Insurance and Group Benefits for Software and Information Technology Companies

WHAT DOES 360° LOOK LIKE?

www.thehartford.com/technology
Invisible to the human eye, natural gas is a powerful resource essential to the development of software and computer technologies. It’s a critical component in the manufacture of many products, including computer systems – from the silicon chips that run them to the plastic and glass that encase them. The Hartford is another essential resource that may not always be in your line of vision, but is always working to provide the protection software and information technology companies need.
IT'S COMPREHENSIVE. IT'S CUSTOMIZABLE.
IT'S 360° OF PROTECTION FROM THE HARTFORD — AND IT'S DESIGNED FOR SOFTWARE AND INFORMATION TECHNOLOGY COMPANIES LIKE YOURS.
The Hartford offers a vast array of solutions to fit your needs.

We’ve designed customizable products to meet the specific needs of software and information technology companies. The result? You get 360° of protection for your company from one provider.

You’re moving at the speed of technology. So are we.

The Hartford has been protecting the interests of technology customers like you for more than 25 years. We understand what you do and we know that each change in the industry produces a corresponding need to change your company’s level of protection. We continue to develop forward-thinking, innovative solutions for the industry. Here’s just a sample of the coverages and services we offer:

• **Data Breach Coverage.** Provides coverage for expenses and legal liability if customer data is stolen or lost. It also provides access to services to help your company comply with regulatory requirements and address customer concerns.

• **Computer-Based Crimes or Cyber-Extortion Insurance.** Helps cover expenses incurred as a result of a computer-based extortion.

• **Electronic Data Liability Coverage.** Provides coverage for the loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate electronic data that results from physical injury to tangible property with no sublimit.

• **FailSafe® Product Suite.** This suite offers flexible coverage that can be tailored to meet the professional liability needs of software and information technology companies. FailSafe provides protection against a broad array of exposures to loss including E&O, Security, Personal Injury, and Intellectual Property.

• **FailSafe MEGA®** is designed exclusively for small technology companies and is available as a coverage part to our Spectrum® Business Owner’s Policy. It offers E&O and Security coverage with low minimum premiums.

• **FailSafe GIGA®** and **FailSafe TERA®,** designed for technology companies of all sizes, offer the ability to address third party liability for E&O, Security, Personal Injury, and Intellectual Property, as well

And that means you need to protect your company’s long-term interests while addressing immediate challenges and identifying new opportunities. You need insurance and benefit solutions that are innovative, thorough and trusted.
as provide First Party Data Privacy Expense protection to software or information technology companies.

- **Group Benefits.** A top provider of Group Life, Disability and Accident insurance, The Hartford has benefit solutions for software and information technology companies. Let us help you serve your employees with the protection they need with a cost-effective solution that is friendly to your bottom line.

- **Pay-As-You-Go Workers’ Compensation.** We help you manage your cash flow and mitigate audit surprises by basing your premium payments on actual, not estimated, payroll — one pay-period at a time.

In addition to these coverages and services, The Hartford works with you as a true partner — providing access to a wide array of professionals, educational opportunities and on-site training.

And with offerings that include everything from property and casualty insurance to group benefits, you are assured a wide product selection and plenty of choice for your evolving needs.

**One trusted company. Many comprehensive solutions.**

In business since 1810, The Hartford has been keeping promises and delivering quality service for more than 200 years. We understand the complexities of the software and information technology world. It’s an industry that is constantly changing and creating new risks and exposures. We are able to serve you while maintaining the highest standard of ethical business practice. We’re proud to say that we’ve been named one of the World’s Most Ethical Companies by Ethisphere™ Institute for five consecutive years.

We are prepared to help you take on the challenges you face. We can help you protect your property, your products and your people. It’s our long-term experience that allows us to create coverage for software and information technology companies that is comprehensive, customizable and leading-edge. That’s why we call it 360° of protection.
Property and Casualty Insurance

Our property and casualty insurance helps protect software and information technology companies. In addition to standard plans, The Hartford can design a customized loss-sensitive insurance program that includes tailored coverages, risk-financing plans and risk-control services.

