

Liability Insurance Update

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Why do I need Liquor Liability?

If you are in the business of selling or serving alcoholic beverages, you stand the risk of being sued for the personal injury and property damage caused by actions of a minor or an intoxicated person who was sold the beverage by your store. The retailer is subject to criticism by counts and consequently some civil liability for selling to minors intoxicated people. No matter how cautious you are and carefully monitor your customers, there is always the possibilities of “one slipping by”, and resulting in a tragic accident where you could be held liable for damages or death to someone, and as a result lose you assets, and business.

Isn't the General Liability coverage in my policy supposed to pay for all liabilities including liquor liability? The answer is “NO”. General liability coverage, as broad as it sounds, still has some exclusion, such as intentional violation of law, dumping of hazardous material, and wrongful termination of employees. Liquor liability is also a standard exclusion for people who are in the business of selling or serving alcoholic beverages. You need to ask for this coverage, or your agents should offer it, knowing that you have the exposure to claims and no coverage for it. Important reminder: your liquor liability should be equal to your general liability. For example, carry 1,000,000 for general liability then you should also carry 1,000,000 for liquor liability.

Members with questions contact me at (619) 486-3737