

# Defined

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**Ascend Broking Group**  
Business Insurance Solutions

## Welcome to our latest newsletter.

In this issue we provide an oversight on a number of new initiatives including our new cyber breach/response & insurance product, a free security review service, discounted building re-build valuation reports & Ascend Risk, our cloud-based risk management, management & business continuity service, plus Ascend 360, our new integrated motor fleet software.



### The growing threat of cyber attack

As we become increasingly reliant on technology, the potential impact of cyber-related incidents continues to grow. Yet the cyber insurance market is relatively new in comparison to other lines of cover.

So, what do we mean when we talk about cyber risk & what do you need to do to protect your business against this growing threat?

Claims can come in a myriad of ways: a privacy breach, a malicious online attack, a total system failure, financial crime, fraudulent money transfers and more. Often, the most costly part of a cyber event is responding to the incident. For example, if an attack has managed to compromise a company's computer network, then IT specialists need to be summoned to stop the attack, protect against further immediate threats, and work out what has been stolen.

There are a few questions you should ask....

- What impact will this have on your business?
- What would happen if you have no access to your IT?
- What financial contingency do you have in place in the event of a cyber incident?
- Could your bottom line sustain such costs when the average costs are anything from £30k?

We have launched our new cyber breach and liability insurance solution: [www.ascendbroking.co.uk/cyber-data-insurance](http://www.ascendbroking.co.uk/cyber-data-insurance) and have produced a simple guide which provides an overview of the cover and risk management assistance that is available.

It is impossible to be 100% secure & prevent cyber-attacks entirely. The important thing is knowing what to do when attacked and how to mitigate any impact. Insuring against a cyber-attack costs little compared to the cost of dealing with an incident if unprotected!

### Cyber Data Breach Facts

**72 hours** The time in which you have to notify the ICO of a data breach.

**100%** You have to notify 100% of all data sources pertaining to that breach.

**15%** of all crises claims were related to cyber extortion in 2019.

**47%** of UK businesses wrongly believe traditional insurance covers cyber crime.

**39%** of UK businesses identified data breach or cyber hacking as their greatest concern in 2019.

**23,500** cyber incidents were dealt with by CyberScout, the identity management and data risk specialists.

**89%** of these involved financial crimes.

**96%** of losses are first party (your own).

A cyber insurance policy will cover:

- Incident response/forensics
- Theft of funds
- Theft of data
- Damage to digital assets
- Cyber extortion
- System damage

### Free Security Review

CONTACT US to arrange a FREE security, alarm and physical protection review

[info@ascendbroking.co.uk](mailto:info@ascendbroking.co.uk)

# Shareholder Protection Assurance – a Business Continuity Plan

As owners of your business, you will want to make sure your business can continue if one of the directors dies or becomes critically ill.

When an owner dies, their share in the business will pass to their beneficiaries; most likely their family members (either under the terms of their will or according to the law of intestacy if they don't have one). This, however, might not be what either the continuing owners of the business or the deceased owner's family wants to happen. The continuing owners may want to buy the deceased owner's share and the deceased owner's family (who might not have been involved in the business), might prefer the cash value of the share. A major problem arises where the continuing owners don't have the funds available to buy the deceased owner's share. Life assurance policies can be used to provide a solution to this problem.

## How does the arrangement work?

Each individual owner takes out a life assurance policy on their own life with the "sum assured" under the policy reflecting the value of their share in the business. Each owner's policy is held in a business trust from the start, for the benefit of each of the other owners. When an owner dies or becomes critically ill, the claim proceeds are paid to the trustees (keeping the proceeds outside their estate for inheritance tax purposes). The continuing owners can use this cash to buy the deceased owner's share of the business. While this arrangement provides the funds to buy the deceased owner's share, there also needs to be an agreement that this is what the continuing owners will use these funds for.

## Option agreements

The Agreement required is called a "cross option" agreement. Under this, when an owner dies, the continuing owners have an option to buy their share and the deceased owner's personal representatives have the option to sell their share. If either party chooses to use their option, the other party must comply.

