

Risk Hazard Report

Restaurants



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Important Notice

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If any of the information is wrong or incomplete, this may affect our advice. Please tell us immediately of any errors or omissions in this information either from you or to your knowledge from other sources.

iProfileRisk hazard ratings are linked to specific industries. These ratings are our opinion after collaboration with recognised data organisations in the insurance industry.

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Introduction to Steadfast iProfileRisk

Steadfast Risk Group's Framework

Steadfast offers an end-to-end risk framework for brokers and their clients based on the internationally recognised ISO 31000 standard.

Steadfast Risk Group provides a spectrum of in-house services and solutions ranging from enterprise risk management, risk and natural catastrophe hazard identification, property engineering consultation/services and alternative risk transfer.

Framework diagram



What is iProfileRisk?

iProfileRisk is a data driven and online accessible platform aimed at simplifying risk hazard identification and providing natural catastrophe high level summaries for brokers and their clients.

It empowers proactive risk identification and risk centred conversations between brokers and their clients, through enabling data driven risk decisions and mature financial acumen for insurance risk considerations.

Objective of this report

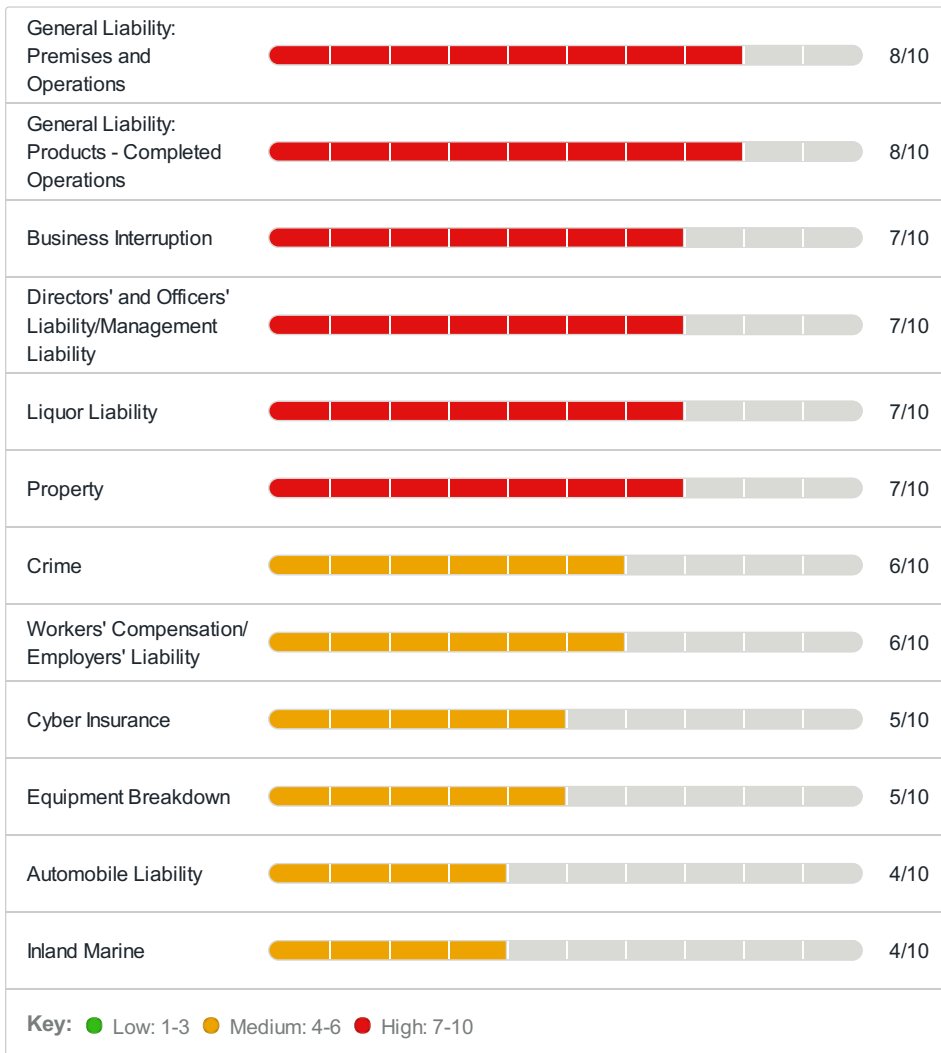
Utilising iProfileRisk in conjunction with other Steadfast Risk Group offerings enables easy identification of the most prominent risks impacting an industry and SwissRe's natural catastrophe summary for a specific location.

