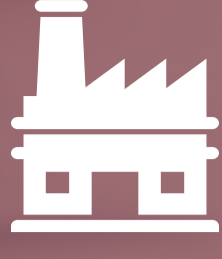


# Underinsurance

## A threat to the UK

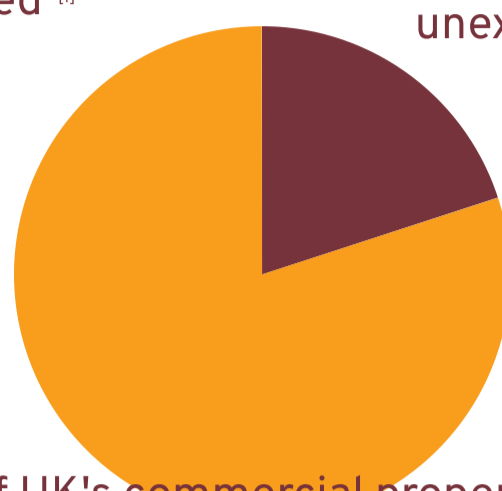
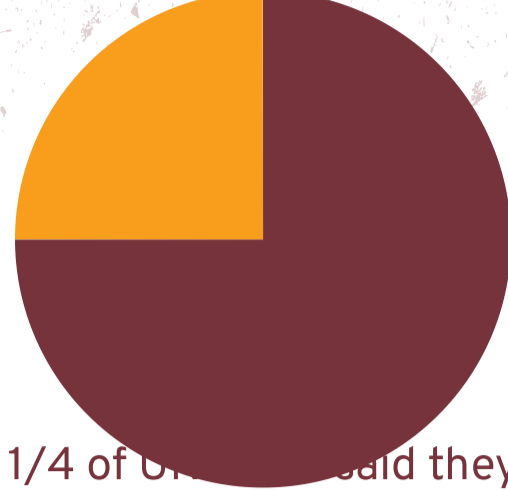
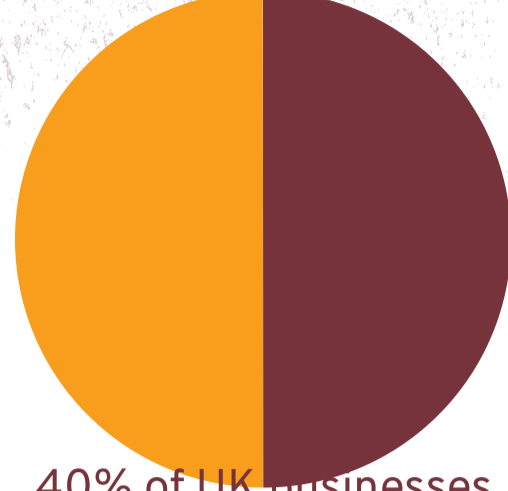
If someone needs to make a claim, but their insurance doesn't cover the costs of the claim, this is called being underinsured. Many UK businesses are at threat of being underinsured without realising it, but the consequences could be disastrous for the business owner.



Did you know?

40% of UK businesses are underinsured

### Underinsurance statistics



### Reasons businesses are underinsured



Miscalculating cover needed



Unaware of specialist covers



Knowingly underinsured for lower premium



Seasonal increases

### The dangers of being underinsured



If you have underinsured your business, you may have to cope with a financial loss if you don't receive the amount you need



A business interruption without the correct cover could leave you unable to fulfill obligations leading to reputational damage



Whilst 43% of all UK businesses have had some kind of cyber breach, 41% think that cyber crime doesn't affect them, potentially leading them to not purchasing cyber insurance<sup>[4]</sup>



You may need to close your business if you suffer a large financial loss, a business interruption or cyber attack

### How to avoid being underinsured



Do some research into the insurance covers that you think could protect your business



Talk to an insurance expert at Premierline to make sure that your business insurance needs are met



Provide your revenue, property and other valuations as accurately as possible



Give the cost of rebuilding a property, factoring in all costs, instead of market value

**Premierline**

BUSINESS INSURANCE BROKER

### Sources

[1] MyNewsDesk - SME Underinsurance

[2] Cytora - Tackling SME underinsurance with AI

[3] Willis Insurance - The threat of underinsurance

[4] Premierline - Cover your business against cyber crime

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