

Section 4: Most Common Agent Errors Attorneys See

The panel counsel attorneys from Swiss Re Corporate Solutions average almost 25 years of experience in defending insurance agent's E&O claims. They have seen the good, the bad, and the ugly. We asked them to provide their thoughts on the common errors they see agents make, causing them to be involved in an E&O claim. Review the items listed below and take stock of your agency's performance and if there are areas of improvement needed to prevent these errors.



Most Common Errors Attorneys See When Defending Agents

- Attempts to negotiate with the carrier on behalf of the customer after the denial of a claim
- Failing to document coverage discussions where the customer declined to purchase coverage, including higher limits
- Lack of timeliness in delivering the policy to the customer
- Failing to comprehensively document telephone conversations with customers
- Lack of compliance with carrier requirements in placing coverage
- Failing to follow internal steps outlined in the agency's procedures manual
- Lack of communication in understanding the customer operation or coverage needs
- Failure to respond in a timely fashion to customer inquiries and questions
- Dabbling - getting outside of the agents expertise
- Not identifying differences in coverage when renewing a policy on a different policy form
- Making coverage determinations on behalf of the carrier
- Failing to discuss updating coverage as their customer grows
- Not getting signed applications from their customers
- Holding yourself to be an expert or risk manager when you are not
- Lack of knowledge of the product they are selling
- Overstating or misrepresenting the products coverage