Risk Hazard Summary

Identifying hazards in the workplace involves finding things and situations that could potentially cause harm to the organization. The following chart is a graphical representation of the likelihood and severity of a loss occurring within any of the classes of insurance listed in the chart.

YOUR SEARCH RESULTS

Risk Hazard rating



RISK HAZARD DETAILED DESCRIPTIONS



General Liability: Premises and Operations

High risk: 8/10

Public liability is high due to the likely size, scale, location or multi-location risks of the operation.

Public liability is high due to the likely size, scale, location or multi-location risks of the operation. This liability is due to the consistent flow of visitors and contractors to and from the premises in potentially larger numbers or frequently throughout weekdays and weekends. Events where larger quantities of visitors may be present at once include peak holiday seasons, training programs, public tours, meetings, or seminars. The average number of visitors and frequency of those events may need to be taken into account. Many businesses in this industry will have scheduled appointments and regular clientele, which assists in managing the risk. Extra precautions should be taken for premises with elderly or underage clientele. Risks may include slipping and falling hazards, office, equipment/machinery leakages and field risks, which should be assessed according to the industry. Slipping or tripping hazards may arise from wet floors, uneven floors and surfaces, and obstructing furniture. Damage to personal property may also carry exposure. Premises should be well lit to avoid exposures. Regular maintenance of premises should be conducted to further minimise exposure, with management scheduling regular OH&S checks and rectifying any safety vulnerabilities. The movement of vehicles from the sales floors and storage facilities are also main risk exposures for larger-scale manufacturing and warehouse premises. Underground fuel storage tanks may result in environmental pollution exposure or bodily harm during a leakage.



General Liability: Products - Completed Operations

High risk: 8/10

Industries in this category are often retail, services, hospitality and manufacturing-based with high product liability exposure.

Industries in this category are often retail, services, hospitality and manufacturing-based with high product liability exposure. Main exposures relate to third parties, including customers, suppliers, contractors, and subcontractors. For example, manufacturers may become liable for bodily injury that occurs from a malfunctioning or defective product. Improper or inadequate assembly of equipment or machinery incurs an exposure as repairs are often costly. The receipt of potentially contaminated or polluted materials may occur. The amount of equipment used, alongside their age and condition, should be assessed to determine their safety for use and efficiency. Services that provide food or beverages should consider the supply chain and carefully select suppliers to mitigate the likelihood of exposure. Expired, defect or damaged products should be removed from sale to avoid exposures, with recall notices published and distributed to customers. Contract specifications should be carefully monitored for quality assurance when receiving new shipments. Receipts of incoming and outgoing shipments should be recorded and maintained so that any operations can be tracked to potential third parties in cases of exposure. Quality control programs conducted by the insured should be implemented and be aligned to industry standards. These programs may be outsourced to third parties either at the premises or in external laboratories. Insuring this risk would be beneficial to cover any claims against the insured while maintaining the business's financial stability. A range of items and products are typically sold, all with specific product liability exposures ranging from food poisoning, electrical shock, suffocation, faulty parts. A full stocklist will need to be examined by the underwriter to accurately establish relevant risk exposure. However, where goods are consumer and retail products, it is likely that product liability exposure will be increased as per relevant consumer protection government legislation or regulations.



