

# management liability INSURANCE explained

## What is management liability insurance?

Management Liability insurance is designed to protect business owners against the financial exposures and risks that come with managing or running a business.

## Who should consider it?

Unintentional mis-management or mistakes in business can often mean a claim from a third party for some form of damages or in some cases a regulatory authority investigation such as a Workplace Health & Safety investigation after a serious workplace accident, as an example.

- fines and penalties,
- directors and officer risks and in some cases,
- unintentional insolvent trading or intellectual property breaches.

This type of policy is often confused with Professional Indemnity or Public and Product Liability insurances. All are very different and cover different business risks.

- Management Liability policies cover the management activities of a company
- Professional indemnity covers the provision of advice and professional services of the company.
- Public and Product Liability is the risk to the public from your business products and activities.

## What does this cover cost?

Every business is different, so the answer to this question is specific to your individual circumstances, but it is probably less than you think.

The cost of a management liability policy will depend on your business structure, size, how long the business has been trading, the industry or sector

of the business activities, and any relevant claims history.

## Getting a quote

Getting a quote is quick and easy. Call us for a chat on 0473 007 606. Typically, we only need a few details about you and your business to provide a quote.

The type of insurance is specifically designed to protect private companies and their directors by protecting the financial wellbeing of both the company and the personal wealth of its directors and officers.

A Management Liability policy can assist with the cost of defending and settling claims as well as paying the compensation the business might be liable for. Examples could include a shareholder, employee or supplier civil action against you and your business.

## What risks can this type of policy cover?

Insurer's policies do vary but basically a management liability policy is made up of a number covers to protect the business and owner from the risks of operating a company under the Corporations Act. A good quality management liability policy should cover:

- employment practices liability,
- workplace health & safety investigation defence costs,
- fidelity and theft risks,

This information is general in nature and should not be considered as personal advice, for a more tailored discussion about your circumstances please call us for a chat. ABN: 48 646 410 335 | Corp AR of UIG # 1285127

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