

INSURANCE GLOSSARY OF TERMS

A

Auto

In the Commercial General Liability coverage part, an auto includes motorized vehicles meant to be used on public roads, but not certain specifically defined mobile equipment.

Avoidable Consequences

Consequences that are caused by lack of care on the part of an individual, and that could have been avoided had the individual exercised proper care. Generally refers to events that occur following a loss as the result of a person's failure to take steps to prevent the consequences.

Accident

An unforeseen, unintended and expected event.

Accounts receivable insurance

Insurance against loss of revenue that cannot be collected because accounts receivable records are destroyed by an insured peril. Coverage commonly includes any extra expense to recapture records and payment of interest on loans needed to cover the interim period reduction in collections. An insured's keeping duplicate records in safe storage off premises is a highly recommended risk reduction technique—and the cost of coverage is considerably reduced thereby. Insurance may be arranged to cover electronic records as well as paper.

Actual cash value (ACV)

A method for placing value on property as of the time of its loss or damage. ACV may be determined by market value (the current price for a like item in the same general condition) or replacement cost new less use depreciation (the cost of the same item brand new minus the insured's contribution to pay for the added life expectancy of the property new property). The insured may generally select whichever method is more favorable. Contrast with replacement cost.

Additional insured

One who qualifies as "insured" under the terms of a policy even though not named as insured. Officers of a corporation may be included as insureds under the terms of a policy written in the name of the corporation.

Additional living expense insurance

This coverage, found in the broad and special dwelling and homeowners forms, applies to extra expenses necessitated by the insured's inability to reside in the insured dwelling because of a covered loss—for example, restaurant meals and hotel bills. The amount is the difference between normal household expenses and the increase.

Adjuster

A person may act either on behalf of the insurance company or the insured in the settling a claim. Independent adjusters represent the insurance company on a fee basis; public adjusters represent the insured on a fee basis.

Admitted company

An insurance company that is licensed (admitted) to conduct business within a given state.

Admitted market

The range of insurance available through admitted companies.

Advance premium

Relates to a policy premium that cannot be precisely determined until the end of the term. The advance premium, also called "deposit premium," is a down payment on what will be final premium.

Adverse selection

The idea that the greater the likelihood of loss, the more attractive the idea of buying insurance to cover that loss becomes.

Advertising injury

Claim arising out of slander, libel, copyright infringement, or misappropriation of advertising ideas. Coverage is provided as part of coverage B of the commercial general liability policy.

Agent

The term used for one person acting on behalf of another in an insurance transaction.

Aggregate limit

The maximum amount an insurer will pay under a policy in any one policy period.

Agreed amount clause

Policy provision in which the holder agrees to carry a stated or determinable amount of insurance.

Anniversary date

The anniversary of the original date of issue of a policy as shown in the declarations.

Annual aggregate deductible

A deductible applied annually to the total amount paid in claims during a policy period. Claims are generally subject to a per-occurrence deductible; the aggregate is the limit beyond which no further deductibles are applied.

Arson

The intentional setting afire of property.

Assigned risk

A risk that may not be generally acceptable to any insurance company but for which the law says that insurance must be acquired. Personal auto liability is one such necessary coverage. Insurance companies doing personal auto business in a state can be required to accept assignment of a portion of the state's unacceptable drivers as insureds.

Automobile liability insurance

Insurance in which the insurer agrees to pay all sums for which the insured is legally obligated because of bodily injury or property damage arising from the ownership, maintenance, or use of an auto.

Automobile medical payments

Insurance applying to the medical, hospital, or funeral expenses of anyone injured while

on or in an insured automobile. The coverage is not dependent on liability, being triggered simply by an accident. It may be included in either the Business Auto Policy or the Personal Auto Policy.

B

Bodily Injury

In Commercial General Liability insurance, refers to injuries to a person, as well as sickness, disease and death.

Basic named perils

Covered perils in a property insurance contract: fire, lightning, windstorm, civil commotion, smoke, hail, aircraft, vehicles, explosions and riot.

Binder

An insurer's agreement, by way of an agent, to provide non-life insurance on the spot, pending issuance of the policy contract.

Blanket coverage

A means of insuring various items of property under one limit of liability.

Blanket insurance

Insurance covering multiple items of property as a group. Covered property may be at one location or several.

Bodily injury

A term that refers to physical injury, sickness, or disease, or death resulting therefrom. In some jurisdictions "bodily injury" includes emotional injury.

