Achievable

CASUALTY INSURANCE DUMP SHEET

Crime and professional liability

What the crime forms mean by their words

- **Theft:** the umbrella term — taking property without the owner's consent
- **Burglary:** theft with **no person-to-person encounter** and **visible signs of forcible entry**. Usually while the business is closed
- **Robbery:** theft by force or the threat of it, **face to face** with the victim
- **Extortion:** money or property obtained by threat or coercion. Blackmail is one kind
- **Mysterious disappearance:** the property is gone and nobody can say how. Commonly excluded by theft policies
- **Custodian:** the insured or an employee holding property **inside** the premises — never a watchperson or janitor. A **messenger** holds it **outside**

The five crime forms exams ask about

- There are fourteen forms, A through N. Five carry the questions:
  - A — **Employee dishonesty:** an employer's loss from its own employees, money and securities included
  - B — **Forgery or alteration** of financial documents. Not employee dishonesty
  - C — **Theft, disappearance and destruction:** open peril on money and securities. **A** inside the premises, **B** in transit outside it
  - D — **Robbery and safe burglary:** property other than money and securities — on-premises robbery, off-premises robbery, and safe burglary including damage to the safe
  - E — **Premises burglary:** merchandise, furniture, fixtures and equipment taken from inside, and damage to the premises and windows. **Money and securities are not covered**
- Employee dishonesty is written three ways: **name schedule** (named individuals, so a leaver must be reported), **position schedule** (whoever holds the post), and **blanket** (any employee, with the employer showing a reasonable case)
- **Discovery clause:** a loss that happened during the term but surfaces up to **one year** after expiry is still covered under the expired policy
- Also available: computer fraud, safe depository liability, lessees of safe deposit boxes, liability for a guest's property, and premises theft or robbery at designated outside locations

Professional liability

- Liability for failing to use the care and skill the profession is held to. Written for physicians, attorneys, accountants, insurance producers, and company directors and officers
- **Malpractice:** for physicians, surgeons, dentists and hospitals, against a third party injured by negligence in professional duties. Many policies also cover personal injury such as mental anguish

  A consent to settle clause makes the insurer get the professional's permission before settling, which protects their reputation.
- **Errors and omissions (E&O):** for accountants, insurance producers and adjusters, architects, attorneys, stockbrokers, real estate brokers and engineers. An agent whose bad recommendation costs a client money is covered here
- **Directors and officers (D&O):** protects corporate leadership against suits by stockholders and others alleging mismanagement
- Others written by profession: druggists liability, fiduciary liability, employee benefit plan liability, professional architects liability