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# ERRORS & OMISSIONS

## RISK MANAGEMENT ALERT

### **Having a Knowledgeable and Experienced Agent Can Save You Time, Money and Grief**

by **Thomas Casella, JD, MBA, SCLA**

*Senior Risk Management Specialist, Utica National Insurance Group<sup>1</sup>*

Would you advise your clients to source insurance, vet carriers and compare policies on their own without the guidance and tutelage of a knowledgeable and experienced insurance agent? One would hope not. As you are aware, there are many options for insurance coverages in the marketplace and no two policies are exactly the same. This also goes for insurance agents' errors and omissions (E&O) policies. How many E&O policies have you personally read, conducted a side-by-side comparison, and sold to insurance agents? Most insurance agents are only familiar with one E&O policy – their own. So, if you would not advise your clients to shop for insurance without a knowledgeable and experienced agent, why would you shop for E&O insurance without the same? Your state's insurance agents' association has knowledgeable and experienced agents that are focused on insurance agents' E&O coverage, and they are there to assist you in your search for comprehensive insurance coverage for your insurance agency.

When dealing directly with E&O wholesalers, you may be shopping in the admitted market or excess and surplus (E&S) market; therefore, the coverages can vary greatly, as well as the carrier requirements to its insureds. While it may be necessary to source your agency's E&O coverage through an E&S broker, it is in your best interest to seek guidance from your state association, which regularly accesses these markets and knows the risks and benefits associated with each. The state association will act as your insurance agent and has a bona fide interest in the preservation of the independent agency system. However, the benefits of your state's insurance agents' association does not end with sourcing and binding E&O coverage.

Education is arguably your strongest tool in avoiding E&O issues and making your agency as profitable as possible. Many state associations have a robust internal education and training department, offering classes ranging from insurance basics to emerging trends and coverages, as well as education on E&O-related concerns, such as the most common mistakes and how to avoid them. The training offered by the state affiliates is intended to keep you and your staff informed so that your agency can provide its clients the guidance they need and to help mitigate E&O loss development and claim activity. State associations also have information on outside professional development vendors that you can work with to keep yourself and your staff current on the latest E&O trends. Ultimately, being claims free means a more professional agency and can help to keep premiums from escalating at renewal.

When it comes to legislative and regulatory advocacy, many of the state associations are active on the local, state and federal levels, advocating for the interests of independent insurance agents. In these times of political and social unrest, it is important to have an advocate with the resources to ensure your interests as an independent insurance agent are being well-looked-after. The state associations also assist independent insurance agents with access to tools for business-building, agency management, and other material that is intended to improve your agency's overall knowledge, security and productivity.

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When you work with your state insurance agent association you will have access to the E&O Program from the Utica National Insurance Group, with over 50 years of industry knowledge, experience and longevity, which offers the following:

1. Customizable coverages that allow you to tailor an E&O policy to your agency's needs, including, but not limited to: Employment-Related Practices Liability Coverage, Liability to Third Parties, Limited Wage and Hour Defense Coverage, Cybersurance - Privacy and Security Breach Coverage, Online Banking Theft Coverage, Loan Origination Coverage, Financial Products Coverage, Mutual Fund and Variable Annuity Coverage Endorsement, and Coverage for Entities Formed for the Purpose of Providing Insurance Benefits;
2. Direct access to your assigned E&O Underwriter;
3. Direct access to a dedicated E&O Claims Specialist specifically assigned to your region;
4. Direct access to a dedicated E&O Risk Management Specialist and loss control material; and
5. Flexible payment options.

Save yourself time, money and grief by contacting your state's insurance agents' association to discuss options for E&O coverage that will be responsive to your agency's needs, and provide you with a source of well-being knowing you have the proper coverage in place should a claim be made against your agency.

*<sup>1</sup>Utica National Insurance Group and Utica National are trade names for Utica Mutual Insurance Company, its affiliates and subsidiaries. Home Office: New Hartford, NY 13413.*

*This summary represents an outline of coverage available from the companies of the Utica National Insurance Group. No coverage is provided by this summary. All coverages are individually underwritten. Coverage availability, terms and conditions are dictated by the policy and may vary by state. In the event of a loss, the terms of the policy issued will determine the coverage provided.*

*Underwriters and Claims Specialists do not provide legal advice. You are encouraged to consult an attorney for legal advice.*



Utica Mutual Insurance Company and its affiliated companies, New Hartford, NY 13413  
www.uticanational.com • 1.800.598.8422