

Section 3: Things to Remember When Claims Occur

Being sued in an E&O claim is unfortunate, but that is why you purchase Professional Liability insurance. Emotions can run wild when it happens to you, but there are some things that you need to remember. Most importantly you need to get your E&O carrier involved as soon as a potential incident arises. You also need to make sure you understand the Report and Notice Provisions of your E&O policy to make sure you or your staff don't do anything that would jeopardize the coverage afforded by the E&O policy.



- ✓ Remember that just because you are sued doesn't mean you did anything wrong
- ✓ Provide E&O carrier immediate notice of claim
- ✓ Never admit liability or tell the customer, "Don't worry, I have E&O coverage."
- ✓ Only discuss matter with E&O carrier and appointed defense counsel
- ✓ Preserve, organize and provide all documents related to the account to your E&O carrier or defense counsel
- ✓ Do not give up any portion of the customer file without a subpoena or consulting with an attorney
- ✓ Never talk with the plaintiff's side without representation
- ✓ Learn from the experience and find ways to improve the agency's operations
- ✓ Fully cooperate in every way with the E&O carrier and defense counsel
- ✓ Getting sued is not the end of the world
- ✓ Agents may be sued just to keep the case in state court
- ✓ Trust your E&O carrier
- ✓ The case will likely turn on credibility and documentation