

# EXECUTIVE PROTECTION PRACTICE

## MISCELLANEOUS PROFESSIONAL LIABILITY

Does your company:

- Provide service(s) for others for a fee?
- Sign service contracts requiring it to carry Professional Liability Insurance?
- Sign service contracts drafted by clients in which you accept the liability of those clients?
- Have clients that incorporate your services into the products or services they provide to others?

If the answer to any of these questions is “Yes”, your company may face significant professional liability exposure.

### What is Miscellaneous Professional Liability?

Miscellaneous Professional Liability – sometimes called Errors and Omissions (E&O) Liability – results from errors and omissions in the performance of professional services. Companies that perform professional services for others can make mistakes – overlook a critical piece of information, misstate a fact, be misunderstood, forget to do something, misplace something, etc – and be sued by their clients over allegations such as:

- Error, omission, or negligence in providing a service
- Failure to provide a service
- Fraud
- Improper documentation
- Mismanagement
- Misrepresentation of facts
- Non-disclosure
- Violations of state and federal law (e.g. violation of right to privacy)
- And other allegations

It doesn't help that professional service firms today offer their services in a business climate that features:

- A lawsuit-conscious public fuelled by media publicity, a belief that everyone deserves to be compensated, and the idea that there is always a “deep pocket” with the ability to pay
- A continuing escalation of court settlements into the millions of dollars

### Why your private company may need

#### Miscellaneous Professional Liability Insurance:

Consider the impact of a \$100,000 claim on a company... or a multi-million dollar lawsuit. Most companies can't absorb that kind of loss without feeling dramatic, possibly devastating, effects. Yet such costs are only part of the financial pain – it's difficult to place a value on the hassle, lost time, and damaged reputation that may result from a professional liability lawsuit.

A professional liability claim can be triggered by almost anyone who is “touched” by the professional service. For example, the recommendations a human resources consultant makes to an organisation can affect thousands of people; therefore, a human resources consultant has an extremely broad professional liability exposure. **The broader the exposure, the greater the need for insurance protection.**

#### Coverage features:

- **Broad definition of claim**, including defence for written demands for monetary or non-monetary relief, arbitration and alternative dispute resolution proceedings
- **Spousal liability coverage**, to help protect executives' and employees' spouses who are named as co-defendants
- **Broad definition of loss**, including punitive, exemplary or aggravated damages (unless legally prohibited)
- **Automatic coverage for subsidiaries**
- **Full severability** in respect of fraud and unentitled profit, preserving coverage for those who are innocent
- **World wide coverage**
- **Duty to defend** policy language for covered claims, even if the allegations are groundless, false, or fraudulent
- **100% allocation** of Defence Costs and Legal Representation Expenses
- **Extended Reporting Period** of 3 years available
- **Express continuity of cover clause**
- **Non- rescission for misrepresentation or non-disclosure**



Professional classes of business Chubb can insure:

Answering services Auctioneers Business managers Claims adjusters Collection agents Event managers Court reporters Executive coaches Marketing consultants	Franchisors Freight forwarders Graphic designers Interpreters and translators Landscape architects Management consultants Printers Consultants Recruitment agents	Process servers Property managers Public relations firms Training consultants HR consultants Travel agents  <i>This is only a partial list.          Please contact us with          questions on the classes.</i>
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CHUBB STANDS APART

How does Chubb stand apart from other carriers when it comes to Miscellaneous Professional Liability insurance coverage?

- **Customised coverage:** we underwrite each account independently so that coverage is always tailored to meet its unique liability needs
- **Financial stability:** Chubb’s financial stability and ability to pay claims rate among the best in the insurance industry, as attested by Standard & Poor’s and A.M. Best Company, the leading insurance rating services
- **Dependable service and claims handling:** we are dedicated to prompt, efficient, and fair handling of claims. In fact, Chubb has earned an unparalleled reputation for handling claims in the insurance business. In a 2003 Goldman Sachs survey, producers rated Chubb’s “quality of service” first among 41 insurers
- **Local underwriting presence:** Chubb’s national branch office network assures customers of having experienced underwriters with local marketplace insight

TAKE ACTION TODAY

Why take the chance that a claim could financially cripple your company?

For more information about Miscellaneous Professional Liability Insurance, or about Chubb’s other coverages, contact your insurance broker. Additional information may be found on the web at [www.chubbinsurance.com.au](http://www.chubbinsurance.com.au)

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