

# What risks can an XR Circle expect?

Risks come from absolutely anywhere! They can be :

1. financial,
2. legal,
3. reputational,
4. technical,
5. non-compliance with regulators,
6. lack of security,
7. fraud,
8. loss of key members.

Each risk has a cause, a probability and an impact. The probability of your house burning down are very small but the impact is very high. In this case, you transfer the risk to an insurance underwriter.

A risk can become embedded in in a circle's processes.

Here are examples of possible risks for an XR circle. There are many others!

- A group outside of XR and acting in the name of XR does something disreputable, causing loss of funding, loss of rebels and make it hard to get our demands met.
- Key information such as a password or a key skill is only held by a single member of a circle and they unexpectedly are unavailable.
- People aren't told clearly about planned activities or how to join in or the activities are poorly coordinated
- A circle loses access to essential information.

Could any of these apply to your circle? Have you thought about what to do when they happen?

---