

## **What's Protected Under General Liability Insurance Coverage**

### **What's typically protected by commercial liability insurance coverage**

Business is inherently risky, but business liability coverage safeguards against many known and unknown risks. Commercial liability insurance coverage protects you, your business and your employees from claims involving bodily injury or property damage, up to the limits of your policy. Policies shield you from the expense of out-of-court settlements, litigation and judgments awarded by courts.

### **Lawsuits, investigations and settlements**

If damages are filed against you or you're sued, general liability insurance covers the insurance company's investigation and attorney expenses, any judgment or settlement, medical expenses in case of injury and bonds if they must be subsequently posted.

### **Injury damages**

Claims can arise from bodily injury or property damages resulting from accidents on your premises or from your products, your operations or advertising for your business.

### **Miscellaneous**

Liability insurance can also cover things you may not have thought about, such as advertising injury in the event your company's marketing violates someone's copyright. Business liability insurance coverage even offers some protection against alcohol-related accidents (as long as your company is not in an alcohol-related business, such as the manufacture or distribution of alcohol).

## **What's typically NOT protected by business liability coverage**

*Here are some situations that would not be protected by general liability insurance coverage*

### **Employee injuries**

*Workers compensation is the insurance you would need to protect your employees when they are hurt on the job.*

### **Professional mistakes**

*Business liability insurance coverage won't cover a professional mistake, but professional liability will. It insures against mishaps that may occur as you offer your opinion, solution, service or recommendations in the course of business.*

### **Auto-related coverage**

*Business liability coverage does not protect you against auto accidents. Purchase a separate auto policy to protect your business.*

### **Punitive damages**

*Though there can be exceptions, a general business liability policy rarely pays for punitive damages resulting from a lawsuit.*

### **Intentional acts**

*General business liability insurance does not cover damages or injuries resulting from expected or intentional acts. For example, if an employee assaults a customer, your business liability coverage would not cover the damages if they sue. But if the employee was defending himself or the company from a criminal act, the liability insurance would provide coverage.*

### **Your work**

*Referred to as the "workmanship" exclusion, and is common in general liability policies. Insurance policies do not respond to what would normally be picked by a company's warranty for their work.*