Business Interruption

High risk: 7/10

Loss of insured's premises, equipment or tools creates a business interruption as they are crucial to business operations.

Loss of insured's premises, equipment or tools creates a business interruption as they are crucial to business operations. Vehicles are generally not covered by property or business interruption insurance, though nonetheless may interfere with operations in the event of a loss. Exposure is assessed as high due to the specialised and niche nature of the equipment and specialised industries. Damage during peak operation and holiday seasons could have significant financial impacts on the business. Industries in this category can have more specialised equipment and facilities, carrying higher exposures than non-specialised industries, as machinery replacement can be financially costly and experience time delays to replace and install. Additionally, the location of alternative facilities may not be easily sourced. In some cases, rebuilding may be more practical than complete relocation. Loss of income from machinery breakdown and further loss from replacing machinery may be significant. Manufacturers need to consider stock losses and operational income as a result of business interruption, affecting their ability to recover. Furthermore, contractors may not have permanent professional premises, which reduces property interruption. Industries with high levels of competition need to consider retention of reputation through expert service, following a loss. For example, businesses may need to consider that clientele may have found other preferences for the same service during the time of renovation or relocation. Avoiding loss of records can be managed with robust data backup and storage practices. Extra time may be required to rebuild client rapport. The insured should consider strong contingency plans to account for business interruption potential.



Directors' and Officers' Liability/Management Liability

High risk: 7/10

There is significant risk exposure.

There is significant risk exposure. Ensuring the integrity and trust of board members and senior management is crucial, with any personal interests declared and considered when appointing and maintaining their positions. The insured may have administrators that directly influence or control business operations and strategy. There may be increased exposure to claims of alleged wrongful acts, especially as services and business operations conducted may be in industries with higher government or regulatory scrutiny. It is important for businesses and management to clearly document and train all employees on expected responsibilities on a continual basis, especially in regards to workplace safety, expected workplace culture and legal business conduct. There may be increased risk exposure depending on size and scale of businesses. Some examples of claims that may arise include discrimination, insider trading or sexual harassment claims. Businesses may also interact regularly with consumers, members of the public and investigations into director, management or employee conduct may result in negative perception and loss of confidence in business integrity and services, leading to reputational damage. Many businesses may also be bound to strict industry, professional body or government regulation standards, whereby tighter and formalised operational management standards may be required.



Liquor Liability

High risk: 7/10

As alcohol will be served on-premises, there will be a significant liquor liability, especially associated with slips/falls and intoxication-related injuries.

As alcohol will be served on-premises, there will be a significant liquor liability, especially associated with slips/falls and intoxication-related injuries. Premises with a children's playground or play equipment may increase the chances of bodily harm. Businesses should have refined risk mitigation processes in place to account for the consumption of alcohol. It is necessary that any service of alcohol is responsible, follows strict control measures, and adheres to legal requirements. These protocols may include ensuring checking of identification, knowing how to identify false identification, and training employees to manage intoxicated patrons. Businesses that offer tours may incur higher exposure due to the longer time frame in which patrons are on the licensed premises and may be consuming larger volumes of alcohol. These potential exposures can be managed by limiting the amount of alcohol served to visitors and implementing time constraints on bookings. Liquor liability insurance may be required for businesses serving, manufacturing, or selling alcohol to obtain premises and become a registered venue. The sale of alcohol must also strictly adhere to government laws and regulations that may vary domestically.



Property

High risk: 7/10

Physical premises are typically difficult to replace, as suitable alternative spaces to conduct business operations may be challenging to replace.

