Risk Identification
How Professional Liability Insurance Helps

The most effective way to minimize the impact of the risks you face every day is by transferring those risks through the purchase of a Professional Liability Insurance policy. This coverage protects you against financial losses from lawsuits filed against you by your clients. The IEEE Member Group Insurance Program offers this Professional Liability coverage from established carriers including, Certain Underwriters at Lloyd's of London and Beazley Insurance Company, Inc.

Professional Liability Insurance is not included as part of a homeowners' policy, a business-owner's policy (BOP) or general liability insurance. A Professional Liability Insurance policy is a separate contract where the insurance carrier assumes the liability of your professional risks in exchange for your payment of premiums.

Technology professionals in these three classifications should strongly consider a Professional Liability Insurance policy.

- **Self-Employed:** It doesn't matter if you're a solo firm or you've set up a partnership with other technology professionals. Self-employed technology professionals are vulnerable to lawsuits and don't have coverage a larger firm employer may offer.

- **Temporary Consulting:** If you're between jobs, considering starting your own business or nearing retirement with consultant work, you're not covered by an employer plan. Therefore, you could be more exposed to a lawsuit.

- **Full-Time Consulting:** You have a full-time business that needs protection from all the risks your services may encounter.

What to Look for in a Policy

Most Professional Liability Insurance policies offer a variety of liability limits, deductible options and some basic and optional defense coverages. Technology professionals need to also look for more enhanced coverages to keep up with the more technical services you provide, including:

- ✔ Drone coverage
- ✔ Intellectual property risk
- ✔ Internet content liability and breach of security in relation to denial of service
- ✔ Unauthorized access and theft of data
- ✔ Electronic transfer of data functions
- ✔ Web hosting functions
- ✔ Copyright infringement
- ✔ Privacy liability

In addition, technology professionals should consider a policy that is provided by reputable and stable insurance carriers. Insurance carriers are usually rated for financial soundness, claims paying experience, and other factors by independent rating agencies. These ratings can help you choose the best, most reliable program provider for you.

Reminder: You're probably familiar with the adage "You get what you pay for." It usually implies something that is lower in price is lower in quality.

Please keep this in mind when reviewing and comparing Professional Liability Insurance policies. Not all policies are apples to apples when comparing benefits, price, and providers. One policy may be a little more expensive but offer higher quality benefits. Another policy may cost less but offer less benefits. Yet another policy could offer the very same features and cost less but may be backed by a less reputable provider.

Because finding a specialized and affordable Professional Liability Insurance policy to meet all the current and future demands of technology professionals is challenging, the IEEE Member Insurance Program has created a plan exclusive to IEEE members.

The IEEE Member Choice Professional Liability Insurance Program offers both the basic and enhanced coverage features you need to protect your technical services. Plus, it's backed by two highly rated insurance carriers: Certain Underwriters at Lloyd's of London and Beazley Insurance Company, Inc.

Please see the checklist on the next page, which briefly describes the key advantages this plan includes. You can also use this checklist to compare to other plans to make sure you're getting the best coverage to protect your business risks.

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Visit IEEEinsurance.com/liability for more details and to apply.

Cost of a Professional Liability Insurance Policy

The risk of being sued varies by engineering firm and technology professionals; therefore, the costs of a policy will also vary.

When an insurance carrier determines rates, it evaluates your risks. This risk is reviewed by assessing multiple variables, including your experience, services, types of projects, business history, and previous claims and risk management practices.

How to Apply for a Professional Liability Insurance Policy

Applying for a Professional Liability Insurance policy can be simple if you're prepared. The underwriting process will vary from insurance provider to insurance provider but in most cases, you'll need to prepare by providing some of the following information:

✓ Work experiences and services performed

✓ Past claims history

✓ Area(s) of specialty and gross billing percentages

✓ Who the policy will cover

✓ Revenue information

✓ Risk management practices

✓ Computer services (if part of your business)

Once this information is submitted through your application, the insurance carrier will review it and analyze your risks based on actuarial risk criteria (a compilation of services, claims history, etc. from real-life situations like yours). Your application acceptance and the rates quoted will be determined through this underwriting process and criteria.

To obtain a no-obligation custom rate quote for the IEEE Member Professional Liability Insurance Program, simply apply online at IEEEinsurance.com/liability.

> Starting my own company next year as an Independent Consultant which requires Professional Liability insurance. Wasn't sure how to go about this and a friend advised me to get a **group rate** through any organizations I belong to. **Going through IEEE was a great way** for me to go. Saved several hundred dollars and the process was pretty straightforward. I did compare IEEE with a couple other quotes. In the end, **IEEE seems the best way for me to go**. They provided several quotes and I was able to call and discuss them with the agent.
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