

Business Insurance

Responsible large and small businesses view their insurance as a key risk management strategy and many employ the professional services of an insurance broker. Business operators appreciate the need for their insurance to protect the business by providing continuity options if faced with the consequences of an insurance claim of catastrophic, burglary, and public liability

Insurance for Your Business

Business or commercial insurance falls into three broad categories:

Assets and Revenue - *things the business owns together with its revenue generating capabilities.*

Liability - *legal obligations arising from injury to others or damage to their property.*

Personnel - *accident or illness involving yourself or your employees.*

Without adequate insurance protection, a major disaster such as fire, serious injury or an extended court case could find any business unable to continue, and facing huge financial burdens.

A strategic insurance program, based on advice from an experienced insurance broker, could prevent that from happening. Armed with expert insurance advice, informed decisions will be easier made about what to insure, or which risks carrying and managing as part of the business. Select Business Insurance (General) if you can't find a closer description to your business in the specialties listing.

Common Policy Types

Below is an alphabetical list and brief explanation of the types of insurance commonly held by small to medium businesses. As all businesses are different, their insurance needs will vary. Business insurance "package policies" also vary considerably.

Business Interruption - covers loss of trading profits if business is interrupted through damage to property by Fire, Hurricane, Earthquake, Cyclone, Tornado or Windstorm or other insured perils.

Burglary - covers loss or damage to stock, goods in trust and other contents for which you are responsible following theft from within the premises. Note: It does not normally cover theft by employees or others entitled to be on the premises.

Employment Practices Liability - protects employers against damages and legal costs arising from allegations of inappropriate conduct towards employees in connection with their employment.

Engineering - covers mechanical and electronic equipment against such risks as breakdown and explosion.

Fire & Perils - covers destruction of, damage to, buildings and contents as a result fire and other perils such as lightning, explosion, malicious damage, earthquake, storm, and water damage. Flood is not covered often automatically by most standard fire and perils policies, but is often still available

Goods in Transit - covers loss or damage to property whilst in transit by road, rail or ship either within Australia or worldwide.

Key man Insurance - protects the business in the event of the death or long-term disablement of a “key person”, usually the owner or someone else critical to the continued existence of the business.

Money - covers cash and other negotiable instruments for loss or theft from business premises and whilst in transit e.g. to the bank.

Motor - all registered vehicles must be insured for third party injury liability (CTP). Comprehensive insurance covers third party property damage and own damage.

Personal Accident, Illness or Disability - covers loss of income due to inability to work. Unless a Proprietary Limited company, Principals will not usually be covered by Workers’ Compensation and should arrange alternate disablement cover.

Products Liability - if you sell, supply or deliver goods, even in the form of repair or service, you may be legally liable for injury or damage claims arising out of your products.

Professional Indemnity - businesses that provide advice or tender professional services of any kind can be sued for financial loss due to errors or omissions, and may need this protection.

Public Liability - protects you for claims by third parties who may suffer personal injury or property damage arising out of negligent or unlawful acts committed in the course of your business.

Workers’ Compensation - It compensates workers and their relatives for death, injury or illness arising out of the injured worker's employment.

Other insurances that might be relevant to the business but are not a definitive list are - Electronic equipment breakdown, Computers and computer records, Legal expenses/tax audit, Fidelity guarantee, Product recall, Credit/bad debts.

Some organizations, especially larger businesses or companies performing specialized work, require their own specifically designed insurance and risk management programs. Brokers provide these services. They are involved with designing the policies, negotiating terms with insurance companies and then placing the cover with the insurer of your choice.

Risk management programs are often integral to the process. Risk prevention and loss minimization strategies serve towards reducing premium costs.

Talk to a broker to find out exactly what cover your business requires.