

## **Sales Literature**

### **Errors and Omissions (Technology) Policy**

Errors and Omissions Indemnity Insurance is becoming an increasingly vital insurance for technology companies. Purchasers of IT are less tolerant of wasted expense and keen to blame their suppliers, whether or not their supplier is at fault.

Project disputes and high value settlements are now not uncommon throughout Europe and the USA. For technology companies operating in these markets, this insurance is a 'must have' for balance sheet protection. In India and across the globe Technology companies are demanding that their insurers deliver the right cover, backed by relevant expertise at fair prices.

Keeping this in mind, ITGI brings to you an insurance Policy designed to safeguard your liabilities arising out of your IT/ITES/Telecom business activities. The cover is offered with the specific needs of the IT/ITES sector companies in mind.

#### **What is covered?**

If the performance of technology business activities for a client results in a claim against the insured for financial compensation, including an injunction or restraining order, during the policy period due to any:

- A. unintentional breach of a written contract with a client to design, produce or supply deliverables due to:
  - i. the deliverables not conforming in all material respects with any written specification that forms part of the relevant contract and where it is an express term of the contract that the deliverables must comply with that specification;
  - ii. the deliverables containing a material defect;
  - iii. the deliverables failing to meet any implied statutory term concerning necessary quality, safety or fitness;
- B. negligent act, negligent error, negligent omission, negligent misstatement, negligent misrepresentation or breach of an express or implied contractual duty to use reasonable care and skill;
- C. infringement of intellectual property rights (but not any patent or trade secret) including copyright, trademark, trade dress or moral rights or an act of passing-off;
- D. breach of confidence or infringement of any right to privacy, misuse of any information which is either confidential or subject to statutory restrictions on its use;
- E. defamation;
- F. civil liability but not any liability for breach of contract beyond that specifically set out above.

#### **What is not covered?**

Like any other insurance Policy this Policy also does not respond to every conceivable claim or loss. This Policy will not make any payment for any claim or part of a claim or loss including any costs or expenses which would otherwise be covered by this policy, directly or indirectly arising from, or due to:

1. the failure or interruption of the service provided by an Internet service provider or any

telecommunications or other utility provider except when the insured provide those services.

2. any actual or alleged infringement of any patent.
3. non-payment, part-payment, late payment, the unauthorized or fraudulent use or misuse of any credit, debit, charge or store card. This does not apply to a claim for breach of a right to privacy or confidentiality where a hacker has caused the insured to unintentionally infringe a third party's right to privacy.
4. any personal liability incurred by a director or officer of the insured when acting in that capacity or managing the insured's business.
5. fines or contractual penalties.
6. any virus, worm, logic bomb or Trojan horse which indiscriminately replicates itself and is automatically disseminated on a global or national scale or to an identifiable class or sector of users unless created by a hacker.
7. any failure by any equipment (including any hardware, firmware or software) to correctly recognize any given date or to process any data or to operate properly due to any failure to correctly recognize any given date.
8. any defect in any deliverables which is solely the responsibility of the supplier, manufacturer or originator other than the insured. This exclusion does not apply to any amount that the insured satisfies us is legally able to recover under a written contract with a third party.

#### **How and when to lodge a claim?**

You may believe that IT Projects often suffer from problems and that We would be inundated with notifications if each of these problems were notified. However, it is important that you bear in mind, scenarios such as unpaid invoices, missed milestones and an escalating levels of client discontent conveyed in writing are all signals that all is not well with the project. Receiving a writ or other legal notice rarely represents the first awareness of a problem.

A written notice must be given to our Policy issuing office during the Policy period, when:

1. any actual claim or threatened claim is brought against the insured.
2. the insured first becomes aware of a problem arising out of their business activity which is likely to lead to a claim or threatened claim

NOTE: This literature only spells out the salient features of the cover, for details kindly refer to the terms conditions and exceptions of the policy