

Selling Away Claims and Broker- Dealer E&O Coverage Issues, *Aon Advisor Solutions, ft. Rob Usinger*

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No type of claim causes more concern to securities broker/dealers than "Selling Away" claims. Selling Away claims, as distinguished from pure negligence claims, carry additional perils not generally associated with mere negligence claims. Though generally small in number, Selling Away claims are usually associated with greater financial loss than most negligence claims. They are high profile, thus garnering the attention of media as well as regulators. They are costly and difficult to defend, usually involve multiple victims and present challenges concerning errors & omissions insurance.

Selling Away Defined

Selling Away is the practice of an investment professional selling securities or investment products alleged to be securities that are not approved for sale by the broker/dealer with which he/she is affiliated. Broker/dealers generally maintain what is commonly referred to as an "approved product list", which specifies the securities and financial products that are approved for their investment professionals to sell.