**A Primer on Errors and Omissions Insurance with Lloyd Schwed**

An experienced securities and professional liability attorney, Lloyd Schwed has served since 2006 as a Managing Partner with Schwed McGinley & Kahle in Palm Beach Gardens, Florida. With a number of other attorneys at the firm, Mr. Schwed regularly works on cases involving professional liability, directors and officers (D&O) insurance, construction, financial institutions, and errors and omissions (E&O) insurance. Here, he explains the basics of E&O policies.

Errors and omissions insurance, commonly known as E&O insurance, protects both individuals and companies against claims made by outside parties for negligent behavior or inadequate work. Many E&O policies cover both settlements and court costs. Since even baseless suits can be very expensive to defend against in court, E&O insurance provides reassurance that, regardless of the outcome of a case, a company will have assistance in settling the costs.

One common kind of E&O insurance is malpractice insurance carried by doctors, dentists, and chiropractors. Just as professional liability insurance covers a company, malpractice insurance protects physicians and other medical professionals from suits regarding the outcomes of their actions.

Many professionals working in industries outside of medicine also hold E&O insurance, including accountants, lawyers, architects, and engineers. Service providers such as event planners, Web hosting companies, and printing firms can benefit from E&O insurance if a problem arises for a client as a result of their work.

E&O policies are highly specialized and must be carefully worded to cover the precise exposures faced by each client. A doctor will have very different needs from an architect concerning an appropriate E&O insurance policy, and a good agent will construct a policy specifically to protect each unique client.