Bodily injury liability

Legal obligation that flows from the injury or death of another person. This insurance is commonly limited to bodily injury liability derived by the way of negligence, but coverage of liability by way of contract (holding another harmless) is also possible.

Boiler & machinery insurance

Fired vessels, steam generators, mechanical and or electrical objects and turbines, are all examples of "objects" that might be listed for coverage under a boiler and machinery policy. Coverage is for damage to covered property caused by an accident to an object identified in the policy's schedule. Coverage includes extra expense, automatic 90-day coverage at new locations, defense against liability claims, and supplementary payments like those provided under public liability policies.

Bond

A document for expressing surety. A bond engages three entities; the "surety" (bonding company) sells the bond to the "principal" for the purpose of paying off the party the principal will owe to the "obligee" upon failure of the "principal" to perform some act or provide some service under agreed terms.

Bond, surety

A surety bond is the financial assumption of responsibility by one or more persons for fulfilling another's obligations.

Broad form perils

A property insurance designation for coverage that extends beyond the basic named perils.

Broker

One who acts as the insured's agent in arranging insurance. A broker may also serve as the agent of an insurance company.

Builders risk insurance

A variation of property coverage specifically applicable to construction projects. It is commonly written in an amount to cover the value of the structure when completed. The premium charged takes into account that values at risk increase gradually over the term of the policy.

Business Auto Policy (BAP)

A standardized contract for writing liability and property coverage on commercial autos.

Business income coverage

Insurance protecting the income derived from an insured's business activities when curtailed by a peril. Coverage includes reasonable extra expenses the insured undertakes to expedite return to business operations.

Business personal property

A term relating to "contents" of a commercial enterprise, it may include furniture, fixtures, machinery and equipment as well as stock, all other chattels owned by the insured, and even use interest in building improvements and betterments.

Business Owners policy (BOP)

A package of property and liability insurance for small and medium size businesses, the BOP owes its origin to the success of the homeowners policy.

C**Cancellation; flat, pro rata, or short rate**

In a flat cancellation the full premium is returned to the insured. A pro rata cancellation means the insurer has charged for the time the coverage was in force. Short rate cancellation entails a penalty in excess of pro rata for early termination.

Cargo insurance

An inland marine or ocean marine policy covering cargo in the care, custody, or control of the carrier.

Casualty insurance

The type of insurance concerned with legal liability for losses caused by bodily injury to others or physical damage to property of others.

Certificate of insurance

A written description of insurance in effect as of the date and time of the certificate. The certificate does not ordinarily confer any rights on the holder, i.e., the issuing insurer does not promise to inform the holder of change in or cancellation of coverage.

Claims-made coverage

A type of public liability insurance that responds only to claims for injury or damage that are brought (to the insurer) during the policy period (or during a designated extended reporting period beyond expiration). The development was in response to "long tail" claims, such as those related to asbestosis injury, carrying over many years and multiple layers of coverage limits. However, most public liability policies are written on an "occurrence" basis, covering injury or damage occurring during the policy period even if a claim is brought months or even years later.

Coinsurance clause

"Coinsurance" refers to the bargain between commercial property owners and the insurance industry. The clause in property policies encourages the property owner to gauge coverage needs by possible, not probable, maximum loss. With \$1 million at risk but a probable maximum loss of \$100,000, for example, the property owner would probably buy \$100,000 insurance and bank on avoiding the larger disaster. The bargain offered by the insurance industry is a reduced rate per \$100 of coverage if the owner agrees to buy coverage at a specified relation (80% commonly) to value (to possible maximum loss in other words). If the insured accepts the bargain but events prove the amount of insurance is inadequate to the stated coinsurance percentage, the insured becomes "co-insurer" in the same ratio as the amount of insurance bears to the amount that should have been carried.

Collapse

A property insurance peril, subject to its own specific agreement in commercial property policies, which otherwise insure on an open perils basis.

Combined Single Limit (CSL)

Liability policies commonly offer separate limits that apply to bodily injury claims for property damage. "50/100/25" is shorthand under such a policy for \$50,000 per person/\$100,000 per accident for bodily injury claims and \$25,000 for property damage. A combined single limits policy might cover for \$100,000 per covered occurrence whether bodily injury or property damage, one person or many.

