

E&O Alert: Are Brokers Insured for Today's Tariff Risks?

TIPS & INSIGHTS



WHAT'S HAPPENING

With the uncertainty of tariffs and shifting shipment values, customs brokers face growing exposure to negligence claims — many of which could lead to six-figure lawsuits. From outdated terms and misclassification of goods, to bond liability risks, the margin for error is shrinking fast.



WHERE BROKERS ARE MOST EXPOSED

- Missed protests due to frequent tariff updates
- Outdated Trading Terms & Conditions
- Incorrect tariff guidance or unvetted engineering strategies
- Improper bond limits causing stacking liability issues



WHAT'S AT STAKE

Brokers who are uninsured — or underinsured — may be on the hook for:

- Massive defense costs, even in frivolous cases
- Full liability for damages or settlements
- Denied claims for contractual liability if not clearly covered

“Some CBs already carry insufficient E&O limits — and today's tariff shifts have exponentially increased their liability. That gap must be addressed immediately.”

— Ron Gee, Strategic Relationship Manager



WHAT RESPONSIBLE BROKERS SHOULD DO NOW

1. Review your E&O policy — especially the per-occurrence and aggregate limits.
2. Talk to an expert — not all E&O policies are alike.
3. Keep Terms & Conditions of Service current to reflect the latest legal standard and industry practices.
4. Ensure your Ts and Cs are accessible and visible across all customer touch-points.
5. Advise clients on cargo insurance and document any decision to decline coverage.

Not sure you're fully covered?



LET'S TAKE A LOOK TOGETHER