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MISCELLANEOUS E&O

Consulting Related Services

Classes We Consider

- Communication Consultant
- Environmental Consultant
- Geological Consultant
- Human Resources Consultant
- Management Consultant
- Marketing Consultant
- Oil & Gas Consultant
- Security Consultant
- Zoological Consultant
- Energy Consultant
- Medical Practice Management Consultant
- Health & Social Services Consultant
- Legal Consultant (Non Lawyer)
- Manufacturing Consultant
- Forestry Consultant
- Safety Consultant
- Tax Consultant (Non CPA)
- And Many More

Claims

Unsafe safety training. An environmental health and safety consulting company is being sued by a man who was injured during one of their training sessions. The suit was brought in connection with a safety training program the defendant provided to employees of a county refuse department. The plaintiff alleged that he was involved in training how to safely enter and exit from confined spaces when he sustained injury to his lower back. The suit alleges the cause of the plaintiff's injury was due to the negligence of the defendant's employees during the training and demonstration. The plaintiff and spouse are seeking \$1,250,000 in damages.

Unyielding timber. A forestry consulting company provided a client with an estimate on the amount of marketable timber an acreage of trees would likely yield from a parcel of land. The client subsequently purchased the land based on the defendant's estimate. Later, when the amount of timber yielded considerably less than was estimated, the client filed a lawsuit against the forestry consultant. In his suit, the plaintiff alleged the defendant erred in the estimate, which cost the client several hundred thousand dollars. In their defense, the plaintiff faulted the seller for providing them with incorrect information, which caused them to overestimate the yield of marketable timber. Although the initial demand exceeded \$400,000, the claimant is now negotiating for a settlement in the area of \$100,000.

Missed a widget. A widget company contracted with a human resources consulting firm to manage their HR services. One of the widget company's employees was injured on the job. After filing for long-term disability, the employee's claim was denied, resulting in the employee bringing suit against the employer. The widget company in turn sued the HR consulting firm alleging that the employee's claim for long-term disability had been denied as there had been no enrollment form submitted for that employee and it had been the HR consultant's responsibility to manage the benefits enrollment process.

Ignored advice. A claim was filed against a management consulting firm by a nursing home. The nursing home had contracted with the consulting firm to assist them in improving their Department of Health inspection results. In its claim, the nursing home alleges that the consulting firm was negligent and failed to properly assist the nursing home facility in complying with the Department of Health's standards, and to correct deficiencies noted in previous deficiency reports. As a result, the nursing home was forced to cease operations.

In its defense, the management consulting firm maintains that the nursing home already had violations from the Health Department prior to their involvement, and that many of the suggestions and recommendations for improvements they had made were overruled by the principals of the facility. A suit demanding \$4,000,000 in damages is pending.



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Risks Written

- Safety consulting and training.
Limits: \$1,000,000/\$1,000,000. Deductible: \$10,000. Premium: \$9,180.
- Environmental consultant, testing for vapor, soil and groundwater contamination.
Limits: \$1,000,000/\$1,000,000. Deductible: \$7,500. Premium: \$15,668.
- Management and leadership training consultant.
Limits: \$1,000,000/\$1,000,000. Deductible: \$5,000. Premium: \$6,434.
- Forensic consulting and laboratory testing services.
Limits: \$1,000,000/\$1,000,000. Deductible: \$2,500. Premium: \$5,265.
- Energy conservation consultant.
Limits: \$1,000,000/\$1,000,000. Deductible: \$2,500. Premium: \$2,500.
- Manufacturing consultant on mechanical systems (no repair or service).
Limits: \$500,000/\$500,000. Deductible: \$2,500. Premium: \$2,025.

Tips on Reviewing Consulting Services Risks

- While the term “consultant” may be perfectly clear to the person completing the application, it sometimes leaves us baffled, wondering just what sort of consulting is being provided. A detailed description of the applicant’s professional services is key to understanding the client’s exposure and assuring quick turnaround of your quote. Also, a full accounting of the work performed and examples of prior jobs or samples of previous reports help us describe the professional services on the declarations page, thereby avoiding potential omissions of work and the subsequent coverage disputes that can arise from such omissions.
- Of course applications are important, but there are several other items we need to accurately evaluate in each submission. In addition to our EO-30001 application, current financials, resumes of the principals and specimen contracts are essential to understanding the exposure. We also have several specialty supplemental questionnaires to further aid in the evaluation process. See the last page of our app for a full listing.
- From agricultural consultants to zoology experts, we have a broad appetite for a wide variety of classes and the flexibility to customize a policy to fit the exposure. Have an HR consultant that also does some temporary staffing or a medical billing coding consultant that also provides a bookkeeping service? At Markel, not only can we write these multifaceted risks, we can also tailor the coverage to fit their unique needs.



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