

PROFESSIONAL & FINANCIAL RISKS // INFORMATION TECHNOLOGY LIABILITY // TECHNICAL SPECIFICATIONS // AUSTRALIA

## Technical Specifications: Information Technology Liability Insurance

### Liberty Offers a Unique Solution for IT Organisations

The ever increasing reliance on technology by business and consumers has driven fantastic growth in the IT sector – but that reliance on technology means the companies that provide it are increasingly vulnerable to legal actions claiming non-performance, failure to deliver and a whole host of other liabilities.

Below is a list of the covers provided by Liberty's **Errors & Omissions Liability (E&O) Policy for IT Organisations**. Liberty's Combined General & Products Liability (CGL) Policy for IT Organisations is also available and provides complimentary cover for a range of closely related exposures.

Important: Covers itemised in this document are general subject headings which may not describe key exclusions or qualifications. You must read the policy.

### So What's Covered? Key Features Tailored to the IT Industry

- ▶ **Defence Costs Paid in Advance** - prior to final resolution of a valid claim
- ▶ **Contractual Liability** - loss the insured is legally liable to pay under an indemnity and/or hold harmless term of a contract to the extent that such loss results from an act error or omission of the insured
- ▶ **Implied Warranties & Conditions** - for claims alleging breach of warranty or condition implied in a contract under common law and TPA
- ▶ **Limitation of Liability Contracts** - the insured's right to claim under our policy will not be prejudiced by commercial contracts and agreements with other parties that limit their liability
- ▶ **Statutory Compensation Orders** - compensation payable in civil penalty proceedings brought under Australian or New Zealand legislation arising from claims covered under the policy
- ▶ **Contractors & Consultants** - cover for persons or companies with no more than two employees in respect of IT services or products provided for or on behalf of the named insured
- ▶ **Intellectual Property Rights** - unintentional breaches excluding North America
- ▶ **Breach of Confidentiality** - for liability at law for breaches of confidentiality

- ▶ **Interference with Privacy** - for unlawful interference with privacy
- ▶ **Replacing or Restoring Documents** - first party cover for replacement and restoration costs
- ▶ **Exemplary & Punitive Damages** - the exemplary or punitive damages the insured is legally liable to pay under Australian or New Zealand law arising from claims covered under the policy
- ▶ **Loss Mitigation & Rectification (Optional)** - direct costs and expenses incurred in taking action to rectify or mitigate the effects of any act, error or omission that would otherwise result in a claim covered under the policy

#### Other Extensions Include:

- |                       |                          |                                      |
|-----------------------|--------------------------|--------------------------------------|
| ▶ Defamation          | ▶ Fraud & Dishonesty     | ▶ Inquiry Costs                      |
| ▶ Trade Practices Act | ▶ New Subsidiaries       | ▶ Spouses, Estates & Representatives |
| ▶ Joint Ventures      | ▶ Continuous Cover       | ▶ Reinstatement (Optional)           |
| ▶ Vicarious Liability | ▶ Extended Policy Period |                                      |

#### Other Conditions & Extensions

- ▶ **Allocation** - senior counsel clauses apply to disputes regarding decisions to defend claims and allocation between covered and uncovered matters
- ▶ **Change in Control** - if a change in control occurs during the policy period, the policy will only provide cover for acts, errors or omissions prior to the effective date of the change in control
- ▶ **Severability of Proposal & Non-Imputation** offers protection for innocent insureds
- ▶ **Insured** - the definition of insured includes subsidiaries which were a subsidiary of the named insured prior to the commencement of the policy period
- ▶ **Information Technology Products & Information Technology Services** - both expressions are broadly defined which expands the scope of cover and reduces the potential for disputes over whether a claim involves a “service” or a “product”

#### Our Capacity

##### For IT Organisations

Errors & Omissions Liability

- ▶ Up to \$25,000,000 capacity

##### For IT Organisations

General & Products Liability

- ▶ Up to \$25,000,000 capacity

##### For IT Projects

Errors & Omissions Liability

- ▶ Up to \$15,000,000 capacity
- ▶ Maximum policy period 72 months
- ▶ Maximum project development period 36 months

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Liberty Specialty Markets offers a breadth of world-class insurance and reinsurance services to brokers and insured clients. We bring value and solutions to more than 20,000 of Asia Pacific's most significant business and government organisations – helping protect what they earn, build and own.

We're part of the global Liberty Mutual Group, a Fortune 100 company that's been in business since 1912 with a Standard & Poor's 'A' (strong) rating.

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