Commercial General Liability (CGL)

The CGL policy is an ISO form, widely used to provide commercial enterprises with premises and operations liability coverage, products and completed operations insurance and personal injury coverage. Premises medical payments coverage is often included as well.

Commercial lines

A distinction marking property and liability coverage written for business or entrepreneurial interests as opposed to personal lines.

Commissioner of Insurance

The official in a state (or territory) responsible for administering insurance regulation: sometimes called the Superintendent of Insurance.

Compensatory damages

The award, usually monetary, that is intended to compensate the claimant for injury sustained.

Comprehensive physical damage (automobile)

Auto insurance covering physical damage except collision.

Contractors equipment floater

Coverage designed for the special needs of contractors to insure their machinery and other equipment.

Contractual liability

Liability that does not arise by the way of negligence but by assumption under contract. For example, in certain leases, a tenant may assume a landlord's liability to others unsafe conditions on the premises. Some such assumptions are covered automatically under the Commercial General Liability form.

Contributory negligence

A defense to a negligence action in which it is asserted that the claimant failed to meet the standard required for his or her own protection, and that the failure contributed to the loss.

Covered loss

An accident, including accidental damage by forces of nature, that brings a contract of insurance into play.

Credit card forgery

A criminal act involving the illegitimate use of credit cards to obtain goods or money. Limited coverage for such losses is automatically provided in most homeowners policies.

Crop Insurance

Insurance covering growing crops against hail, wind, and fire. Protection against a broader range of perils can often be arranged as well.

Claim

A demand to recover under an insurance policy for loss. In Commercial General Liability insurance, a policy for loss. In Commercial Liability insurance, the claim may be against the insured by a third party under the insurance policy held by the insured. In this case, claims are referred to the insurer to handle on behalf of the insured in accordance with the term of the policy.

Claims-Made Policy

In Commercial General Liability insurance, a policy that pays for events occurring during a specified period and for which a claim is made during the policy period, subject to stipulated limitations and extensions.

Commercial General Liability Insurance

A line of insurance available to commercial organizations and providing coverage on behalf of insureds for sums they may be legally required to pay to others as a result of the insureds' actions or negligence. May include coverage for bodily injury, property damage, personal injury, advertising injury, medical payments, and certain supplemental payments specified in the policy.

Commercial Package Policy (CPP)

The Insurance Services Office (ISO) commercial lines policy that contains two or more lines of insurance or two or more coverage parts. It will include some forms and/or endorsements that are common to all lines of insurance or coverage parts, as well as the individual forms and endorsements required for the individual coverages selected. In order to qualify as a CPP, the policy must include two or more of these coverage parts: Commercial General Liability, various other liability coverage parts, Commercial Property, Commercial Crime, Commercial Inland Marine, Boiler and Machinery, Farm or Commercial Auto. Individual insurers may have similar commercial packages with different requirements.

Contract

A legal agreement between two or more parties. An insurance policy is a contract.

Coverage

In insurance, the guarantee to pay for specific losses as provided under the terms of the policy. Coverage means the same as protection and is often used synonymously with the word "insurance."

D

Debris removal clause

A consequential coverage commonly included in direct loss policies. For example, fire policies limited recovery for the insured's cost of removing the debris after a covered fire. Not to be confused with "removal."

Declaration page

That part of a property or liability insurance policy that discloses information pertinent to the coverage promised including names, addresses, limits, locations, term, premium, forms, and so on. The same information, perhaps in a shorthand version, is contained as well in the daily.

Deductible

The part of the loss that is to be borne by the insured; it comes off the top of any payment from the insurer.

Deposit premium

When the price of insurance is tied to fluctuating values or costs that cannot be known until the end of the policy period, inventory or payroll are two common examples, a deposit or provisional premium or estimated premium may be charged at the outset of a policy with final adjustment to come at the end of the term.

Depreciation

A property ages and becomes worn it often loses value and that has to be taken into account in any property insurance that covers loss of actual cash value.

Driver Other Car (DOC) endorsement

A business auto or garage policy endorsement providing coverage for named individuals while driving non-owned autos in situations related to the business of the insured.

E

Earned premium

The amount of policy premium that has been earned at any point in time from inception of term to the end. A disproportionate amount will have been "earned" during the early days of contract that is subject to short rate cancellation.

Effective date

The date shown in the declarations of policy upon which coverage is to take effect.

Employee dishonesty coverage

Insurance protecting employers from loss due to theft by their employees.

