



Brecknock

## MAJOR UNINSURED RISKS

Risk retention may occur in many ways, for example:

- By under-insurance (eg, if your sums insured or declared insurable values are inadequate, and Co-Insurance/Average provisions are applied to losses, you are treated as part-Insurer for all such losses).
- By inadequate loss limits (eg, if your Public Liability limit is insufficient, you are your own Insurer for the excess, plus a proportionate share of any legal fees).
- By non-insurance (eg, if you elect not to insure a risk like “Motor Vehicle - Own Damage” you must stand all such losses yourselves).
- A self-assumed irremovable Deductible or Excess under a policy.

Our concern lies not so much in the fact that you may retain certain insurable risks, but that you may do so without fully recognising the fact, and without making a conscious decision to do so. Such conscious decisions should be reviewed from time to time in the light of changing circumstances. A potential problem area could arise from a series of losses, each subject to a heavy deductible.

A further concern is the possibility of the aggregation of self-insured risks, which in the event of one incident giving rise to a variety of losses, could lead to a combined loss figure well above the acceptable level of retention (eg, a fire or explosion at a major location could involve building, plant and stock damage, business interruption, parked trucks and their loads, not to mention legal liability for injured workers and third parties’ property or injury).

With this in mind, we have indicated below a number of risks that you do not insure at present. We would emphasise that no list of uninsured risks can ever be exhaustive, but we have aimed to highlight the more significant omissions from your current Insurance Programme. As any business is susceptible to change, we recommend these areas be reviewed regularly to ensure that your company is still comfortable with the limited scope of your existing range of policies.

| Class of Insurance / Risks  |   |
|---|---|
| <input type="checkbox"/> Accounts Receivable/Book Debts<br><input type="checkbox"/> Advance Business Interruption<br><input type="checkbox"/> Airport Operator’s Liability<br><input type="checkbox"/> Aviation Hull and Liability<br><input type="checkbox"/> Bankers’ Blanket Bond<br><input type="checkbox"/> Bloodstock or Livestock<br><input type="checkbox"/> Boiler and Pressure Vessel Explosion<br><input type="checkbox"/> Bonds<br><input type="checkbox"/> Burglary and/or Theft | <input type="checkbox"/> Loss of Hire / Standby Charges<br><input type="checkbox"/> Loss of Licence<br><input type="checkbox"/> Machinery Breakdown<br>(Material Damage / Business Interruption)<br><input type="checkbox"/> Manufacturers Output / Sellers<br>Contingency<br><input type="checkbox"/> Marine Hull<br><input type="checkbox"/> Marine Cargo: <ul style="list-style-type: none"> <li>▪ Overseas</li> </ul> |

