



Ever-Changing Risk Demands Focused Expertise

Media/Professional Insurance's TechNet Solutions™ policy addresses the rapidly evolving exposures in the world of cyber and technology risk. The policy is designed for any company providing technology based and/or Internet-related services or simply using the Internet as part of its business activities.

Coverage for dissemination of content and for errors and omissions in services are combined into one policy form. The program is backed by the solid claims-paying ability of the AXIS Insurance companies, rated A (Excellent) XV by A.M. Best.

Covered claims include:	Coverage Highlights
<ol style="list-style-type: none">1. Errors, omissions and negligent acts in the performance of services on-line and off-line2. Copyright and Trademark infringement including piracy and unfair competition3. Unauthorized access by third parties4. Liability assumed under contract5. Invasion of Privacy6. Libel/Slander7. Denial of Service Attacks8. Accidental introduction of malicious code in data or systems9. Broad Advertising Injury and Personal Injury	<ul style="list-style-type: none">• Definition of cyber and technology activities carefully crafted and customized for each account• Coverage for services provided and for distribution of content, both on- and off-line• Protects innocent insureds from the intentional wrongful conduct of "rogue" employees• Coverage for advertising by the insured• Coverage for punitive damages with most favorable venue provisions where allowed by law• Bi-lateral extended reporting period of up to 5 years• Soft hammer clause• Favorable consent to settle clause giving insured more control over settlement• Coverage for negligent discrimination in the conduct of professional services and a carveback that provides a defense for claims of intentional harassment, misconduct or discrimination until final adjudication• Subsidiary coverage including newly created or acquired entities• Allegation of intentional wrongful conduct covered until final adjudication• Universal territory coverage• Up to \$10,000,000 policy limit capacity, primary or excess• Sub-limit available for regulatory actions• \$2,000 minimum premium for a limit of \$1,000,000• \$2,500 minimum deductible

Sample of Classes Insured

- Application Service Providers
- News Groups and Blogs
- Content Providers and Electronic Publishers
- E-Commerce Risks including: E-Brochures, E-Catalogs and E-Business Consultants
- Technology Consulting
- Database Managers, Data Conversion and Data Storage
- Security and Penetration Testing
- Internet and Digital Media
- Network Developers, Managers and Consultants
- On-Line Marketing and Advertising Agencies
- Search Engines
- Web Site Owners, Developers, Designers, Consultants, Hosts and Administrators
- Software Developers, from games to data storage
- Telecommunications Services and Wireless Communications
- Portals

Primary or Excess Coverage Available

Claims Management

M/PI's industry-leading cyber claims expertise includes:

- Dedicated in-house claims attorneys with technology and cyber law expertise
- A network of top technology and intellectual property law firms
- Risk management and loss control programs available
- A policy that gives the insured more control over settlement with a "soft" consent clause

Claims Examples

The claims examples below illustrate the types of exposures companies face in the cyber and technology marketplace.¹

Privacy

An on-line retailer attempted to sell its customers' personal information to pay creditors as part of the retailer's bankruptcy. The retailer's privacy policy had stated that personally identifiable information would not be sold. A group of consumers brought a class action lawsuit on privacy grounds.

Errors, Omissions, Negligent Acts

A company provided web site design and consulting services to a client. The parties eventually decided to end their relationship and the company sent its client a letter requesting payment of bills totaling \$750,000. The client responded by alleging that the web sites designed by the company had architectural and performance issues and demanded \$9 million to settle its claims.

Unauthorized Access

A hacker infiltrated an on-line shopping web site and stole 300,000 customer credit card numbers. The web site faced claims from the customers for unauthorized charges made on the credit cards, as well as claims from the banks that issued the cards for the costs incurred in canceling and reissuing them.

Trademark Infringement

A business that used a competitor's trademarked name as a metatag — a piece of code used to increase the number of "hits" in response to Internet searches — was sued by the competitor for trademark infringement and unfair competition.

Copyright Infringement

A distributor of software products acquired another company that sold software pursuant to a license from plaintiff; the distributor continued to sell this software after the acquisition. Plaintiff sued for copyright infringement, alleging that the distributor's continued sale of the software violated the terms of the license.

Introduction of Malicious Code

A computer virus was introduced into the company's computer system and from there into software installed on the company's product. The virus was not discovered until after the product shipped. The virus caused damage to the product purchasers and resulted in a loss to the company totaling approximately \$14 million.

Rogue Employee

A disgruntled employee corrupted data in the company's system that was used to upgrade a product already on the market. The corruption caused damage to clients trying to upgrade the product as well as delays, cost overruns, etc., resulting in a loss of \$50 million.

¹ Some of the above are claims Media/Professional Insurance has handled. In others, M/PI was not directly involved. Coverage for these claims is not to be inferred from this list but must always be determined in reference to a particular insurance policy, which is the controlling document, as well as the facts and circumstances of each claim and applicable law.

Please send submissions to submissions@mediaprof.com



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