Employers liability insurance

A feature of standard workers compensation policies, this coverage applies to liability that may be imposed on an employer outside the provisions of a worker compensation law.

Employers non-ownership liability

Employers who buy commercial auto coverage on a basis other than "any auto" have this exposure whenever an employee uses his or her own auto on the employer's behalf.

Employment practices liability

Coverage against allegations of illegal or discriminatory hiring firing practices, sexual harassment of employees, and so on.

Endorsement

An amendment to a policy form.

Errors and omissions coverage

A type of professional liability insurance protecting the insured against claims alleging bodily injury or property damage caused by the professional or technical incompetence of the insured.

Excess insurance

Coverage that applies on top of underlying insurance that is primary, i.e., that pays until its coverage limit is exhausted at which point that excess coverage takes over.

Excess or surplus lines market

The range of insurance available through non-admitted insurers, i.e., insurance companies that are not licensed in a particular state or territory. Specific provisions of state or territorial law control placements.

Experience

A record of losses.

Experience modification

The rising or lowering of premiums under term of an experience rating plan.

Extended period of indemnity

A time of recovery of proved business income loss after physical property is restored and business reopened. The 30-day extension of business income forms may be extended by endorsement.

Excess Insurance

Insurance coverage that pays only after other insurance, called primary insurance, has been exhausted.

Exclusion

Anything specifically stated in an insurance policy as not covered by the policy.

F**Farm Owners-ranch owners policy**

A "homeowners" type package policy adapted to include farm and ranch exposures.

Fiduciary liability insurance

The insurance covers claims arising from a breach of the responsibilities or duties imposed on a benefit administrator, or a negligent act, error, or omission of the administrator.

Fire

Combustion evidenced by a flame or glow. Insurance distinguishes between a "hostile" fire (one out of bounds) and "friendly" fire (such as that contained within the fire box of a stove).

Fire department service charge

A fee that may be imposed by a fire department for responding to a call. Most fire coverage agreements include indemnification provisions for such eventualities.

Fire legal liability

Public liability policies routinely exclude coverage for damage to property in an insured's care, custody, or control. This leaves a big gap in a tenant's coverage, a gap partially filled by an exception in the commercial general liability policy that restores limited coverage for fire damage to the landlord's building. Perhaps the best benefit of the

exception is to call attention to the exposure so arrangement can be made for broader coverage at appropriate limits.

First named insured

An insurance policy may have more than one party named as insured. In such cases, the first named insured attends to policy "housekeeping," i.e., pays premium, initiates (or receive notice of) cancellation, or calls for interim changes in the contract. This is spelled out in commercial policies in the "common policy conditions."

Floater

An inland marine form covering movable property wherever located within territorial limits.

Flood insurance

Flood insurance, like earthquake coverage, is usually only of interest to those relatively few whose property is exposed. Consequently, losses among this small group will be high and premiums can be prohibitive. However, in 1968 the Federal government stepped in to help property owners in designated "flood plains" with the National Flood Insurance Act of 1968. Coverage is not only available, but may even be required to obtain financing for exposed properties.

Fraud

The intentional perversion of the truth in order to mislead someone into parting with something of value.

G

Gap coverage

Insurance for a lessee designed to cover the difference in selling price between a vehicle's actual cash value, and the payout left on a lease.

Garage policy

One of the early package policies, it is written for automobile dealers and may include liability for garage operations, automobile operations, physical damage coverage on garage owned autos, bailees coverage on customers cars, and auto and premises medical payments coverage.

Garagekeepers liability

A bailee coverage applying to automobiles. Commonly included in garage policies, it may be written to provide coverage for limited perils or for comprehensive physical damage, with or without collision damage coverage. Coverage may be expressed as covering the legal liability of the garagekeeper or amended to cover on a direct basis, as primary insurance or excess.

Glass insurance

Commercial property form that covers plate glass, glass signs, lettering, etc.

H

Hired auto

A nonowned auto that may be borrowed as well as rented or leased by the insured. Personal auto policy insureds are covered automatically for hired autos, but business auto policy insureds may not be.

Hold harmless agreement

A contractual assumption by one party of the liability exposure of another. Lease agreements, for example, commonly require the tenant to hold the landlord harmless for bodily injury to property damage experienced by others on the premises.

