venue."

"The speakers were good and competent and the content I think was spot on" agreed David Upshall from David Upshall Insurance Services.

Trevor Fouracres of Higos Insurance Services added "The forum was very informative and interesting. Events like these are important to keep you up to speed with current developments in what is a challenging marketplace and the guest speakers were well chosen and the subject matter enlightening."

Some pictures taken at the event are on display at www.angelunderwriting.com or you can view them by following this link <http://www.angelunderwriting.com/uk/AngelBrokerForumExeter/tabid/256/Default.aspx>

As a result of the huge success in Exeter, Angel is now planning to run a series of similar events. The first is penciled in for Spring 2010 and will most likely take place somewhere in the midlands.

For more information on the Angel Broker Forum and the presentations, call Gary Green, Business Development Director on 01206 215500 or email gg@angelunderwriting.com.

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UNEMPLOYMENT AND COMPENSATION – LATEST FIGURES

The latest corporate failure statistics recently released by the Inter Departmental Business Register (IDBR), the Office for National Statistics (ONS) and The Department for Business Enterprise and Regulatory Reform (BERR) make worrying reading for company directors and officers.

Figures released by the Insolvency Service in their annual report and accounts for the 2007 – 2008 year show that the number of companies going into liquidation during 2008 increased by 24.2% from 2007.

Comparing the 4th quarter of 2008 with the same quarter in 2007 the numbers show a marked deterioration. The total number of companies liquidated in the 4th quarter of 2008 increased 51.6% over the same period from the preceding year.

This directly relates to an increasing unemployment trend, which in turn has led to a progressive increase in the number of employees registering claims with the Employment Tribunal Service. Considering that the economic recession had hardly started to bite when these statistics were recorded, the 15% increase in cases in 2006/07 can be attributed in part to increased public awareness of their rights to bring employment related actions.

A further 43% increase for the twelve months ending 31st March 2008 seemed to indicate that things were set to get worse. However the statistics for the year ending 31st March 2009, which have recently been released, show a 20% improvement. The Tribunal Service explains this citing over 10,000 multiple claims from airline employees that have been resubmitted a number of times during the year. The decrease becomes a more realistic 4% if these claims are excluded, the report goes on to say.

With unemployment rates in the UK at their highest level for ten years it is little wonder that, in its annual report to March 2009, the Advisory Conciliation and Arbitration Service (Acas), claims to have seen a dramatic rise in the number of redundancy-related claims. According to the report the number of claims for unfair dismissal rose 29% over the previous year, claims for redundancy pay were up by 48% and claims for failing to inform and consult on redundancies rose by a massive 153%.

The latest Employment Tribunal report for the year to 31st March 2009 breaks down employment compensation awards by category and shows the largest award in each category as well as the average. The report is summarised below:

Category	Average Award	Maximum Award
Unfair dismissal	£7,959	£84,005
Race Discrimination	£32,115	£1,353,432
Sex Discrimination	£11,025	£113,106
Disability Discrimination	£27,235	£388,612
Religious Discrimination	£10,616	£24,876
Sexual Orientation	£23,668	£63,222
Age Discrimination	£8,869	£90,031
Overall Average	£17,355	N/A
Costs awarded	£2,470	£25,000

A successful wrongful termination claim costs an average of just under £20,000 when both the compensation award itself and associated expenses are taken into account. But the potential maximum downside is significantly higher, and could be catastrophic for a small company. "An Angel Directors and Officers Liability insurance policy including Employment Practices Liability provides a company with less than £2m turnover with a policy limit of £250,000 and costs only £540" said Steve Smith, Angel's D&O and Professional Indemnity Underwriter "this seems like a bargain when set against the potential down side employers face.

It is the small to medium sized companies that are likely to face the biggest problems since most of them do not have dedicated HR staff and as such could end up falling foul of strict employment rules. Whilst a standard D&O policy will offer the directors protection from wrongful employment allegations, the Employment Practices Liability extension is needed to protect the company, against whom most EPL claims will be brought.

"The vast majority of D&O claims we see are employment related" added Steve. That is why the corporate liability and employment practices extensions are so important."

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DIRECT DEBIT FACILITY - UPDATE

Six months after its launch, Angel Underwriting continues to urge it's brokers to take advantage of the interest free Direct Debit premium payment facility.

In the current economic climate, more payments than ever before are being missed on premium finance agreements, which not only causes a problem for the finance company but it can also turn out to be a problem for brokers.

Where a broker uses a premium finance company and its client defaults on an instalment, the finance company may ask for the policy to be cancelled due to non payment. Usually in these circumstances the premium will have already been received by the insurer in which case cancellation for non payment is not possible. Depending on the finance agreement in place the finance company can hold the broker responsible for the payment of the missed instalments.

One of the advantages of using direct debit is that as soon as a premium instalment is missed, notice of cancellation for non payment can be effected. Other benefits include relieving brokers of the time consuming tasks of collecting and chasing for premiums and , remitting these on to insurers. It also improves cash flow for the insured by spreading their payments over 10 monthly instalments.

