General liability (GL) insurance, often called business liability insurance, protects businesses from common, high-cost third-party claims, including bodily injury, property damage, and personal/advertising injury. It covers legal defense costs, settlements, and judgments, essential for covering accidents on-premises, completed operations, and libel.

Core Coverage Areas

- Bodily Injury: Covers costs if a non-employee is injured on your business premises or due to your operations, such as a customer slipping on a wet floor.
- Property Damage: Covers costs to repair or replace third-party property damaged by your business operations, such as a contractor breaking a pipe in a client's home.
- Personal and Advertising Injury: Protects against lawsuits involving slander, libel, malicious prosecution, or copyright infringement in advertising.

Key Aspects of General Liability

- Who is Covered: The business owner, employees (while working), and the business entity itself.
- What is NOT Covered: It does not cover your own property, employee injuries (covered by workers' compensation), or intentional/expected acts.
- Why You Need It: While not usually legally required, it is crucial for protecting against financial ruin, often required to sign contracts, rent commercial space, or build credibility with clients.

Common Examples

- Slip and Fall: A visitor trips in your office and breaks a leg.
- Property Damage: A catering business ruins a client's venue floor.
- Advertising Libel: A competitor sues over false claims in your marketing materials.

General liability is often bought as part of a Business Owner’s Policy (BOP) or as a standalone policy.