For critical illness protection, a single option agreement is required. With this type of agreement, only the critically ill owner can apply the option to sell their share – they can't be forced to sell their share by the continuing owners. This is to protect the critically-ill owner, particularly if it's likely that they'll recover and return to work.

## Payment and taxation of life assurance premiums

If the company makes the policy payments, it will receive corporation tax relief provided the payments meet the 'wholly and exclusively for the purpose of the business' test. In other words, provided shareholders' total remuneration (including these payments) are not excessive in relation to the duties they perform for the company. As the company is providing additional remuneration to a shareholder, they will be subject to income tax on the payment.

The owners might decide to make the policy payments themselves – perhaps out of salary and/or dividends received from the company. If they do, no tax relief is available on the policy payments.

## Other potential tax implications

There could be other tax implications of the arrangement. However, if it is set up correctly, it is unlikely that such tax charges will arise.

Download our full article at [www.ascendexecutive.co.uk](http://www.ascendexecutive.co.uk)



## Introducing Ascend preferred...

Viewpoint are a local firm of Accountants who work with their client's to understand their issues, give the advice they need and help to deliver the advice.

What are the implications of transferring my buy to let properties to a Limited Company?

Given the recent attack on Landlords by the government (restriction on loan interest relief and restriction on Capital Gains tax lettings relief), more and more landlords are considering transferring their property portfolios to a limited company. Whilst, on the face of it this might seem like a good idea, there are considerations that you might not be aware of.

At first glance, it might seem sensible to transfer your property because the company will not only obtain full tax relief on the loan interest paid, but will also benefit from a 19% tax charge instead of up to a 45% tax charge.



Ascend Executive work in partnership with the award winning Jarrovian Wealth. Jarrovian were listed as one of the top 100 financial planning businesses in the UK for 2018 by New Model Adviser magazine.

Jarrovian help our clients plan and achieve their desired lifestyle. Once achieved, they help maintain and protect your lifestyle through life's trials and tribulations.

Contact us today to arrange a free consultation.



## Terrorism Insurance Update

Terrorism is far from being just about attacks on landmark buildings. More likely are lone wolf attacks or small terror cells implementing assaults involving vehicles being driven into crowds, stabbings - such as those that occurred in London's Borough Market - or, as with Parsons Green, a bomb on public transport. The aim is fear. As the explosion at the Ariana Grande concert in Manchester showed, it is not just capital cities that are at risk.

The key issue is that business interruption insurance, which exists to replace lost revenue when a firm cannot trade, is excluded by Pool Re, the government insurer that most insurers use for this peril, if there is no physical damage.

So what happens if you suffer a loss but no damage, but you are unable to trade?

Such cover is known as an extension. Extensions provide cover in areas such as denial of access, malicious attack and loss of attraction through being unable to trade because the company location is closed off.

Without specialist terrorist insurance they will not be able to claim at all, since terrorism cover needs to be purchased separately.

Given this risk, the insurance market has responded by offering new policies and wording relating specifically to lone attacker events. Many insurers define a lone attacker event as one involving a hand-held weapon, including knives, guns, and explosive devices. As many recent attacks - such as those occurring in Barcelona and London Bridge - have involved the use of a vehicle, some insurers are now expanding their definition to include a vehicle as a hand-held weapon.

At Ascend we have developed a leading stand-alone insurance solution. Businesses should carefully consider the changes in risk and the options available for insuring them.

## Ascend Risk – Business Continuity & Risk Management

We have launched a new a unique combination of cloud-based management systems, onsite risk consultancy and engagement. Ascend Risk management systems can be deployed across your business in minutes, delivering day-to-day functionality, visibility and accountability to your risk management process.



We can also provide onsite risk consultancy to help you develop your risk controls including:

- Audit
- Risk assessment, including fire risk assessment
- Site threat assessments
- Business continuity scoping
- Incident response & continuity planning
- Health & Safety Training

We will be delighted to provide you with a demonstration of the benefits to you by adopting this system.