If a client is happy to pay the full premium in one instalment, the broker can still take advantage of the benefits available from using Angel's Direct Debit scheme*.

Commissions remain unaffected under our direct debit payment method, and are credited to the broker as soon as the first instalment is received from the insured.

Our direct debit facility is run on an interest free basis although a small £25 fee is applicable where the premium is deferred over 10 payments*. The fee is the same whether the premium is £10,000 or £500. "The reason we charge a fee is because we are ourselves charged by the bank for each Direct Debit we process, and we incur additional system and administration costs, so we are simply recovering a contribution towards these said Paul Towers, CFO of Angel Underwriting.

The direct debit facility is available across the entire range of directors and officers and professional indemnity products**.

For more information on the Direct Debit payment facility, contact Angel Underwriting on 01206 215500.

*£10 fee applicable where the premium is paid in one instalment.

**Certain exceptions may apply.

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NEW FACES STRENGTHEN THE TEAM AT ANGEL UNDERWRITING

The Angel Underwriting team has grown yet again with the addition of three new recruits as demand for our products and services continues to increase.

According to Angel Underwriting CEO Mark Shreeve, the three new members of staff – Felix Cofie, Julia Wallis and Tatiana Marshall – will strengthen the Angel team in a range of roles.



Felix Cofie

Felix joined Angel in May 2009 as an Underwriting Assistant having graduated from the University of Nottingham with a 2:2 honours degree in industrial economics. He is a keen traveller, and prior to joining Angel, he spent a year touring Europe with a group of friends. Felix puts the rest of the team to shame as he is an all round sports man representing his local football and cricket teams.



Julia Wallis

After graduating from the University of Essex with a 2:1 honours degree in law and human rights, Julia attended law school where she obtained her diploma in legal practice. She worked for a year as a trainee solicitor at the Essex based firm of H P Law before completing her masters degree in the law of information technology, media and e-commerce. Julia joined Angel in September 2009 as a claims specialist.



Tatiana Marshall

Tatiana joined Angel at the beginning of October 2009 as an Accounts Assistant having moved to Colchester from Ukraine in 2006. She is currently studying for her professional accounting qualification with the Association of Certified Chartered Accountants having already obtained her Association of Accounting Technicians certificate..

"We are delighted to welcome Felix, Julia and Tatiana to Angel Underwriting, and are very pleased with the contribution they are already making in the different areas of the business," said Mark

"The need to bring in new people to the team is a reflection of the growing demand for our range of products, and we are happy that Felix, Julia and Tatiana will enable us to maintain our high standards of customer service and allow us to continue to expand and work on new projects" he added.

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WIN £500 IN TRAVEL VOUCHERS

I JUST USE ONE BAG COMPETITION

Adopt the strap line on our new Jute bags “**I just use one bag**” and you could be on your way to winning £500 worth of travel vouchers towards your next holiday!

To enter our competition, all you have to do is take Angel Underwritings’ latest eco friendly jute shopping bag somewhere “special,” take a photograph there including both you and the bag, and send the picture to us.

The picture needn’t be somewhere exotic or far away it just needs to be something “special”, so it could be you and the bag posing with a famous person, or on top of a mountain, in a submarine, at a concert, or on the London Eye. The most “special” in the opinion of our judge will be the lucky winner!

Launched at the Angel Underwriting Broker Forum in Exeter, the new jute bag has been designed with this competition in mind. If you didn’t attend the forum, don’t worry, you can get your hands on one if you visit our stand (number 43) at the Insurance Age Expo which will take place at the Ricoh Arena, Coventry on 12th November.

They will also be available in Bristol at the Westinsure annual conference in January and again at the Excel centre in London for the 2010 BIBA conference on 19th and 20th May.

If you are not able to make it to any of these events then Gary Green, Angel’s Business Development Director will be happy to arrange a visit and deliver one to you in person.

The competition is open to agents registered with Angel Underwriting and is free to enter. There is no limit to the number of pictures you send, we will just be looking for the “special” one.

All pictures will be judged by Mark Shreeve, CEO of Angel Underwriting, whose decision will be final. All entries must be received by 30th September 2010 and must include your name and contact details. The winner will be notified shortly afterwards and announced in the October 2010 Angel Newsletter.

If you are not already registered as an Angel agent you can call 01206 215500, email gg@angelunderwriting.com, or go to www.angelunderwriting.com and register on line.

Entries can be uploaded by clicking on the competition banner on our web site www.angelunderwriting.com or you can email them to us at gg@angelunderwriting.com. Remember to provide us with your name, contact details and some information about the photo, and of course, don’t forget to attach the photo!

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Postal entries can also be made and should be addressed to Gary Green, Angel Underwriting Limited, Little Tey Road, Feering, Colchester, Essex CO5 9RS. Once again, please include with the photo, your name, full contact details and a brief description of the photo.

In sending us your pictures you agree that the pictures become our property, and you give us your permission to display them in a reasonable manner as we see fit without referral. Angel Underwriting accept no responsibility for pictures damaged, illegible, incomplete, lost or delayed in the post or failing to reach us by the closing date. We are sorry but we will not be able to return any pictures.

Good luck!

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