Physical premises are typically difficult to replace, as suitable alternative spaces to conduct business operations may be challenging to replace. Therefore, exposure is significant. Where specific space, structural, safety or machinery is required on-premises, it may be financially costly and cause further operational losses. However, some industries may not require immediate relocation if operations can be mobile or alternative physical space arrangements can be made at pace. Alternatively, spaces may be large enough for the business to conduct operations in a different portion of the property safely. Losses vary according to operations. Offices, studios and factories will be affected by relocation time and the ability to obtain new premises. Furthermore, loss of reputation may occur during the relocation and setup process. Exposures that lead to property damage include malfunctioning equipment, faulty electrical wires and smoking hazards. Structural damage to the premises may occur, or to contents including furniture, office furnishings, technological equipment, debris, waste and important documents. Valuable equipment and/or items may also be damaged. Fire is a common cause of property loss. Reducing fire hazards should be managed by ensuring that equipment does not overheat, that wires and cables are safe and detangled, and that any combustible materials are not kept near ignition sources. No smoking signs should be installed on the premises, with designated areas kept away from equipment and fire hazards. Premises with kitchen equipment carry further ignition sources, including stoves, microwaves, ovens, grills, etc. Natural weather disasters (e.g. flooding) may also cause significant property damage.



Crime

Medium risk: 6/10

The main source of loss is cash, tools or equipment.

The main source of loss is cash, tools or equipment. Businesses may also be affected by confidential documents and client information being stolen, exposing sensitive information. Stores may keep larger volumes of cash on-premises, which can be reduced by introducing and promoting contactless payment methods. Operations with larger premises may not have the capacity to track instances of crime as easily. For example, large parks, gardens or warehouse facilities. Video surveillance cameras should be installed on the premises and monitored to deter criminals, as goods may be of interest to thieves. Security measures may include tamper-proof locks on windows and doors, and alarm systems for trespassers after operation hours. Any cash should be kept in destruction-resistant safes before depositing at the bank. For businesses located on busy thoroughfares, they should consider stricter cash storing and handling practices. Tools and equipment may be expensive and take time to replace. Open-air equipment may be more easily stolen, so storing essential equipment in a secure facility would be beneficial. Employee fidelity could be an exposure managed through careful staff selection procedures. Potential for embezzlement and shrinkage exposures.



Workers' Compensation/ Employers' Liability

Medium risk: 6/10

Depending on the size of the operation, there is reasonably moderate exposure.

Depending on the size of the operation, there is reasonably moderate exposure. The nature of these industries may expose employees to office, technology, manufacturing, and labour intensive hazards. Potential hazards can include cuts or burns, slipping or tripping over furniture, wet surfaces or equipment, falling over or falling from heights, electrocution, injuries from repetitive movements, back and neck strain, injuries from falling items, or mobile equipment. Biohazards may include exposure to pathogens and infectious diseases or reactions to cleaning products. Mental health exposures may include burnout, high stress from job activities, and increased fatigue. For example, in medical-related fields, workers may be exposed to toxic gases, increased accessibility to harmful substances, and irritation to the skin or eyes. Workers may need to drive company-owned vehicles, carrying exposure in the case of a road accident. These hazards are best managed by appropriate employee training to avoid injuries, guidance in client management when on-premises, and good hygiene and distribution of protective equipment practices. Technology and machines associated with the business must be appropriately set up to avoid further exposures. For industries requiring manual labour, muscular or skeletal issues from excessive strain may arise, incurring rehabilitation costs, particularly if the employee can no longer work due to their injuries. In manufacturing industries, machinery and equipment may be very hazardous to operate, so clear instructions should be given and strong preventative measures employed to avoid serious injury. Occupational health and safety regulations should be strictly followed at all times to prevent exposures.



Cyber Insurance

Medium risk: 5/10

The risk of cyber threats, hacks and compromise of IT-related breaches are considerable.

The risk of cyber threats, hacks and compromise of IT-related breaches are considerable. The nature of work can be substantially dependent on IT and/or cloud platforms and systems with copious amounts of insured and client-sensitive data.

