



A freight forwarder sends a shipment to South America instead of South Africa. It's a time-sensitive shipment, and the freight forwarder's client loses a sale worth thousands of dollars. Who pays the loss?

A wedding planner reserves the reception hall, the band, and the caterers for May 22 instead of May 29. Everyone shows up except for the wedding party and guests. Who pays?

Errors & omissions insurance, or "E&O," covers you or your company when a client holds you responsible for a service that you provided (or failed to provide) that did not have the expected or promised results. In short, it's coverage that protects against mistakes. It provides protection for you in the event that a mistake on your part has caused a financial loss for your client.

A company that chooses not to purchase E&O coverage is taking a serious financial risk. These types of losses are not covered under a general liability policy, and even if you aren't at fault, defending your company against a lawsuit of this type is both time-consuming and expensive. As with any insurance, the best time to buy an E&O policy is before the risk is taken. Customers will also feel secure knowing that if an error occurs, they will be compensated.

Most E&O policies cover judgments, settlements, and defense costs. Even if the allegations are found to be groundless, thousands of dollars may be needed to defend the lawsuit. They can bankrupt a smaller company or individual and have a lasting effect on the bottom line of larger companies. If you're in any business where you provide a service or advice to a client for a fee, then you're subject to E&O exposure. Even with the best employees and the best risk management, there is room for human error. No one is perfect.

Protect your business – call us today and put our experienced professionals to work for you. And feel comfortable knowing that we purchase errors and omissions insurance for our business as well.