**What does a typical General Liability Insurance policy cover?**

Liability: Liability Insurance covers five basic categories of business liability unless specifically excluded:

* Bodily Injury — physical harm to a person at your place of business, or an injury caused by your employee at a client's site.
* Completed Operations/Products Liability — losses after your business has completed work for a customer (such as repairing appliances or installing plumbing), or from manufacturing and distributing products.
* Personal Injury — damage to the reputation or rights of a person or business due to slander, libel, copyright infringement, invasion or privacy, false arrest, wrongful eviction, etc.
* Advertising Injury — losses caused by your advertising (spoken or written); for example, an ad that trashes a competitor.
* Independent Contractors Liability Insurance — damage from the acts of an independent contractor hired by your business.

Medical Payments: Pays the medical expenses of a person injured on your premises (a customer, client, visitor, or even a trespasser) up to a stated amount, regardless of fault — as a goodwill gesture to prevent lawsuits.

* Employee benefits liability “Optional Coverage” = Liability of an employer for an error or omission in the administration of an employee benefit program, such as failure to advise employees of benefit programs. Coverage of this exposure is usually provided by endorsement to the general liability policy but may also be provided by a fiduciary liability policy.

 **Damages Covered**

Your Business Liability Insurance will pay three types of damages unless specifically excluded:

* Compensatory damages —financial losses of the claimant, plus additional monetary losses resulting from the claim.
* General damages — for intangible losses ("pain and suffering.” “mental anguish,” etc.)
* Punitive damages — penalties against your business for committing a wrongful act.

**Exclusions**

Although General Liability insurance provides a wide range of protection for your business, it won't pay liability claims related to these areas (which you can cover with other policies):

* On-the-job injuries to employees ([Workers Compensation Insurance](http://www.2orderdirect.com/portal/tabID__3415/DesktopDefault.aspx));
* Operating autos or trucks in your business ([Business Auto Policy](http://www.2orderdirect.com/portal/tabID__3410/DesktopDefault.aspx));
* Performing, or failing to perform, professional services (Professional Liability/Errors & Omissions);
* Acts as a corporate director or officer (Directors & Officers Policy);
* Pollution (Environmental Liability Insurance);
* Damage to property of others in the care, custody and control of your business — for example, an electronic repair shop storing customers' televisions (Baillee's Customer Floater); and
* Products, such as food items or toys, subject to recall.

General Liability Insurance also excludes coverage for losses related to war, terrorism, or nuclear events. Please note: Every carrier is different and coverage descriptions vary. Consult your broker for detailed explanations of coverage and exclusions.