Home Owners insurance

An early and hugely successful example of "packaged" property and liability insurance. A mid-twentieth century insurance development was introduction of the so-called "multi-line era" in which insurers became empowered to write both property and liability forms of insurance, making way for the first packaging of these coverages within a single policy.

I**Indemnity**

A fundamental concept governing insurance: compensation for loss or injury sustained.

Independent agent

A "retailer" of insurance who, by contractual arrangement with a number of insurance companies, sells, and services property and liability insurance. The independent agent "owns" the policy information and expiration dates of his client's coverage and thus controls renewals and their placement.

Inflation guard endorsement

An endorsement attached to an insurance policy whereby the limits of liability on a piece of property are increased on a regular basis by a certain percentage in order to offset increasing building costs associated with inflation.

Inland marine insurance

Property insurance signaling broad coverage of properties exposed to the transportation peril and those subject to being used or kept at a location other than the insured's customary premises. Eligible property is identified in the so-called "Nationwide Definition of Marine Insurance."

Insurable risk

The exposure to significant, measurable accidental loss from identifiable perils. The exposure, while not catastrophic, must be shared by a sufficient number of potential insureds so that the cost of loss for one can be measured and affordably shared throughout the market.

Insurance

A mechanism whereby risk of financial loss is transferred from individual, company, organization, or other entity to an insurance company.

Insurance policy

The document containing the contract between the insured and the insurer which defines the right and duties of the contracting parties.

J**K****L**

Limits of Insurance

The greatest amount of insurance a policy will provide; the amount beyond which the insurer is no longer required to pay.

Loss experience

What the loss history has been on a particular line or book of business.

Loss exposure

A set of circumstances presenting the possibility of loss, whether or not the loss actually occurs.

M**Marine insurance**

Insurance primarily concerned with transportation exposures and property that is commonly moved around from place to place. The field is divided between inland marine and ocean marine.

Mobile Equipment

In the Commercial General Liability coverage forms, refers to certain carefully and specifically described vehicles for use on land. Some such vehicles are self-propelled while others are not. Some are used only when attached to other vehicles or to provide mobility to certain equipment. Some are intended for use on public roads while others are not.

Medical malpractice

Type of insurance protecting physicians, surgeons, nurses, and other medical practitioners against claims alleging failure to perform.

Merit rating

A form of auto rating in which an insured's past experience as well as anticipated experience is taken into account when arriving at a rate.

Minimum premium

An insurer's lowest charge for an insurance policy.

Misrepresentation

Generally, misstatement of facts made on an application for insurance. May also be misstatement of coverage made by an agent to an insured.

Monoline policy

An insurance policy covering one subject of insurance, as opposed to a combination of multiline policy.

N**Named insured**

The party or parties specifically named as insured in the insurance contract. Others may have claim on the coverage of a policy by way of internal provisions, but any such right is by way of the agreement between the named insured and the insurance company.

Named insured

The individual or organization named in the declaration of an insurance policy as the insured, as opposed to someone who may have an interest in the coverage, but is not named in the policy.

Named Perils

A formal and specific listing of perils covered in a policy providing property insurance. A policy covering for damage by fire is said to cover for "the named peril" of fire.

Nonowned auto

This term signifies an auto that is neither owned, hired, nor borrowed by the insured under a commercial auto policy. Employees' cars used in company business are commonly classified this way. The employer's auto liability cover for use of nonowned autos is covered by entry of symbol 1 ("any auto") or symbol 9 ("nonowned autos") on the declaration page.

O**Occurrence**

In general, an event that triggers coverage under any policy. Specifically, an event that triggers coverage under an occurrence-based liability policy. Such a policy covers injury or damage that occurs during the policy period even if claim is brought months or even years after the policy has expired.

Off premises cover

Commercial property policies commonly established a small coverage limit that applies to property temporarily away from the insured's place of business.

Occurrence Policy

In Commercial General Liability insurance, a policy that pays for events that occur during its policy term, regardless of when a claim is filed. That is, an expired occurrence policy will pay a valid claim even if the claim is made years later, provided that the event occurred while the policy was in effect.

P**Package policy**

Any combination of insuring agreements that combines property and casualty coverages. Homeowners, business owners, and garage policies are examples.

Peril

A potential cause of loss.

Personal liability insurance

Insurance for individuals or members of a household offering protection against claims by third parties. (outsiders) alleging bodily injury or property damage due to negligence.

Personal lines

Insurance covering the liability and property damage exposures of private individuals and their households. Contrast with "commercial lines."

