



Technology Errors & Omissions Liability

CYBERFIRST®

Sometimes, despite your best efforts, a customer will tell you that your product or your work failed to meet their expectations. When this happens, even your best customer may choose to make a claim against you alleging lost profits or business disruption. If you fail to insure these exposures with an errors and omissions policy, you'll pay the defense expenses and settlement costs out of your own pocket. Defense expenses alone can be catastrophic to your business.

When you consider that well-written contracts are challenged in court every day and even high-quality products or services can fail to meet expectations, you need to protect yourself.

These claim scenarios are hypothetical. Refer to the terms and conditions of the applicable policy and the actual facts of the claim to determine coverage.

CLAIM SCENARIO ONE: You design a radio unit that is integrated into a wireless telephone system. Contractors install a capacitor into your radio unit incorrectly as a result of an error in your schematics, causing failures to occur. Between 12,000 and 14,000 units are installed by the time the problem is discovered. Your client asserts a claim seeking to recover damages resulting from the failures.

CLAIM SCENARIO TWO: You develop enterprise labor force software to integrate with a client's HR and payroll systems. You fall behind in delivering the work, resulting in missed milestones and nonfunctioning project modules. You contend that the client repeatedly changed the size and scope of the project. Ultimately, the client fires you and files a lawsuit, seeking to recover lost profits due to the disruption.

RESULT: *CyberFirst* Technology E&O Liability would be there to help because an errors and omissions wrongful act is defined as "any error, omission or negligent act."

Technology errors and omissions (E&O) liability coverage protects against damages that you must pay because of economic loss caused by your products or your work and caused by an error, omission or negligent act.

CyberFirst is comprised
of five modules.
Build the policy you need to
round out your protection.

Technology
Errors &
Omissions
Liability

Network &
Information
Security
Liability

Communications
& Media
Liability

Employed
Legal
Professional
Liability

Expense
Reimbursement
Coverage



Travelers has been a leading insurer of technology companies for more than 25 years. Our technology errors and omissions liability coverage helps protect you in every corner of the globe and in every business stage – from garage to greatness.

You can rest assured that if there's a claim or suit brought against your company for a covered loss, you'll have the support and legal representation you'll need.

Technology errors and omissions liability coverage is specifically tailored for today's high-tech companies. It protects your bottom line against damages that you must pay because of economic loss arising out of your products or your work that is caused by an error, omission or negligent act. Claims and suits for such damages—not covered under a commercial general liability policy—could be catastrophic.

Coverage highlights

- Enterprise-wide coverage
- Worldwide coverage (unless prohibited by law or regulation from doing so)
- An expanded list of insureds that includes:
 - Others you must insure as required by written contracts
 - Your unnamed subsidiaries
 - Your newly acquired or formed organizations
 - Employees, including permanent and temporary workers
 - Independent contractors while performing duties related to your business
- Coverage available up to \$25 million
- Broad definition of a claim that goes beyond a written demand that seeks damages and also means a written demand to waive or toll a statute of limitations
- Supplemental extended reporting period (SERP) – multi-year options are available

Policy features

- Duty to defend claims or suits
- “Pay on behalf” wording
- Newly formed organizations qualify as Named Insureds – policyholder's retroactive date applies
- Our broad definition of damages includes punitive damages where insurable by law

The cost to defend any claim, even the most frivolous, can be financially devastating. Have you assessed your exposure to technology errors and omissions liability risks and the potential impact to your company?

To find out more about any of our **CyberFirst** coverages, contact your independent agent or visit travelers.com/technology.



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The Travelers Indemnity Company and its property casualty affiliates. One Tower Square, Hartford, CT 06183

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