What is Professional Liability Insurance for Staffing Services?

- Staffing companies provide a wide variety of services to companies, governmental agencies, non-profit organizations, and individuals. In addition to basic employee placement and recruiting services, these firms may also provide services such as outsourced human resource duties (payroll and benefits administration), consulting, and training, opening the door to myriad professional liability exposures.

- AIG’s Professional Liability Insurance provides customizable Errors & Omissions (E&O) coverage for third-party financial loss claims arising from negligence in the course of doing business.

Why AIG

ISSUE
A staffing firm insured was sued for alleged misrepresentation following placement of a worker whose actions resulted in financial loss for their employer.

SOLUTION
Upon notice from the insured, AIG Claims leveraged its vast industry and claims experience to settle the claim through mediation.

BENEFIT
The insured’s claim was ultimately settled for significantly less than the original demand.

Contacts

Ryan Aussicker
Corporate Accounts Lead, Professional Liability and Cyber
ryan.aussicker@aig.com
646.634.6773

Rick Prince
National Accounts Lead, Professional Liability and Cyber
rick.prince@aig.com
917.225.4324

Submission Materials

- Specialty Risk Protector (SRP) application
- Staffing Services Supplemental Questionnaire

Appetite

- Maximum limit: $10M
- Retention: varies based on risk
  - Minimum $100K for Corporate Accounts clients; $250K for Major Accounts
- Target risks include full-time/part-time placement, professional employer organizations, HR consulting services, and executive search firms

The scenarios described herein are offered only as examples. Coverage depends on the actual facts of each case and the terms, conditions and exclusions of each individual policy. Any person interested in the above product(s) should request a copy of the standard form of policy for a description of the scope and limitations of coverage.

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. All products and services are written or provided by subsidiaries or affiliates of American International Group, Inc. Products or services may not be available in all countries, and coverage is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain property-casualty coverages may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds, and insureds are therefore not protected by such funds.

© American International Group, Inc. All rights reserved.