

# The 4 Most Commonly Underinsured Commercial Policies


If your business is underinsured, your company's assets are being valued and insured at less than their true worth, leaving you inadequately protected. Therefore, in the event of a disaster, you would be compensated for less than the true value of your loss. Any commercial policy can be underinsured, but insurance experts identified the following as the most common areas of concern:



## Buildings

An estimated 80% of UK commercial properties are underinsured, according to a recent survey.

Failing to regularly reassess the value of your property and adjust your policy accordingly could lead to your business being underinsured and, consequently, unprepared for even the smallest losses.



## Contents and Equipment

Insurance experts confirm that many organisations fail to provide a complete list or correct valuations of property assets on their business contents policy, leading to inaccurate sums insured.

Maintaining a frequently updated inventory of all contents and equipment on-site (eg machinery, technology and even office supplies) is the best way to ensure it will all be covered when making a claim.



## Business Interruption

A recent study revealed that over 40% of UK organisations' BI policies are underinsured, largely due to insufficient indemnity periods. Make sure you calculate and set a realistic indemnity period that gives your business enough time to recover after a loss. This period typically falls between 18 and 24 months.



## Cyber-liability

Government data found that although over 30% of UK organisations experienced a cyber-attack in the past year, just 11% possess proper cyber-insurance. Nevertheless, purchasing robust cyber-cover is now a crucial business precaution to offset the potentially huge losses of a data breach.

Don't run the risk of underinsurance. Contact your broker today for more guidance on protecting your business with comprehensive cover.