[www.ascendbroking.co.uk](http://www.ascendbroking.co.uk)

## Ascend 360 – Fleet Risk Management

By combining modern technology, proactive claims management and innovative risk management solutions all in one place, we can make a difference in reducing claims cost and ensuring the workforce are healthy and motivated.



### Prevention before the cure

We will:

- Improve evidence
- Improve procedures and technology to ensure you collect accurate evidence
- Educate your workforce to positively influence driver behaviour
- Introduce award-winning technology to reduce claims frequency
- Improve the way you report claims
- Provide a wide range of solutions that help you improve your fleet management risk day-to-day



## Ascend 360 Vehicle Fleet Management

Contact us for a free consultation to learn how this unique technology can help you take control of increasing costs.

Contact Simon Horton, Transportation & Logistics Director

Email: [simon.horton@ascendbroking.co.uk](mailto:simon.horton@ascendbroking.co.uk)

Tel: 01245 449 060

## Building Valuation Service

We can provide you with discounted building revaluation reports. 80% of properties have the incorrect rebuild sum insured.

**CONTACT US TODAY**  
to find out more

  
**Ascend Executive**  
 Personal High Net Worth Insurance Solutions  
 Passionate about protecting the exceptional  
**Insurance of the highest calibre**



## 2019 Recognition



## Local Community Fundraising

Olympic Abseiling – Olympic Stadium – September 2019

In September, two intrepid members of our team – Edwin Carter and Katherine Smithers – braved the elements to abseil down the side of the Olympic Stadium in Stratford, London, raising £500 for Little Belsteads. Katherine said it was ‘a hair-raising experience but an exhilarating one’ – not one she would like to ‘repeat too often’, she added.



Watch the video here: [www.ascendbroking.co.uk/charity-support/ascend-olympic-abseiling/](http://www.ascendbroking.co.uk/charity-support/ascend-olympic-abseiling/)

Nuclear Racing – Kelvedon Hatch – November 2019

In early November, five members of the team – Matthew Price, Max Collins, Alex Patten, Edwin Carter and Katherine Smithers – entered the Nuclear Racing ‘Fallout’ challenge which involved sweat, tears and lots and lots of mud. On the wild plains of Kelvedon Hatch, they had to undertake a 7-and-a-half-km obstacle including wading through ditches, scrambling up nets, hauling themselves through metal tubes and running in ankle-deep mud and knee-deep water.



Watch the video here: [www.ascendbroking.co.uk/charity-support/ascend-nuclear-7-5km-mud-run/](http://www.ascendbroking.co.uk/charity-support/ascend-nuclear-7-5km-mud-run/)

## In The Press

We recently featured in...

Essex Magazine – A feature regarding the launch of Ascend Executive

Essex online – a feature on our award success and career opportunities



## New starters

We welcome David Baker as Development Director, Jenny McGhie as Claims handler and Mel Seymour as Senior Account handler.



## The Ascend 24/7 Sharepoint

Download our award winning instant claims notification App



## Insurance Times Double Delight

Customer Champion of the Year & Independent Broker of the Year – November 2019

We were delighted to be crowned Customer Champion of the Year and highly commended as Independent Broker of the Year at the prestigious The Insurance Times Awards on the 22nd November at the Grosvenor Hotel, London. Attended by over 1,200 of our peers this was the last award ceremony of the year. Matthew Collins said, “it’s a fantastic achievement to have won this award at such a prestigious event – the premiership title in football terms!”



Start-up of the year WINNER at The UK Broker Awards – September 2019



“Ascend Broking group have achieved impressive growth offering an alternative to consolidated brokers. The judges view Ascend as one to watch and look forward to seeing achievements in coming years”

Start-up of the year WINNER at the Broker Innovation Awards – September 2019



“The judges were impressed with the customer-first culture, the use of technology and strong customer testimonials”

