

What is Technology Professionals Errors & Omissions Liability Insurance?

Technology Professionals Errors & Omissions (E&O) Liability Insurance can provide coverage for your company in the event of a lawsuit brought against it for claiming negligence in providing or failing to provide your professional services. E&O insurance steps in on covered claims to assist in the company's defense and protects your firm from bearing the full financial responsibility of the lawsuit. This coverage is often confused with General Liability Insurance. However, General Liability policies do not typically cover the professional services your firm provides.

What Professions Does Technology Professionals E&O Cover?

Coverage can be tailored for many technology related professions including:

- Software Developers/Publishers
- Telecommunications
- Website Developers
- IT Staffing/Training
- Data Storage Companies
- Technology Consultants
- Web Hosting
- Software Testers
- Social Media Platforms/Development
- and more...

What Can Technology Professionals E&O Provide?

Technology Professionals E&O can provide coverage for damages and defense expenses, including attorney's fees, for covered claims relating to an act, error, or omission in your professional services. Also, a tailored policy can protect both your company and your subcontractors from covered claims. Your policy can even be extended to include Privacy and Cyber Liability to cover claims of a data breach or theft of personally identifiable information.

Coverage Enhancements Available:

IP Infringement – Protects against allegations involving copyright infringement, plagiarism, misappropriation or infringement of title, slogan, or trademark in your professional services.

Multimedia Coverage – Protects against negligence in your firm's electronic for libel, false light or other violations of privacy.

Technology Products – Coverage for the failure of your technology products to function or serve their intended purpose.

Data Breach – Covers expenses your firm incurs to respond to a data breach event where personally identifiable information of third parties is stolen or otherwise compromised.

Why Choose Axis Insurance Services, LLC?

Our professionals specialize in Technology Professionals E&O, and we can aid you in finding the best coverage. We can assist you in comparing your E&O options and making an informed decision on a policy that protects against the specific exposures faced by technology professionals. Our years of expertise in the industry allow us direct access to high-quality insurance carriers, extremely competitive rates and the ability to customize an E&O policy specifically for you. Call us today for a review of your current policy and to ensure your E&O policy makes sense for your needs.

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Contact our experts today to find out how you can protect your business.

Claim Scenarios:

Software Failure

A software development company created software to analyze the sales data of a large manufacturer of consumer products. The products manufacturer implemented the program in both their domestic and international offices, and relied on the information it provided to launch a \$3,000,000 multi-national advertising campaign. Unfortunately, despite the millions of dollars spent on advertising and marketing, the manufacturer failed to see an increase in their product sales. When they discovered that the software had produced faulty data, they sued the software developer. The developer's E&O carrier settled with the manufacturer for over \$3,000,000.

Data Breach

An IT consulting company was hired to implement the installation of new hardware and software for a regional hospital group. The IT consultant was responsible for securing the hospital group's existing data, including patient medical records, during the installation. One of the technicians left a "back door" open during the process. This allowed a group of hackers to gain access to the volumes of patient medical information that were stored on the hospital's network. By the time the breach was discovered, seven months after the installation was complete, the private information of the hospital's patients was already thoroughly compromised. The hospital group sued the IT company and accepted a settlement of just over \$1,000,000 from their E&O insurer.

Product Failure

A software company specializing in providing software to integrate data across multiple platforms was hired to assist a medical billing company with integrating its data across several networks. The data consisted of the Medicare billing records of a large pharmaceutical distributor. When the pharmaceutical company needed access to their records during a RAC audit, it was discovered that the software had failed and had actually destroyed over 30% of the company's billing records. The company faced fines and lost revenue of over \$2,840,000. The pharmaceutical company sued both the medical billing company and the software manufacturer, and was awarded \$3,000,000 plus punitive damages at trial.

These are only claims examples: minor changes from actual suits have been made to protect the confidentiality of all clients.



Contact our experts today to find out how you can protect your business.