

UNITED STATES LIABILITY INSURANCE GROUP

Specified Professions Product

CLAIM EXAMPLES

MANAGEMENT, MARKETING, AND HUMAN RESOURCE CONSULTANTS

Rob's Bakery has not been doing well lately. His employees are complaining about the working conditions and morale is very low. This low morale is starting to be reflected on his employees' efficiency and level of customer service. Rob decides to hire Brian, a management consultant, to find ways to make his employees happier and improve their efficiency. Brian meets with the disgruntled employees, records their concerns, and presents a report to Rob outlining possible solutions. Rob tries every one of Brian's ideas, but his employees do not improve. Eventually, several of them quit. The loss of Rob's employees results in production being cut by half until he can hire more personnel. Rob sues Brian for \$100,000 for the loss of income.

Jeb is from out of state. He has a chain of barbecue restaurants called Jeb's Rib Rack, and is looking to open up a branch in a small town, but he's not sure which town would be the most profitable. He hires Larry, a marketing consultant, to determine the best location. After conducting a statewide study of eating preferences, traffic patterns, and potential for competition from other restaurants, Larry tells Jeb the best place for his restaurant is on Main Street in Smithtown. Jeb opens his restaurant to little fanfare. As it turns out, the townspeople are not into fast food. In fact, Smithtown had recently been named the healthiest town in the state. Jeb's Rib Rack soon fails, and Jeb sues Larry for \$500,000 for failing to find a better location.

Helen has recently formed a new company, OPQ Corp. She hires Victor, a human resources consultant, to write an employee handbook. Victor drafts a 30-page handbook and Helen approves it. A few months go by, and one of Helen's employees is terminated for sexual harassment. The employee counter sues OPQ Corp for \$50,000, claiming there was not a clear sexual harassment policy in place. After reviewing the handbook, Helen finds that it in fact did not include a sexual harassment policy. She sues Victor for the \$50,000 demanded by her former employee.

A management consultant specializing in distribution efficiency is hired to reduce the cost of distribution for a retail baked goods company. He advises the company to concentrate on baking and packaging, sell their trucking unit, contract with a trucking company specializing in food distribution and cut their distribution to a 500 mile radius. He works closely with the company to complete the changes by June 30th, the end of their fiscal year. Trucking companies demand more money for their service than first anticipated, as the price of gasoline rises higher in June than anticipated, and extended negotiations delay the distribution of the company's flagship product, their Independence Day-themed cupcakes, which do not arrive in supermarkets in time for the holiday. A rival's similar product capitalizes on the lack of the company's flagship product and thereafter dominates the market in that region. The management consultant is sued for negligence and \$100,000 in damages.

A human resources consultant who is a specialist in employment regulations, policies and procedures for East coast companies wins a contract for a company in a small midwestern town. The state in which the company is located recently passed extremely strict legislation requiring the workplace post of a five-step method of reporting and responding to employment discrimination to which management must closely adhere. The human resources consultant is not aware of the change and does not inform the company about the posting requirement. Shortly after the engagement of the human resources consultant is over, five employees sue the company for discrimination. They are demanding \$100,000 each and have a very strong case as the five-step method was not followed. The company sues the human resources consultant for negligence.

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