



Fact sheet Public Liability Insurance

July 2023

Public Liability insurance in a nutshell

Public Liability insurance* is designed to provide protection for you and your business in the event a customer, supplier or a member of the public brings a claim against you due to their being injured or sustaining property damage as a result of your negligent business activities.

The low-down

Public Liability insurance is a common type of business insurance and is considered a 'must have' for most small business owners.

If a third-party is injured or their property is damaged due to the negligent operation of your business, they can claim (even commence legal action) against you to recover their losses. If you have Public Liability insurance, and the claim is covered by your policy, it will pay compensation to the claimant as well as covering defence and court costs*.

Most Public Liability policies also provide Product Liability cover to protect you against liability claims where the products you sell, supply, or deliver cause injury, death or damage*.

Ready to compare?

Do you really need it?



Do you have a business premises where people come to see you? Do you accept deliveries from couriers or suppliers? Do you go out and visit your customers? Do you manufacture, distribute or sell products?

If any (or all) of the above describe your business, you should consider having Public Liability insurance. A policy can protect your business in the event that an interaction with a member of the public results in injury or damage to their property.

You may take every measure to prevent anyone getting injured or damaging their property, but accidents can still happen. Personal injury or property damage claims against your business, actual or alleged, can be expensive to defend. Without the right insurance you could find your business on the brink of extinction.

Even if you work from home, you may have the occasional client come to visit or accept business deliveries. Homeowner's insurance typically does not cover business activities, so you may need a Public Liability policy to protect your home-based business.

Did you know?

- BizCover provides Public Liability insurance cover for over 6,000 different occupations
- On average, BizCover customers can expect to pay around \$74.11 per month for businesses of 6-10 employees[^] for their Public Liability insurance.
- Public Liability Insurance is an "Occurrence" based policy, meaning it will respond to claims where the injury or property damaged occurred during the policy period, regardless of when the claim is made.

What is typically covered?*



Personal injury suffered by a third party (e.g. a customer, supplier or member of the public) due to your negligent business activities



Damage to property owned by a third party due to your negligent business activities



Legal and defence costs associated with a covered claim

Ready to compare?

bizcover.com.au **1300 805 821** hello@bizcover.com.au



What is typically not covered?*

- ✘ Injuries to you or your employees
- ✘ Damage to your own property
- ✘ Costs of rectifying faulty workmanship
- ✘ Professional negligence
- ✘ Contractual liability
- ✘ Motor vehicle claims
- ✘ Events occurring before or after the policy period

Always read the Policy Wording to understand the terms and conditions of Public Liability Insurance cover, including any applicable exclusions.

Claim Case Study*

A painter (the Insured) was contracted to paint the interior of newly constructed residential property. Prior to commencing work, the Insured applied a product around the edge of the glazed windows for the purpose of acting as temporary protection while he painting the premises. He had used the same product for the past 3 years, without any issues.

Upon completion of the job he stripped the product from the windows, only to discover that it had left permanent stains that could not be removed. It turned out he had on this occasion made a mistake in the application process.

Fortunately for the Insured, his Public Liability insurer accepted the resulting property damage claim and paid \$27,000 to replace the windows. Had he not had a Public Liability policy he would have been liable for the replacement costs from his own pocket.



Ready to compare?

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