2019 - ACEC Professional Liability Insurance
Member Firm Survey Worksheet

Your Firm’s Background (1-6):

1. I certify that my firm is a member firm of ACEC and therefore eligible to take part in this survey.
   ○ Checking this circle signifies your agreement with the statement above.

2. What are your firm’s fields of practice? Check all that apply.

<table>
<thead>
<tr>
<th>□ Architectural</th>
<th>□ Building Commissioning</th>
<th>□ Civil / General (Including Transportation)</th>
<th>□ Construction Eng. &amp; Inspection</th>
<th>□ Construction Management</th>
<th>□ Electrical</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Energy / Industrial</td>
<td>□ Environmental</td>
<td>□ Geotechnical</td>
<td>□ Lab Testing</td>
<td>□ Landscape Architecture</td>
<td>□ Mechanical / HVAC</td>
</tr>
<tr>
<td>□ Planning</td>
<td>□ Process</td>
<td>□ Structural</td>
<td>□ SUE-Subsurface Utility Locating</td>
<td>□ Surveying</td>
<td>□ Water / Wastewater</td>
</tr>
<tr>
<td>□ Other (please specify):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. If 50% or more of your firm’s gross revenue comes from one field of practice, check that field below. If no field reaches this threshold, proceed to the next question.

<table>
<thead>
<tr>
<th>□ Architectural</th>
<th>□ Building Commissioning</th>
<th>□ Civil / General (Including Transportation)</th>
<th>□ Construction Eng. &amp; Inspection</th>
<th>□ Construction Management</th>
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</tr>
</thead>
<tbody>
<tr>
<td>□ Energy / Industrial</td>
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<td>□ Lab Testing</td>
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</tr>
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<td>□ Planning</td>
<td>□ Process</td>
<td>□ Structural</td>
<td>□ SUE-Subsurface Utility Locating</td>
<td>□ Surveying</td>
<td>□ Water / Wastewater</td>
</tr>
<tr>
<td>□ Other (please specify):</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

4. What is the annual gross revenue of your firm?

<table>
<thead>
<tr>
<th>□ Less than $500,000</th>
<th>□ $500,000 to $999,999</th>
<th>□ $1 million to $2,499,999</th>
<th>□ $2.5 million to $4,999,999</th>
<th>□ $5 million to $7,499,999</th>
<th>□ $10 million or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ $7.5 million to $9,999 million</td>
<td>□ $10 million to $19,999 million</td>
<td>□ $20 million to $49,999 million</td>
<td>□ $50 million to $99,999 million</td>
<td>□ $100 million or more</td>
<td></td>
</tr>
</tbody>
</table>

5. How has your firm’s annual gross revenue changed in the past year?

<table>
<thead>
<tr>
<th>□ Up more than 50%</th>
<th>□ Up 30% - 50%</th>
<th>□ Up 20% - 29%</th>
<th>□ Up 10% - 19%</th>
<th>□ Up 5% - 9%</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Up 1% - 4%</td>
<td>□ Little or no change from last year</td>
<td>□ Down 1% - 4%</td>
<td>□ Down 5% - 9%</td>
<td>□ Down 10% - 19%</td>
</tr>
<tr>
<td>□ Down 20% - 29%</td>
<td>□ Down 30% - 50%</td>
<td>□ Down more than 50%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. Who has the primary responsibility for risk management in your firm?

<table>
<thead>
<tr>
<th>□ In-House Counsel</th>
<th>□ Full Time Risk Manager</th>
<th>□ Principal(s) tasked with this responsibility as needed (less than full time)</th>
<th>□ CEO / President / COO</th>
<th>□ CFO / Controller</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Other (please specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7. Does your firm carry professional liability insurance (PLI)? If the answer is “no” please select that response and proceed to Question 25 in the “PLI Claims Made Against Your Firm” section.

☐ Yes ☐ No

8. Who is your primary professional liability insurance carrier? Please check only one.

☐ AIG / Lexington New Hampshire Insurance
☐ Argo Pro
☐ Arrowhead / American Alternative Insurance Co.
☐ AXIS
☐ Beazley
☐ Berkley
☐ Chubb / ACE American Insurance Co.
☐ CNA / Schinnerer; Continental Casualty; Columbia Casualty
☐ Endurance American
☐ Hanover
☐ HCC; Houston Casualty; US Specialty Insurance
☐ Hiscox
☐ Liberty Underwriters / Ironshore
☐ Lloyds of London
☐ Markel / Evanston / Alterra
☐ Navigators
☐ One Beacon
☐ RLI
☐ Starr
☐ Terra Ins.
☐ Travelers
☐ AXA XL
☐ Zurich / Steadfast Insurance

Other (please specify): ________________________________

9. Rate your satisfaction with your professional liability insurance CARRIER’S PRE-CLAIMS ASSISTANCE (including the carrier’s ability to assist with the pre-claim process). If you have not used these services, leave the response for this question blank and continue to the next question.