| <b>Class of Insurance / Risks</b>  |   |
|--|---|
| <ul style="list-style-type: none"> <li><input type="checkbox"/> Business Interruption</li> <li><input type="checkbox"/> Cancellation and Abandonment</li> <li><input type="checkbox"/> Charterer's Legal Liability</li> <li><input type="checkbox"/> Commercial Package</li> <li><input type="checkbox"/> Completed Operations</li> <li><input type="checkbox"/> Compulsory Third Party</li> <li><input type="checkbox"/> Construction Risks / Liability</li> <li><input type="checkbox"/> Container Liability</li> <li><input type="checkbox"/> Contract Bonding / Contract Guarantee</li> <li><input type="checkbox"/> Contract Penalties / Liquidated Damages</li> <li><input type="checkbox"/> Control of Well (Operator's Extra Expense)</li> <li><input type="checkbox"/> Corporate Travel</li> <li><input type="checkbox"/> Credit</li> <li><input type="checkbox"/> Crops (Growing)</li> <li><input type="checkbox"/> Customs and Payments Bonds</li> <li><input type="checkbox"/> Directors' and Officers' Liability / Company Reimbursement</li> <li><input type="checkbox"/> Disability</li> <li><input type="checkbox"/> Economic Loss</li> <li><input type="checkbox"/> Electronic Computer Crime</li> <li><input type="checkbox"/> Electronic Equipment / Breakdown / Business Interruption</li> <li><input type="checkbox"/> Employers Liability</li> <li><input type="checkbox"/> Employment Practices Liability</li> <li><input type="checkbox"/> Environmental Impairment Liability</li> <li><input type="checkbox"/> Extended Warranty</li> <li><input type="checkbox"/> Export Credit</li> <li><input type="checkbox"/> Extra Territorial Workers' Compensation</li> <li><input type="checkbox"/> Fidelity Guarantee</li> <li><input type="checkbox"/> Film/Film Producers Guarantee</li> <li><input type="checkbox"/> Fine Arts</li> <li><input type="checkbox"/> Fire and Extraneous Perils</li> <li><input type="checkbox"/> Forged Share Transfer</li> <li><input type="checkbox"/> General Property</li> <li><input type="checkbox"/> Glass</li> <li><input type="checkbox"/> Group Personal Accident</li> <li><input type="checkbox"/> Health Care Plans</li> <li><input type="checkbox"/> Home and Contents</li> <li><input type="checkbox"/> Industrial Special Risks</li> <li><input type="checkbox"/> Infringement of Copyright</li> <li><input type="checkbox"/> Key Person</li> <li><input type="checkbox"/> Kidnap, Ransom and/or Extortion</li> <li><input type="checkbox"/> Legal Expenses</li> <li><input type="checkbox"/> Libel and Slander / Defamation</li> <li><input type="checkbox"/> Life Assurance</li> <li><input type="checkbox"/> Livestock</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> Inland</li> <li><input type="checkbox"/> Inland &amp; Overseas</li> <li><input type="checkbox"/> Medical Crisis / Trauma</li> <li><input type="checkbox"/> Money</li> <li><input type="checkbox"/> Mortgage and Lease Guarantee</li> <li><input type="checkbox"/> Mortgage Protection</li> <li><input type="checkbox"/> Motor Vehicle</li> <li><input type="checkbox"/> Multi Risks</li> <li><input type="checkbox"/> Non-Owned Aviation Liability</li> <li><input type="checkbox"/> Personal Accident / Illness</li> <li><input type="checkbox"/> Pleasurecraft</li> <li><input type="checkbox"/> Pluvius (Weather)</li> <li><input type="checkbox"/> Political Risk</li> <li><input type="checkbox"/> Product Performance Guarantee</li> <li><input type="checkbox"/> Product Tamper / Contamination</li> <li><input type="checkbox"/> Product Recall</li> <li><input type="checkbox"/> Professional Indemnity / Errors &amp; Omissions</li> <li><input type="checkbox"/> Protection &amp; Indemnity</li> <li><input type="checkbox"/> Public and Products Liability</li> <li><input type="checkbox"/> Salary Continuance</li> <li><input type="checkbox"/> Seismic Streamer</li> <li><input type="checkbox"/> Seismic Tape</li> <li><input type="checkbox"/> Special Risks</li> <li><input type="checkbox"/> Sprinkler Leakage</li> <li><input type="checkbox"/> Third Party Strikes</li> <li><input type="checkbox"/> Superannuation</li> <li><input type="checkbox"/> Takeover</li> <li><input type="checkbox"/> Taxation Audit</li> <li><input type="checkbox"/> Technology Network Security Protection</li> <li><input type="checkbox"/> Technology Liability</li> <li><input type="checkbox"/> Trailers</li> <li><input type="checkbox"/> Trustee Liability</li> <li><input type="checkbox"/> Umbrella Liability</li> <li><input type="checkbox"/> Valuables</li> <li><input type="checkbox"/> Voluntary Group Accident Schemes</li> <li><input type="checkbox"/> Workers' Compensation: <ul style="list-style-type: none"> <li><input type="checkbox"/> WorkCover Make Up Pay / Deductible</li> <li><input type="checkbox"/> Victoria</li> <li><input type="checkbox"/> New South Wales</li> <li><input type="checkbox"/> Queensland</li> <li><input type="checkbox"/> South Australia</li> <li><input type="checkbox"/> Western Australia</li> <li><input type="checkbox"/> Tasmania</li> <li><input type="checkbox"/> Northern Territory</li> <li><input type="checkbox"/> Australian Capital Territory</li> <li><input type="checkbox"/> Extra Territorial</li> </ul> </li> </ul> |