



# E&O Loss Prevention Tip:

## NEVER sign a document on behalf of an insured.



### COACH SAYS:

Carriers rely on statements made on the application, and any error will be attributed to the party signing the application. Never sign applications on your clients' behalf.

### DON'T LET THIS HAPPEN TO YOU

An agent sent a blank application to a client for coverage on an apartment building, which the client filled out. The carrier returned the application as incomplete, including a question about prior losses. Not wanting to further delay coverage, the agent indicated no prior losses and signed the client's name. Following a fire loss, the carrier declined payment based on failure to disclose a previous loss on the application. Signing the claimant's name constituted forgery and \$160,000 was paid out against the agent's E&O policy to settle the claim plus the deductible.\*

Route this to your team roster!

<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

For more information about the Big "I" Professional Liability program, your trusted source for insurance agents and brokers E&O coverage, contact your state association or visit [www.independentagent.com/EO](http://www.independentagent.com/EO)

\*This claims scenario is fictional. Westport employees created it based on experience and knowledge of case law using relatively common facts, allegations, defenses and amounts. Do not rely upon such scenarios to predict an outcome, or to make claim and litigation decisions.

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