☐ Very Satisfied ☐ Satisfied ☐ Somewhat Satisfied ☐ Not Very Satisfied ☐ Very unsatisfied

☐ Have not used these services

10. Rate your satisfaction with your professional liability insurance CARRIER’S CLAIMS HANDLING (including responsiveness and competency of claims staff, communications skills, ability to assist with the claim process, etc.)

☐ Very Satisfied ☐ Satisfied ☐ Somewhat Satisfied ☐ Not Very Satisfied ☐ Very unsatisfied

☐ Have not used these services

11. Rate your satisfaction with your professional liability insurance CARRIER’S RISK MANAGEMENT PROGRAMS.

☐ Very Satisfied ☐ Satisfied ☐ Somewhat Satisfied ☐ Not Very Satisfied ☐ Very unsatisfied

☐ Have not used these services ☐ Our carrier does not offer such programs

12. Did you change PLI carriers during your most recently completed fiscal year?

☐ Yes ☐ No
13. If your answer to the previous question was “yes”, please explain why you changed PLI carriers. Check all that apply. If your answer was “no” please continue to the next question.

- [ ] Lower premium
- [ ] Better policy terms
- [ ] Not satisfied with pre-claims assistance
- [ ] Not satisfied with claims handling
- [ ] Not satisfied with risk management programs
- [ ] Needed higher limits than existing carrier could provide
- [ ] Could not renew with existing PLI carrier
- [ ] Changed carrier based on advice of Broker

Other (please specify):

14. Rate your satisfaction with your professional liability insurance BROKER.

- [ ] Very Satisfied
- [ ] Satisfied
- [ ] Somewhat Satisfied
- [ ] Not Very Satisfied
- [ ] Very unsatisfied
- [ ] We did not use a broker – Please proceed to Question 19

15. Did you change your PLI broker during your most recent completed fiscal year?

- [ ] Yes
- [ ] No

16. If your answer to the previous question was “yes”, please explain why you changed PLI brokers. Check all that apply. If your answer was “no” please proceed to the next question.

- [ ] Not satisfied with Broker
- [ ] Broker couldn’t access desired carrier
- [ ] New Broker offered additional services
- [ ] New Broker consolidated PLI and other business insurance

Other (please specify):

17. At the last renewal of your PLI did your broker present you with options from more than one carrier?

- [ ] Yes
- [ ] No

18. If your answer to the previous question was “yes”, did you request that your broker obtain quotes from other carriers? If your answer was “no”, please continue to the next question.

- [ ] Yes
- [ ] No

Professional Liability Insurance Metrics (19-24)

19. For your two most recently completed fiscal years, what were your yearly PLI premiums as a percentage of annual gross revenue? For 2018, for example, this would be your 2018 PLI premium divided by your 2017 annual gross annual revenue multiplied by 100. Please specify a percentage rounded to the nearest tenth of a percent and do not use the “%” sign (e.g., 1.2). Your responses, in combination with those of other member firms, will help us to understand the overall trend for PLI rates.

<table>
<thead>
<tr>
<th>FY 2017 (%)</th>
<th>FY 2018 (%)</th>
</tr>
</thead>
</table>

20. What is your coverage limit per claim? Please select the value nearest your actual limit.

- [ ] $100,000
- [ ] $250,000
- [ ] $500,000
- [ ] $1,000,000
- [ ] $2,000,000
- [ ] $3,000,000
- [ ] $4,000,000
- [ ] $5,000,000
- [ ] $6,000,000
- [ ] $7,000,000
- [ ] $8,000,000
- [ ] $9,000,000
- [ ] $10,000,000 or more
21. Are your per-claim and aggregate limits the same?
   □ Yes   □ No

22. What is your deductible? Please select the value nearest your actual deductible.

   □ $0 or No Deductible □ $2,500 □ $5,000 □ $10,000 □ $15,000 □ $20,000
   □ $25,000 □ $50,000 □ $75,000 □ $100,000 □ $150,000 □ $200,000
   □ $250,000 □ $300,000 □ $350,000 □ $400,000 □ $450,000 □ $500,000
   □ More than $500,000

23. How does your deductible compare with the previous year?
   □ Increased □ Stayed the Same □ Decreased

24. Please rank from 1 through 8 (with 1-Most Important to 8-Least Important) the following factors that you consider when selecting your PLI carrier. Please use each number only once.

