



## Travelers Wrap+ Miscellaneous Professional Liability

Every day you create exposures to costly liability claims just by doing business. In today's increasingly litigious environment, you could be subject to the allegations of unhappy clients who feel they've been harmed by your actions — or inaction. The cost to defend even the most frivolous of claims can be financially devastating for uninsured professionals.

Travelers Wrap+ Miscellaneous Professional Liability covers a wide variety of professionals from auctioneers to broadcasters, consultants, executive recruiters, graphic designers and translators.

### Claim scenarios\*

No two professionals face the same financial risk, so miscellaneous professional liability insurance is designed to cover a variety of errors and omissions exposures. Consider the following claim examples:

#### Negligent advice

A management consulting firm was hired by a large retailer to improve the profitability of the retailer's catalog sales division. The consulting firm recommended that the retailer outsource much of their call-center operations. It then helped the retailer select a vendor and advised on the terms of the contract. After considerable expense, the retailer reported that catalog sales were down while customer complaints were up. Additionally, the retailer found that the new call-center actually cost the company more to operate than when they had managed the service in-house. The retailer sued the consulting firm for the lost income and the additional expense that resulted from the transition to the new call-center.



#### Copyright infringement

An advertising agency put together a campaign for a major client that centered on the production of a series of television commercials. The agency subcontracted the commercial's background music to a local freelance musician. After the commercial aired, another musician claimed that the music used in the commercial had been copied without her permission from a work that she had previously recorded. The agency and its client were sued in a \$100,000 copyright infringement claim.

#### Misrepresentation of opportunity

A franchisor was sued after the purchaser of three franchise locations failed to make revenues that exceeded their costs of operations. Plaintiff asserted the prospectus they were provided contained incomplete and inaccurate representations. The plaintiff demanded the franchise company rescind the agreement; return all purchase amounts as well as all lost revenue and attorney's fees. Travelers paid approximately \$800,000 in costs.

\* Coverage in these examples is extended only for certain classes of business and may not be available in every instance.

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## Poor promotion

A large estate hired an auctioneer to auction off several unique pieces. When the auction failed to garner what the heirs of the estate had hoped for, they sued the auctioneer, alleging that he had inadequately advertised the auction by not listing some of the key pieces in promotional brochures for the auction. The heirs to the estate secured a \$90,000 award.

## Risk Management PLUS+ Online<sup>®</sup>

All of the Wrap+ coverages include Risk Management PLUS+ Online at no additional cost to you. Delivered via a dynamic, web-based platform, it is your one-stop resource, providing a comprehensive set of tools that will help protect your organization from costly litigation, including current articles and whitepapers on risk management issues related to professional liability.

To learn more about Risk Management PLUS+ Online, visit [rmlusonline.com](http://rmlusonline.com).

## An experienced market leader

- Since 1853, we've provided effective insurance solutions to a wide range of industries
- A.M. Best has assigned Travelers a financial strength rating of A+<sup>\*\*</sup>
- With over 50 offices, we possess national strength and local presence
- Our dedicated claim group offers extensive industry and product knowledge

## Get the protection you need, today and tomorrow.

To learn more about our miscellaneous professional liability, talk with your independent insurance agent or visit [travelersbond.com](http://travelersbond.com).

\*\* A.M. Best's rating of A+ applies to certain insurance subsidiaries of Travelers that are members of the Travelers Insurance Companies pool; other subsidiaries are included in another rating pool or are separately rated. For a listing of companies rated by A.M. Best and other rating services visit [www.travelers.com](http://www.travelers.com). Ratings listed herein are as of June 3, 2008, are used with permission, and are subject to changes by the rating services. For the latest rating, access [www.ambest.com](http://www.ambest.com).



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