Products and completed operations liability

The liability exposure of the manufacturer whose malfunctioning products may cause injury or property damage or of the contractors whose failed structures or projects may do the same. Coverage of the exposure is a feature of the commercial general liability policy. The insurance does not in any way constitute a guarantee of either the insured's product or work. Contrast with "premises and operations liability.."

Professional liability

A form of errors and omissions insurance, (sometimes called "malpractice" coverage of

errors alleged against those in the healing and legal professions). Arbitrarily it seems, "error and omissions" is the term applied most often to insurance covering liability for mistakes in matters affecting property, i.e., coverage for "Insurance Agents E&O," "Architects E&O while "professional liability" is used in reference to coverages such as "Druggists Professional Liability," Physicians and Surgeons Professional Liability," and "Lawyers Professional Liability."

Proximate cause

That event which, in an unbroken sequence, results in direct physical loss under an insurance policy. For example, wind is the proximate cause of loss when a windstorm blows out a window that in turn topples a lit candle that sets fire to a structure and burns it down.

Pure risk

The only consideration is the possibility of loss. Contrast with "speculative risk."

Products-Completed Operations Hazard

Refers to bodily injury and property damage that occur somewhere other than the insured's premises, and involve the insured's products or work, subject to the limitations and parameters specified in the Commercial General Liability coverage forms.

Property Damage

In the Commercial General Liability coverage forms, refers to physical damage to tangible property and to loss of use tangible property, whether or not physically damaged.

Q

R

Renters insurance

Term for insurance for the non-owner occupant of a dwelling or apartment.

Retroactive date

The date that defines the extent of coverage in time under claims-made liability policies. Claims resulting from occurrences prior to the policy's stated retroactive date are excluded.

Risk management

The process of handling pure risk by way of reduction, elimination, or transfer of risk, with the latter commonly achieved through insurance.

S

Schedule

List of items on a policy declaration, sometimes also showing descriptions and values.

Special form

In contrast to the named perils forms in property insurance, those forms that list specific perils for coverage, the special form contract covers simply risk of direct physical loss, relying on exclusions to delimit and define the protection intended.

Split limits

As in auto insurance, where rather than one liability amount applying on a per-accident basis, separate amounts apply to bodily injury and property damage liability.

Subrogation

The right of the insurance company to recover from a third party the amount paid under the policy. For example, if damage is done to your automobile, protected by a collision insurance policy, the insurance company may collect, from the party whose automobile ran into your car, the amount of damages which was paid to you by the process of subrogation.

T

U

Umbrella liability

A liability contract with high limits covering over top of primary liability coverages and, subject to deductible, covering exposures otherwise uninsured.

Underinsured motorists coverage

Coverage for the insured and passengers whenever the at-fault driver in an accident has auto liability insurance with lesser limits than the insured's. This coverage lies atop "uninsured motorists coverage" or atop the at-fault driver's low limit automobile liability insurance and provides the insured and passengers with protection equal (usually) to the insured's own automobile liability cover.

Uninsurable risk

An uninsurable risk is one which is literally uninsurable because loss is certain rather than possible.

V

Vacant property

Once defined as devoid of occupants or contents, a stricter definition is being applied as more and more communities find older buildings of three and four stories that are only one quarter occupied. Property policies impose limitations on coverage of "vacant" building so that (changing) definition of vacant property is quite important.

Vicarious liability

The condition arising where one person is responsible for the actions of another, as a parent is often held responsible for the vandalism damage a minor child does to a school.

W

Waiver of subrogation

An insurer has the right of subrogation; however, it may waive that right through this method.

Wear and tear exclusion

A common heading for an "all risks" exclusion relating to a group of events that do not represent risk at all. Property will become worn out and torn; it will rust, settle, become rotted, infested, marred, scratched, etc. It is easy to distinguish however between the marring that occurs over time (excluded) and marring that occurs when a concrete block is dropped into a fine wooden table.

Workers compensation insurance

Coverage that conforms to the workers compensation laws of the states in which it written.

Workers Compensation and Employers Liability Insurance

A type of liability insurance not included in the Commercial General Liability coverage part. Workers Compensation makes benefits payable for injuries to, disability or death of an employee without regard to liability. Employers Liability covers the common-law liability of an employer for injuries to an employee. Because these coverages are related specifically to employer-employee relationships, they are not characterized as general liability.