<table>
<thead>
<tr>
<th>Rank</th>
<th>PLI Carrier Discriminators</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Broker Recommendation</td>
</tr>
<tr>
<td></td>
<td>Claim Handling Expertise / Reputation of Carrier</td>
</tr>
<tr>
<td></td>
<td>Financial Strength of Carrier</td>
</tr>
<tr>
<td></td>
<td>Length of time Carrier has been writing PLI for Design Professionals</td>
</tr>
<tr>
<td></td>
<td>Price</td>
</tr>
<tr>
<td></td>
<td>Risk Management Services Offered by Carrier (e.g. contract review, education, etc.)</td>
</tr>
<tr>
<td></td>
<td>Sponsorship / Endorsement of Carrier by a Professional Organization</td>
</tr>
<tr>
<td></td>
<td>Other (please specify)</td>
</tr>
</tbody>
</table>

**PLI Claims Made Against Your Firm (25-29)** - Please answer the questions in this section with reference to your firm’s most recently completed fiscal year.

25. Did your firm have any outstanding claims?  If the answer is "No," please select that response and proceed to Question 40 in "Impact of the Threat of Claims."
   □ Yes   □ No

26. What was the number of outstanding claims against your firm? Claims are defined as a written or oral demand for money or services, or initiation of a lawsuit.
   □ 1   □ 2   □ 3   □ 4   □ 5   □ 6
   □ 7 or more

27. How does the number of claims made against your firm compare with the prior year?
   □ More than the prior year □ The same as the prior year □ Fewer than the prior year
28. What was the number of claims made by client type? If the answer for any type of client is “0” please select that response instead of leaving the space blank.

<table>
<thead>
<tr>
<th>Client Type</th>
<th>Indicate the Number of Claims from 0-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Sector Clients / Owners</td>
<td></td>
</tr>
<tr>
<td>Private Sector Clients / Owners</td>
<td></td>
</tr>
<tr>
<td>Non Project-Owners (Prime A/Es, Contractors, etc.)</td>
<td></td>
</tr>
</tbody>
</table>

29. What was the number of claims made by non-clients? If the answer for any type of non-client is “0” please select that response instead of leaving the space blank.

<table>
<thead>
<tr>
<th>Non-client Type</th>
<th>Indicate the Number of Claims from 0-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction / Contractors</td>
<td></td>
</tr>
<tr>
<td>Construction Workers (e.g. Due to injury or death)</td>
<td></td>
</tr>
<tr>
<td>Non-Construction Workers (e.g. Due to injury or death)</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
</tr>
</tbody>
</table>

Claims Resolution (30-36) - Please answer the questions in this section with reference to your firm’s most recently completed fiscal year.

30. How many of your firm’s outstanding claims (including claims from prior years) were resolved in your most recently completed fiscal year? If none were resolved, please select “0” instead of leaving the space blank, and proceed to Question 37 in the “Defense of Claims and Causes of Claims”.

<table>
<thead>
<tr>
<th>□ 0</th>
<th>□ 1</th>
<th>□ 2</th>
<th>□ 3</th>
<th>□ 4</th>
<th>□ 5</th>
<th>□ More than 5</th>
</tr>
</thead>
</table>

31. How many claims were settled within your deductible (including costs of outside attorneys, experts, etc.)? The total should not exceed your answer to Question 30.

<table>
<thead>
<tr>
<th>□ 0</th>
<th>□ 1</th>
<th>□ 2</th>
<th>□ 3</th>
<th>□ 4</th>
<th>□ 5</th>
<th>□ More than 5</th>
</tr>
</thead>
</table>

32. How many claims were resolved by each of the following METHODS? If the answer for a method is “0” please select that response instead of leaving the space blank. The total should equal your answer to Question 30.

<table>
<thead>
<tr>
<th>Method</th>
<th>□ 0</th>
<th>□ 1</th>
<th>□ 2</th>
<th>□ 3</th>
<th>□ 4</th>
<th>□ 5</th>
<th>□ More than 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negotiation</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Mediation</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Arbitration</td>
<td></td>
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</tr>
<tr>
<td>Trial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Method</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
33. How many claims were resolved during each of the following PERIODS? If the answer for a method is “0” please select that response instead of leaving the space blank. **The total should equal your answer to Question 30.**

<table>
<thead>
<tr>
<th>PERIODS</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>More than 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before Trial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>During Trial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By Court Judgment</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

34. What was the total number of claims resolved WITHOUT any payment by your firm to the claimant? If the answer is “0” please select that response instead of leaving the space blank.

| 0 | 1 | 2 | 3 | 4 | 5 | More than 5 |

35. What was the amount paid for ALL claims (including claims from prior years) resolved during your most recently completed fiscal year, by ANY method (total for the entire life of the claim)?

