

Adrian Azer, Brittany Parks in Law360: 3 Business Risk Exclusions Insureds May Misunderstand

January 7, 2020 Adrian Azer, Brittany Parks

PRACTICES Insurance Recovery

Policyholders are more frequently facing denials of coverage for claims where the insurers rely upon one of the business risk exclusions, i.e., exclusions that purportedly preclude coverage for an insured's product or work, or from damage to property caused by the insured's product or work. Oftentimes these exclusions are described as complex and confusing and, to make matters worse, are regularly invoked by insurers as absolute bars to coverage, where they are not.

This article explores three distinct business risk exclusions that are often mistakenly viewed as interchangeable, and aims to provide insureds with the information necessary to maximize their potential coverage thereunder.

'Your Product' Exclusion

The "your product" exclusion, often identified as exclusion K in commercial general liability policies, excludes property damage to "your product" arising out of it or any part of it." The exclusion is meant to preclude coverage for damage to the insured's product and any resulting consequential damages, such as damages for inconvenience, engineering fees, or repair and replacement costs.

Excerpted from *Law360*. To read the full article, click [here](#). (Subscription required)