Errors and Omissions (E&O) is also commonly known as Professional Liability.

What Does *Errors And Omissions Insurance - E&O* Mean?
A professional liability insurance that protects companies and individuals against claims made by clients for inadequate work or negligent actions. Errors and omissions insurance often cover both court costs and any settlements up to the amount specified on the insurance contract.

Organizations (and business owners) employing professionals face professional liability loss exposures. Tort Liability in particular industries, places a greater burden of conduct on those that hold themselves out to be professionals. As the increasing number of occupations that require extensive technical training increases, so does the need for E&O insurance. The three most common exposures for professionals that need to be covered in a policy include:

1. Tort - members of a profession are liable for any damage to another person caused by the professional's failure to perform reasonable professional <u>care and skill</u>. The most common exposure here is negligence.
2. Contract - contractual liability is based on the allegation that the professional failed to do something that was required by contract
3. Statute - Many professionals are subject to potential liability based on statutes governing their profession. For example, attorneys and accountants are governed by law to behave ethically with standards within state and federal laws.

Professional Liability can also protect professionals from loss exposures like:

- Practicing beyond the scope of the license
- Conflicts of interest
- Negligently prepared plans or designs
- Increased construction costs
- Negligent supervision etc...

 If you are interested in obtaining a quote for E&O insurance, please call our offices or email us at Donovan.solutions@gmail.com

Changes and payments to policies are not effective or binding until you, or any party involved, receive official notice from either your insurance agent, or your insurance company.