

# GENERAL LIABILITY INSURANCE

People have accidents and things go wrong, which means your business is exposed to risk every day. General Liability Insurance is there to protect you from legal liability if you cause harm to someone else or their property.

## When would you need General Liability Insurance?



If you, your employees or the products and services you sell cause harm to someone else or their property, you could be liable.



As an example, changes to the accident compensation legislation has opened the door for bodily injury and loss of earnings claims.



General Liability Insurance offers protection for financial costs should something happen, whether it's you or an employee who's at fault.



Some supplier and customer contracts require you to have a General Liability policy. You should always check your lease agreements and other contracts.

## Key facts about General Liability Insurance



Over **\$156 million** in Liability Insurance Claims was paid out in New Zealand in 2020\*.

Costs rising from defective products and work were the **most common** cause of liability losses for businesses globally between 2015 and 2019, accounting for **60%** of the value of all liability claims\*\*.



## What does General Liability Insurance cover?

If an accident happens or you make a mistake, General Liability Insurance provides cover for:



Costs associated with putting the damage or injury right or other impacts to the people affected

Legal expenses

Costs for seeking expert advice

## Examples where General Liability Insurance can help protect you



A tyre shop fits new tyres to a customer's vehicle but doesn't tighten the wheel nuts properly. The wheel comes off and this causes an accident.



The tyre shop could be liable for damage to the vehicle and anything else that is damaged as a result of the accident.



A digger operator digs up a power cable and cuts off the electricity supply to a neighbouring factory.



The operator could be liable for any loss of production until power is restored.



A building burns down because the landlord hasn't maintained the wiring.



The landlord could be liable for the value of the tenant's contents and any loss of income as a result.

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Whatever industry you're in there are always risks involved. That's why it's sensible to have a General Liability Insurance policy in place should the unexpected happen. Get in touch with a Rothbury Insurance Broker today to ensure you have the right insurance protection in place.

\* <https://www.icnz.org.nz/media-resources/market-data>

\*\* Allianz Global Corporate & Speciality. Based on analysis of 45,992 insurance industry claims between January 2015 and December 2019. Claims have a total of \$4.66bn and include the share of all insurers involved in the risks.