



Trusted Advisor Checklist

Personal Risk Management and Insurance reviews are a key component to protecting your clients' assets from accidental losses and third-party litigation. However, most Trusted Advisors are uncomfortable discussing insurance or asking some of the personal questions necessary to identify risks or gaps in insurance coverage.



LOCKTON'S PRIVATE RISK SOLUTIONS team identified the following questions that will assist you with initiating a conversation on this topic.

1. **What was the last time you have undertaken a review of your insurance program?** Many will not know or may have never had a risk review completed by a qualified specialist and likely have an urgent need.
2. **Will you be doing any renovations or construction to your home in the next 6-12 months?**
 - A. Has your insurance policy been modified to meet the needs of your construction?
 - B. Have the appropriate safeguards been put into place to minimize risk?
 - C. How will the contractor's insurance respond in the event of a claim?
3. **What limit of excess liability/umbrella coverage do you have today?** While limits over \$100M are rarely obtained, many Ultra High Net Worth and Family Office clients currently carry less than \$10M or significantly less than their net worth.
4. **What insurance broker/carrier do you work with currently?** If the response is a captive insurer like State Farm, Allstate or Farmers your client is currently underserved and likely has no more than \$5M of liability coverage. Many have outgrown their current relationship as their wealth accumulated.



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Uncommonly Independent: We bring creative thinking and an entrepreneurial spirit to the insurance business and are uniquely positioned to help you succeed.

5. **Have all recent purchases been protected?**
This may include a home purchased without a mortgage, a new boat/yacht, art, or jewelry.
6. **Have you been informed by your insurance broker about risk management devices that can reduce your insurance premium?** Adding new protections to your home such as a water leak detection system, a low temperature sensor linked to a central station fire alarm system, lightning rods, or a permanent backup generator are designed to minimize claims and reduce your annual insurance premium.
7. **Have you reviewed your fine art and jewelry schedule to ensure all values are up to date and all objects are accounted for?**
8. **Are all trusts and LLCs adequately covered on your excess liability policy?**
9. **Does your insurance coverage for your domestic staff meet your state requirements?**
10. **Have you reviewed the Directors & Officers policy for the Not-for-Profit Board where you serve and are the limits adequate?**
Should you explore additional coverage to protect your personal assets in the event you or the board is sued for negligence? Most often, the client has no idea this potentially exposes them to litigation that would not be covered under their current policy. Or, that a solution is available at a minimal cost as an endorsement to their umbrella coverage.
11. **How are you and your family minimizing risks related to cyber activity?**
12. **Have you discussed how to use your insurance deductibles to improve your insurability, manage risk, and minimize small claims?**
13. **Are you interested in education and training for operating performance vehicles or watercraft to improve your insurability?**
14. **How frequently do you charter aircraft in your personal name?** This question is rarely posed, and most are not aware of the risk of litigation this presents. Solutions are available for all aspects of aviation risk, including charter.
15. **Do you or any family member ever drive in another country?** If the answer is yes, it is important to confirm whether their personal auto and/or excess liability coverage will protect them. This includes renting cars in countries outside the US. Most US policies only provide coverage in the US, Canada and Puerto Rico.
16. **When was the last time your life Insurance was reviewed?** Many have not had a review in a long time and may have a need for structural change.
 - A. Have there been any family changes in the last 6-12 months? Marital, children, or other?
 - B. Have there been any beneficiary changes in the last 6-12 months?
 - C. Have there been any new trusts established in the last 6-12 months?
 - D. When was the last time you had a financing discussion around your life insurance?



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