

Commercial General Liability Insurance

Commercial general liability insurance can help protect a business from claims related to bodily injury, property damage, personal injury, and advertising injury (such as libel and slander), regardless of whether the claims have merit.

If you have a business owners policy, you probably already have some liability coverage. A commercial general liability policy may make sense for businesses that don't need a traditional business owners policy but still need liability coverage.

A typical policy will cover attorneys fees, court costs, costs of investigation, and judgments or settlements, including the medical expenses of a claimant, up to the policy limits. Claims may include damages or injuries that occur at your place of business or off-site, whether they may have been caused directly or by neglect on your part, or by your employees, partners, or anyone legally associated with your business.

Depending on the nature of your business, it may be prudent to add additional coverage, such as product liability insurance, employment practices liability insurance, and professional liability insurance, sometimes known as errors and omissions coverage.

As with all insurance, many variables affect rates. Companies in high-risk industries or states with reputations for high-sum jury awards could pay more.

Each policy will indicate a maximum amount limit for the duration of the coverage and usually also a per-occurrence limit. The coverage is usually purchased as a "claims made policy," which will provide protection against claims made during a specific period of time (usually the period covered by the policy). Broader coverage, known as an "occurrence policy," can help protect against claims that are made many years after a particular incident, usually for an extra cost, as long as the incident occurred during the policy's term.

The information in this article is not intended to be tax or legal advice, and it may not be relied on for the purpose of avoiding any federal tax penalties. You are encouraged to seek tax or legal advice from an independent professional advisor. The content is derived from sources believed to be accurate. Neither the information presented nor any opinion expressed constitutes a solicitation for the purchase or sale of any product. This material was written and prepared by Emerald. © 2013 Emerald Connect, Inc.