- Data breach: through electronic devices connected to insured networks. Access to confidential information through human error, lost devices etc.
- External cyber attacks through internal system vulnerabilities/negligence or deliberate acts or external attacks
- Electronic data/software loss/ replacement cost following a cyber attack
- Business interruption/increased in cost of working following a cyber-attack
- Businesses held to ransom before systems are released;
- Cyber-threat from interconnected supply chain business partners/outsourced services providers
- Internal control and other issues – e.g. non-segregation of sensitive data, inadequate user access control/password protection, outdated POS software applications, absence of up to date antivirus software/firewalls, unencrypted data/information/lack of end-to-end encryption
- Possible presence of older devices/computer systems with outdated operating systems and unsupported software
- Inadequate training for employees on data security/privacy/cyber risk. No or inadequate background checks conducted on employees/various service providers/suppliers etc.
- Compliance and control issues - possible lapses on policies, procedures and protocols on cybersecurity and related matters (if applicable)
- Cyber threat relating to - Bring your own devices, download and install personal or unauthorised software, use of USB or other media devices etc.
- Extra expenses following a cyber incident, including forensic investigation costs, crisis management expenses, notification and monitoring expenses, remediation/other extra expenses
- Brand and reputational damage following a cyber-attack/data breach
- Security lapses in company websites – cyber threat to own hardware and software; cyber threat to visitors of the website
- Lack of security measures including a combination of technology (e.g. IT security) and physical security at the premises.



Equipment Breakdown

Medium risk: 5/10

Moderate exposure.

Moderate exposure. Risk includes machinery breakdown and consequent stock loss. Any key machinery breakdown may carry high financial costs and significantly impair operations until it is repaired or replaced. Breakdown of equipment may also directly affect clients. For larger equipment, it may also impose a safety risk. Businesses may also need to temporarily reduce or cease operations due to machinery breakdown, incurring significant business interruptions. Moreover, loss of stock can occur as a result of breakdowns. Machinery is often costly to replace, and the more specialised the equipment is, the longer it may take. However, most industries in this category, whilst carrying some novelty, have equipment that is not niche and will be relatively easier to replace. Examples of machinery and equipment in this field that carry potential exposures include refrigeration units, processing machinery, manufacturing equipment, materials handling equipment, and necessary tools. Breakdowns can also cause an environmental exposure.



Automobile Liability

Medium risk: 4/10

Motor exposure in this category varies depending on the size of the operation and its nature.

Motor exposure in this category varies depending on the size of the operation and its nature. Larger operations that own vehicles for pick-ups and delivery have increased exposure. Many larger operations in this category may own a van or fleet of vehicles, carrying exposure. Some vehicles may carry heavy equipment, e.g. kitchen equipment or machinery, and the risks associated with them must be considered. Other vehicles may carry precious goods, such as fine art, equipment for operations, and stock, which may carry significant losses if not transported appropriately. Vehicles generally used for short-distance transport carry lower risks than those used for long-distance transport of passengers, services in case of emergency, or equipment. The use of employee vehicles could create indirect liability exposure.



Inland Marine

Medium risk: 4/10

Inland marine cargo exposure is moderate due to transit shipment risks which may be required for the insured.

Inland marine cargo exposure is moderate due to transit shipment risks which may be required for the insured. Main exposures include:

- Theft.
- Rough handling, causing damage to stock or machinery.
- Crushing damage and insufficient packaging of supplies.

Contaminated or damaged products may cause legal and reputational liabilities. Manufacturers may be responsible for loss or damage to materials, equipment and deliveries to the business where the manufacturer is liable under the sale terms, inclusive of imports and exports. Cover may need to include stock transfer between warehouses or premises. For food-related industries, shipments may spoil from machinery breakdown or temperature variation.



Carbon Insurance Brokers

24 Hasler Road
OSBORNE PARK 6017
Western Australia Australia
ACN: ARN: 000468039
Carbon Insurance Brokers

Mark Spencer

☎ 0439425441
✉ mark@carbongroup.com.au
🌐 www.carbongroup.com.au