<table>
<thead>
<tr>
<th>Defense Costs YOU paid lawyers, experts, etc.:</th>
<th>Defense cost paid by INSURER:</th>
<th>Amount of award or settlement YOU paid (including any fees due your firm that were waived or forfeited):</th>
<th>Amount of award or settlement paid by INSURER:</th>
</tr>
</thead>
</table>

36. Have you made a payment to a claimant during your most recently completed fiscal year to resolve a case when you believed the claim to be frivolous?

[ ] Yes  [ ] No

**Defense of Claims and Causes of Claims (37-39) - Please answer the questions in this section with reference to your firm’s most recently completed fiscal year.**

37. What was the total number of personnel hours expended by your firm in defending ALL claims (including claims from prior years)?

| 0-49 | 50-99 | 100-199 | 200-499 | 500-999 | 1,000 or more |

38. Please indicate any possible or alleged causes that could have contributed to the claims that your firm experienced. Check all that apply.

<table>
<thead>
<tr>
<th>Possible or Alleged Causes</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract (contract language, no contract, etc.)</td>
<td>[ ]</td>
</tr>
<tr>
<td>Communications (breakdowns when conflicts arise, poor team or client communication, etc.)</td>
<td>[ ]</td>
</tr>
<tr>
<td>Client / Project Selection (QBS vs. cost proposal, client not knowledgeable about construction, client / project financial strength, etc.)</td>
<td>[ ]</td>
</tr>
<tr>
<td>Project Management (lack of training, management of human or technical resources, etc.)</td>
<td>[ ]</td>
</tr>
<tr>
<td>Error or omission of a technical nature</td>
<td>[ ]</td>
</tr>
<tr>
<td>Third Party Claim</td>
<td>[ ]</td>
</tr>
<tr>
<td>Scope of Services (problems with scope definition, changes in scope, etc.)</td>
<td>[ ]</td>
</tr>
<tr>
<td>Other (please specify):</td>
<td>[ ]</td>
</tr>
</tbody>
</table>
39. For any claims that were either initiated or resolved during most recently completed fiscal year, please indicate the type of project involved in your LARGEST claim:

- □ Airport (Runway & Taxiways)
- □ Airport (Terminals)
- □ Apartment
- □ Bridges & Tunnels
- □ Condominium
- □ Healthcare
- □ Highways & Streets
- □ Hospitality (Hotel, Motel, Entertainment)
- □ Industrial & Process
- □ Land Development
- □ Mass & Rapid Transit
- □ Office
- □ Residential (Single Family)
- □ Retail
- □ School (Higher Education)
- □ School (K-12)
- □ Utility
- □ Water and/or Wastewater Conveyance
- □ Water and/or Wastewater Treatment
- □ Other (please specify)

Impact of the Threat of Claim (40-45)

40. Has your firm reduced, dropped, or modified any service offerings due to high claims activity or other risk issues?
- □ Yes
- □ No

41. How often has your firm not pursued or has turned down work, due to concern about potential risk issues? If the answer is "never" please select that response and continue to Question 44.
- □ Frequently
- □ Sometimes
- □ Rarely
- □ Never

42. Why specifically did your firm not pursue or turn the work down? Check all that apply.

- □ Contract terms
- □ Client History
- □ Undercapitalized Project
- □ High Risk
- □ Project Type or Delivery Method
- □ Lacked qualifications/experience
- Other (please specify):

43. During your last fiscal year, what is your best estimate of the potential total fee value of the work that your firm declined?

- □ $0 to $10,000
- □ $10,001 to $100,000
- □ $100,001 to $250,000
- □ $250,001 to $500,000
- □ $500,000 to $1 million
- □ $1.01 million to $2.5 million
- □ $2.51 million to $5 million
- □ $5.01 million to $10 million
- □ More than $10 million

44. In your opinion, to what extent does the threat of claims stifle innovation in the profession at this time?

- □ Very Much
- □ Somewhat
- □ A little
- □ Not at all

45. Please indicate whether the threat of claims is hurting your firm’s ability to do the following (check all that apply).

- □ Expand your firm’s business
- □ Hire new engineers
- □ Try innovative approaches
- □ Maintain good relations with other construction team members
- □ Hold down costs/ remain profitable
- □ Hold down fees
- □ Build good relations with clients
- □ The threat of claims is not having an impact on our firm
Suggestions for Improvement

46. Do you have suggestions for improving this survey? If so, please provide them below.

Engineering Inc. Participation Invited

While this survey is confidential, we are seeking member firms that are willing to be interviewed on their current insurance and risk management experiences, such as why the firm may have changed insurance carriers, risk management issues you are seeing, etc. If you are interested in being interviewed, please send a SEPARATE EMAIL to ckim@acec.org with your contact information.

Next Year’s Survey

If you wish to have this survey sent to a specific member of your firm next year, please send a SEPARATE EMAIL to ckim@acec.org with the individual’s name, title, and email address.