

Commercial Insurance Profile

June 2019

The Numbers Behind the Rising Popularity in Premium Finance Policies



66% of brokers believe clients will make better use of premium finance options this year when compared to 2018.



23% expect to see a double-digit percentage increase in the amount of premium finance policies purchased this year.

Source: Premium Credit

Provided by:

Laurie Ross Insurance

0141 259 0088

www.laurieross.com/business

Laurie Ross
Scotland's Personal Insurance Broker

As Brexit Stockpiling Soars, So Do Your Risks—Consider These Tips

Although the official date of Brexit was recently postponed until 31st October 2019, organisations across the country are continuing to prepare for the possibility of a 'no-deal' scenario in the coming months. And, of the various methods businesses are using, stockpiling has quickly emerged as a popular practice to reduce no-deal risks. Stockpiling—which entails importing and storing more materials and goods than that of typical business requirements—is being viewed as a possible solution to the rising concern of Brexit-related border uncertainty, import taxes and supply chain delays. As a result, over 20 per cent of UK employees have reported that their workplace is stockpiling to prepare for Brexit, with 4 per cent expecting their organisation to start doing so in the near future.

While this practice may seem like a perfect way to avoid business disruption or operational failure in the event of a no-deal, stockpiling comes with some serious risks. In fact, nearly 75 per cent of employees who work for organisations that have started stockpiling believe it has had somewhat negative impacts on key business factors, including:

- **No room for growth**—66 per cent of employees reported that stockpiling has limited their organisation's expansion abilities.
- **Employee issues**—60 per cent of workers believe that stockpiling adversely affected their organisation's plans for recruitment, with 51 per cent feeling the same in regard to promotion possibilities. What's more, 64 per cent of employees say that they have missed out on pay rises due to stockpiling.

In light of these concerns, it's crucial to implement this guidance if you plan on using stockpiling practices within your workplace:

- **Manage your cash flow**—As you allocate extra funding for stockpiling, this could create an unbalanced budget that leaves you empty-handed when it's time to make payments on other business expenses—including rent, payroll and insurance cover. With this in mind, more than 20 per cent of brokers expect to see an increase in the number of **premium finance policies** purchased this year. If you are concerned about managing cash flow as you prepare for Brexit, contact us to discuss premium finance options.
- **Speak to us**—Most importantly, stockpiling can cause major concerns with your insurance cover in the event of a claim. When stockpiling, it's vital that you communicate with us to update your policy and increase your sums insured. Otherwise, your policy won't be able to help cover your additional stock if you make a claim, leaving you with significant financial loss.

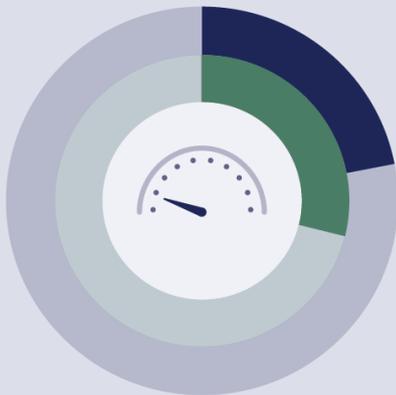
For more guidance on insurance solutions for uncertainty, such as premium finance or trade credit cover, contact our Business Insurance Team on 0141 259 0088.

Research Reveals Organisations' Top Reasons for Avoiding Cyber-insurance

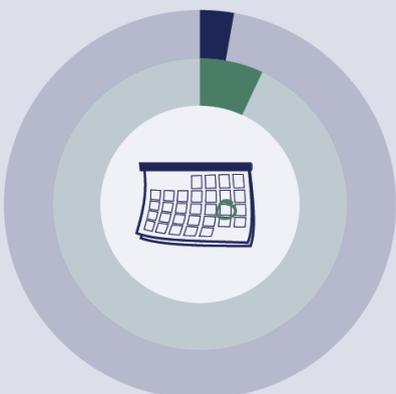
The main reasons that organisations provided for not purchasing cyber-insurance included:



Lack of awareness on cyber-cover
(23% of businesses and 15% of charities)



Considering themselves too low a risk
(22% of businesses and 29% of charities)



Haven't taken the time to consider cover yet
(3% of businesses and 7% of charities)

Don't make excuses to avoid purchasing this crucial form of cover. **Contact us to discuss cyber-insurance solutions today.**

Source: The Department for Digital, Culture, Media & Sport

Here's How Organisations Are Handling Their Cyber-Security Risk

Every year, the Department for Digital, Culture, Media & Sport releases their annual [Cyber Security Breaches Survey](#). This year's data allows organisations to take a closer look at top cyber-threats, analyse the impacts of disruptive breaches and understand the importance of managing cyber-security risks. Indeed, 32 per cent of businesses and 22 per cent of charities experienced a cyber-attack in the past 12 months. Between these startling statistics and the first anniversary of the GDPR's implementation, it's no surprise that nearly 80 per cent of businesses and 75 per cent of charities now rate cyber-security as a high priority—more than ever before. As a result, the survey data reported these top organisational approaches to cyber-security:

- **Controls and policies**—Common controls that organisations have implemented to bolster their cyber-security efforts include applying available software updates, having updated malware protection and using firewalls with appropriate configuration. In addition, 33 per cent of businesses and 36 per cent of charities have a workplace policy or policies that cover cyber-security risks.
- **Staff training**—Nearly 30 per cent of both businesses and charities trained their staff on cyber-security this past year. Also, 35 per cent of businesses and 30 per cent of charities have at least one board member or trustee that is responsible for cyber-security.
- **Documentation**—62 per cent of businesses and 60 per cent of charities have taken action to identify and document cyber-security this past year. Top actions include business-as-usual routine health checks, cyber-risk assessments and internal audits.

Apart from these methods, only 11 per cent of businesses and 6 per cent of charities have a cyber-security insurance policy. Don't miss out on the best form of protection against cyber-attacks. Contact us today to discuss cyber-insurance solutions.

These 5 Topics Continue to Widen Your Leadership's D&O Liability

The past few years have seen a significant increase in directors and officers (D&O) being held legally accountable for organisational mistakes or failures. And, in a constantly evolving risk landscape, you can't afford to ignore the following top D&O liability risks:

1. **Compliance**—Recent regulations have given added responsibilities to senior leadership roles, making it vital to comply and avoid fines.
2. **Artificial intelligence (AI)**—While new technology such as AI can provide various benefits to your organisation, it also exposes you to increased cyber-risk and D&O liability under the GDPR.
3. **Brexit**—Political uncertainty can make it difficult to understand the possible risks your organisation faces. However, you could be held liable if you fail to take proper action to prevent foreseeable losses.
4. **Climate change**—Especially as environmental concerns rise, you could be held liable if your operations are not eco-friendly.
5. **#MeToo**—Sexual harassment and assault continues to be a prevalent topic in the media, which means it should remain a high-priority topic in your workplace to avoid discrimination claims.

More than anything, you need robust D&O cover. For more information contact our Business Insurance Team on 0141 259 0088.

The content of this Profile is of general interest and is not intended to apply to specific circumstances. It does not purport to be a comprehensive analysis of all matters relevant to its subject matter. The content should not, therefore, be regarded as constituting legal advice and not be relied upon as such. In relation to any particular problem which they may have, readers are advised to seek specific advice. Further, the law may have changed since first publication and the reader is cautioned accordingly.

© 2019 Zywave, Inc. All rights reserved.