



Professional Liability Insurance

A Coverage Summary for Business Consultants

We want you to understand the Hiscox Professional Liability coverage. This summary explains the main areas of coverage and those for which your business is and isn't covered.

If you have any questions about your coverage, please contact one of our advisors at 888-202-3007 (Mon-Fri, 8am-10pm EST) or via e-mail at contactus@hiscoxusa.com.

This policy does cover

Negligence

We cover any alleged mistakes in your provision of professional services. This includes failing in your duty of care, giving incorrect advice, making an omission (leaving something out), or failing to deliver your services.

Defense costs

If you're sued, even if you haven't made a mistake, we will appoint an attorney to defend you, even if the lawsuit is groundless.

Services performed in the past

We cover the services you have performed going back to an agreed upon date – even if that date is before you were insured with Hiscox – for any unknown claims that may be made against you and reported to us during the policy period. This date, the retroactive date, is printed on the Declarations Page of your policy.

Worldwide insurance coverage

We cover claims arising from work done anywhere in the world as long as the claim is filed in the United States, its territories, or Canada.

Employees, temporary staff, and independent contractors

We cover claims arising from services performed by your employees, temporary staff, or independent contractors if those services were performed on behalf of your business or at your direction.

Claims and damages

We cover claims for damages, including up to \$250,000 of punitive damages where allowed by law.

Personal injury

We cover claims of libel and slander as part of your professional services.

Supplemental payments

We will pay for expenses you reasonably incur as a result of attending arbitration proceedings or trials in the defense of a covered claim. We will pay up to \$5,000.

This policy does not cover

Bodily injury or property damage

We won't cover damages or claims expenses if you injure someone or damage someone's property. Coverage for these types of risks is included in our General Liability and Business Owners Policy.

Employment matters

We won't cover you for claims alleging improper employment practices, workers' compensation claims, or employer's liability.

Known claims and circumstances

We won't cover any known circumstance that could result in a claim or any actual claim that you knew about prior to the start of your first Hiscox policy.

False advertising

We won't cover you for false advertising claims.

Personally identifiable information

We won't cover your failure to protect any personally identifiable information that is in your care.

Other services

We won't cover any medical, nursing, insurance broker/agent, legal, actuarial, architectural, or engineering services you perform. Financial related services, including advice on mergers and acquisitions, and valuations, are excluded. We also don't cover any services you perform that are not specified in your policy.

Regulatory claims

We won't cover any claims that are brought by any governmental body or licensing organization, unless it is one of your clients and makes a claim against you in that capacity.

Your costs and excluded damages

We won't cover fines, penalties, and taxes that are levied against you. Hiscox also won't cover the cost of complying with nonmonetary relief, cost overruns, or reduction of your fees.

Intellectual property

We won't cover infringement of a copyright, trademark, patent, or theft of a trade secret.

Common claims examples

Protection even if you haven't made a mistake – You advise a client to change some internal processes to increase productivity. The recommendations aren't implemented as you had specified and productivity subsequently drops by 15% rather than improving. If your client sues you to recover lost income, Hiscox will appoint an attorney to defend you.

Protection even if you haven't made a mistake – You manage the development of a new product. There are problems with the project (which are out of your control) and you don't deliver the final product within the agreed time frames. Your client then sues you for not delivering on time. Hiscox will appoint an attorney to defend you.

Negligent acts – You advise a client to update their employment practices. Six months later, your client contacts you, stating a part-time employee is suing the company. You had omitted a key requirement on the amount of hours part-time employees are permitted to work. If your client sues you, Hiscox will appoint an attorney to defend you.

Coverage summaries, descriptions, and claims examples are provided for illustrative purposes only and are subject to the applicable policy limits, deductibles, exclusions, terms, and conditions. Not all insurance products and services are available in all states. Hiscox recommends you read the policy documents to learn the full details of coverage.

Underwritten by Hiscox Insurance Company Inc., 416 South Second Street, Geneva, IL 60134-0520, as administered by Hiscox Inc., a licensed insurance provider in all states and DC.