



Masterpackage
for technology companies

CHUBB®

Masterpackage for technology companies is a comprehensive first and third party policy to cater for the unique insurance needs of technology developers, producers and distributors.

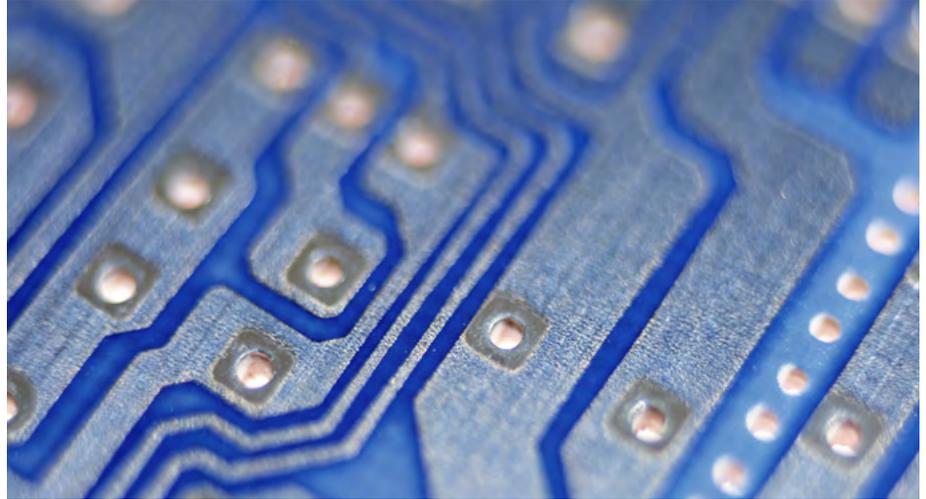
This cover can be bought as a combined solution or on a mono line basis.

It pays to buy the package policy as technology companies can enjoy the ease of working with one insurer to give them a policy that's easy and straight forward to use.

Why do technology companies choose Chubb?

- Industry expert underwriters
- Flexible policy offering
- Risk engineering specialists
- Award winning claims handling
- Global capabilities all built upon our longevity in this constantly changing technology sector.

Technology companies have both tangible risks (assets and revenue) and/or intangible (risks for legal liabilities towards employees and third parties).



Masterpackage for technology companies policy profile

This cover includes:

- | | |
|-------------------------------------|--------------------------------|
| 1 Professional indemnity | 6 Marine cargo |
| 2 Cyber | 7 Employee theft |
| 3 Employers liability | 8 Terrorism |
| 4 Public / Product liability | 9 Business interruption |
| 5 Environmental liability | 10 Property damage |

Technology companies professional indemnity, cyber risks and exposures

Technology companies face a range of third and first party risks as part of their day-to-day business activity. The pinwheel graphic below groups these risks into four broad categories: third party contractual liability, third party privacy data breach, first party privacy data breach and miscellaneous risks:



1-3. Third party damages and defense costs arising from a breach of contract, including product and service or service defect or failure by the technology company to its customers. Breach of contract forms the greatest volume of losses for technology companies.

4-5. Third party damages and costs arising from a breach of privacy, intellectual property rights or violation of a confidentiality agreement between a technology company and its customer.

6. Third party damages and defense costs resulting from libel and slander, disparaging statements plus discrimination harassment

or interference with a person's private affairs or likeness other than privacy violation or media activities.

7. Third party damages and defense costs that the technology for company is legally liable and computer malicious acts that are performed through their network security for hacking and denial of service attacks.

8. Media activities resulting in libel or slander.

9. First party reasonable and necessary expenses directly resulting from cyber extortion.

10. First party costs or expenses incurred by a technology company as a result of a cyber attack to remove malware and reconstruct data and business interruption cover as a result of cyber incident.

11. Third party notification, forensic remediation and regulatory costs incurred pursuant to a contract pertaining to the insured's product or service in addition to those costs incurred by the insured themselves for their own notification following a breach of their own system.

12. Costs incurred by a technology company where they are obligated under a contract with their customers.

Claims scenario

Public liability

- An employee of the insured dropping a piece of kit onto a third party vehicle during a maintenance inspection.
- An employee of the insured leaving a tool box in an unsafe location, which trips and injures a third party.

Product liability

- A defect in the insured's product causing injury to a third party.
- A defect in the insured's product causing fire or water damage to third party property injures a third party.

Professional liability

- Failure of insured's software resulting in a security breach to the customer network.
- A fire at a sub contractors premises resulting in a delay by the insured in their onward supply to a customer, leading to a breach of contract.
- A circuit board manufacturer produces a defective product causing a financial loss to a customer.
- The insured breaches copyright through usage of an image on their website.

Cyber claims

- Loss of or theft of unsecured mobile devices.
- Employee error creates a security breach to insured's systems.
- Manufacturing software is hacked causing the insured's production/business to cease and unable to complete customer orders.
- Insured's website suffers a denial of service attack via a computer malicious act causing loss of income.

Property damage/business interruption

- The insured has a theft of computer equipment critical to their business over a weekend. The insured incurs expenses in order to secure the property and hiring a security guard. These costs were reimbursed under the policy loss prevention expenses.
- The insured occupy a unit on a light industrial estate. Goods are delivered outside normal business hours and are left with the business at the neighboring unit (signed for as safely received). Before the insured collects their goods, a fire occurs at the neighboring unit and all the items are lost. Because Chubb covers loss within 250m of the Insured location, in addition to the material damage to the goods, we will also cover business interruption losses arising from the loss. These could be significant if the goods have to be re-made, re-imported and are critical to a production.

The benefit of Chubb's MasterPackage for technology companies policy is that all of the technology company's property, business interruption, employers liability, public liability, product liability, professional indemnity and cyber covers are included in the one policy. This makes reporting a loss much easier and also means that the insured does not have to wait on two (or more) insurers reaching a decision.

The examples shared illustrate the varied range of risks a hardware manufacturer may face and where these risks would typically fall in many market policies:

A typical market product liability policy would provide coverage for the defective product (providing it caused third party damage or injury) but not the defective service. In the absence of property damage or bodily injury, all of the risks protected under the professional indemnity category in the above graphic would not trigger the operative clause under a typical market product liability policy. A market public/product liability policy may also contain contractual liability exclusions. Hence, to ensure cover was provided for all these risks, the technology company would need to obtain two or more different insurance products, possibly with different carriers.

Key selling points: Professional indemnity and cyber insurance

Cover/Service	Benefit
Cover for both services and products	Chubb covers technology companies' liabilities associated with both services and products. Other insurers may either only cover services or where products are covered, impose warranties.
Contractual liability based policy	Chubb's policy for technology companies is contractual liability based, not negligence based, ie there only needs to be a breach of contract, rather than negligence proven, for the Chubb policy to be triggered. Chubb's policy allows for contractual disputes to be resolved much more quickly allowing the insured and its customer to resume their business together.
Contractually assumed incident response expenses	In the event of a data breach, there may be costs incurred that the technology company is obligated to pay as per the contract. The advantage with Chubb's policy is that the claim is not treated as a damages claim but instead as a fee paid to the technology company. This means the matter can be dealt with much more quickly so that the insured and its customer can resume their business together.
Disclosure of confidential information	In the course of business operations, technology companies often receive confidential information from their customers which is protected by a specific agreement in the contract. In the event of a breach, Chubb provides cover for consequential losses and expenses that arise as a result of disclosure of this confidential information.
Privacy violation	Chubb provides cover for the first party costs incurred should the technology company suffer a data breach. Notification and regulatory costs plus forensic and remediation expenses are covered.
Cyber extortion and reward expenses	In the event of a cyber extortion at the technology company, first party costs may be incurred as payment to, for example, a specialist consultant or negotiator to help remove or mitigate the threat. Costs may also be incurred as payment to an individual (other than a member of a law enforcement agency) for information leading to the conviction of a cyber extortion offender. Chubb provides such cover as standard.
Cyber business interruption	In the event of a cyber incident, without requiring evidence of physical loss or damage to covered property Chubb's cover protects the insured against loss of revenue and recovery costs.

Key selling points: Property & business interruption

Cover/Service	Benefit
Material damage proviso	The breadth of our Business Interruption is highlighted within our material damage proviso. Provided there is damage to a property and there is a policy in place (the policy does not necessarily have to be with Chubb) we won't wait to see if that policy responds: we will deal with the claim as if the damage was insured by Chubb, giving the benefit that this is one of the broadest covers in the market.
No business description	Technology companies are constantly changing their product and service offerings. As a feature of our technology offering, technology companies do not need to continually update our underwriters of these changes meaning there are no potential loop holes if a claim arises.
Installation extension	Chubb provides installation extension as standard. Other insurers' policies may require the technology companies' physical product to be stored in a single, specified location for the policy to be triggered in case of, for example, damage to or theft of the product. Technology companies will often need to store their product in temporary warehousing or even on their customers' premises immediately prior to installation. Chubb offers broader coverage by not specifying a single, specific location for product storage.
No condition of average if indexation taken	If you are under-insured and there is a loss, there is no condition of average if indexation is taken. This ensures that you will receive the highest possible claim amount and will not be penalised for accidental under-insurance.

Refer to policy wording/definitions for full terms and conditions.



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