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<tr>
<th>INSURANCE COVERAGE</th>
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<tr>
<td><strong>Property</strong></td>
<td>Property Choice® for software and information technology companies provides coverage for business personal property, buildings and business income common insurance exposures, as well as those that are unique to your industry, including: computer equipment, media and data, and electronic vandalism (damage to data from viruses and other malicious code). Includes $100,000 in “green” coverage.</td>
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<td><strong>General Liability (GL)</strong></td>
<td>General Liability Choice® provides broad liability coverage for bodily injury and property damage arising from software and information technology companies’ premises and operations. Includes coverage for:</td>
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<td>• Personal and advertising injury including libel, slander, defamation and product disparagement, including offenses that occur from your Web site, bulletin boards and chat rooms</td>
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<td>• Broad named insured, including contractual liability</td>
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<td>Electronic Data Liability Coverage is provided for the loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate electronic data that results from physical injury to tangible property with no sublimits.</td>
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<td><strong>Professional Liability</strong></td>
<td>In the software and information technology industry, it is important to consider professional liability (E&amp;O) coverage. But not all companies need the same level of protection. That’s why we developed our FailSafe® product suite, which features three increasingly robust coverage options. FailSafe can be tailored to your unique business needs. Your Hartford agent can help you choose the right FailSafe coverage from these options:</td>
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<tr>
<td></td>
<td>• FailSafe MEGA®, designed exclusively for small technology companies and available as a coverage part to our Spectrum® Business Owner’s Policy, offers E&amp;O and Security coverage</td>
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<td></td>
<td>• FailSafe GIGA® and FailSafe TERA®, designed for technology companies of all sizes, offer the ability to address third party liability for E&amp;O, Security, Personal Injury, and Intellectual Property, as well as provide First Party Data Privacy Expense protection</td>
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<tr>
<td><strong>Property and Liability for Smaller² Software and Information Technology Companies</strong></td>
<td>Spectrum® Business Owner’s Policy offers some of the broadest property and liability coverage available – including built-in, value-added coverages at no additional cost. You can broaden your coverage with flexible options that address unique industry needs and optional coverages available in cost-effective packages that allow an insurance program that is “just right” for you.</td>
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1. Some coverages may not be available in all states.
2. Businesses with less than $15 million in total sales or $20 million in total insured property values.
Comprehensive coverage

- **Broad form endorsements** to help protect against certain unknown and unanticipated exposures not typically covered by a standard policy

- **Basic option**, automatically included at no extra cost, includes employers’ liability stopgap for monopolistic states and voluntary compensation

- **Extended option**, available for an additional charge, includes increased limits for employers’ liability, foreign voluntary compensation and United States Longshore and Harborworkers’ Compensation Act (USL&H)

Risk-management services

- **Team·Work® return-to-work program** helps get injured employees back on the job as soon as medically appropriate

- **Claim-fraud investigators** save customers of The Hartford thousands of dollars in unwarranted claims

- **@venture® risk-management information system**, available to eligible software and information technology companies, helps allocate risk-management resources where they can have the greatest impact

Payroll billing option

- Offered at no extra cost, premium payments based on actual payroll, timed to your organization’s payroll schedule

Commercial Automobile

Coverage for accidents involving vehicles owned, leased or rented by software and information technology companies

**Broad form endorsement** includes coverage enhancements that may be especially valuable to software and information technology companies

- **Hired auto physical damage.** If you purchase physical damage and liability coverage for your owned autos, The Hartford automatically covers physical damage to any auto your company rents, loans or leases, up to $100,000 per loss

- **Employees as additional insureds.** If your employees use their own autos to conduct business, they’re covered for liability

- **Lease or loan gap.** As long as physical damage coverage is purchased, pays the difference between the outstanding lease or loan balance and actual cash value (ACV) if the auto is a total loss and the outstanding balance is greater than actual cash value

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3. Generally accounts over $250,000 in premium.
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| **Commercial Umbrella** | Up to $25 million policy limits  
Comprehensive catastrophic liability coverage |
| **Cyber Liability & First Party Data Privacy Expense** | The Hartford’s FailSafe® suite offers variable coverage solutions for the professional liability exposures of most software and information technology companies, including the capability to address both third-party privacy liability and first-party expenses related to a data privacy breach. |
| **Directors and Officers Liability (D&O)** | Coverage for everyday management and business decisions made by the directors, officers and management of software and information technology companies.  
Derivative demand investigation costs coverage ($250,000 sublimit)  
$500,000 Side A reinstated limit for claims against managers (other than original claim), at no additional premium  
IPO coverage quote terms  
Claim definition includes criminal and alternative dispute resolution proceedings  
Security-holder-related exceptions to the professional services and intellectual property exclusions  
Up to $1 million for defense expenses as an exception to the antitrust exclusion |
| **Employment Practices Liability (EPL)** | Comprehensive coverage for employment-related wrongful acts, including wrongful terminations, retaliation, discrimination, sexual harassment, and other workplace torts.  
Audits by the Office of Federal Contract Compliance Programs  
No fraud/conduct exclusion  
Definition of “Third Party” includes customer, vendor, service provider or other business invitee (if coverage elected) |
| **Fiduciary Liability** | Coverage for claims that arise from the administration and oversight of pensions and other employee benefit plans provided to employees and retirees of software and information technology companies  
Extended definition of claim (including investigations by the Department of Labor or the Pension Benefit Guaranty Corporation)  
ERISA and HIPAA-related coverage  
IRS voluntary settlement program coverage ($100,000 sublimit) |
| **International** | The Hartford offers a suite of international coverages for risks who sell and service outside of the U.S. with limited physical presence overseas. Additional expanded coverages are available through collaboration between The Hartford and The ACE® Group. Together, we provide competitive international insurance programs, including property, liability, employer responsibility, kidnap and extortion, claim services, and global support services. |
### INSURANCE COVERAGE

#### THE HARTFORD OFFERS

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<th>Crime</th>
<th>Coverage to protect software and information technology companies against loss from:</th>
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<tr>
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<td>• Employee theft and other related exposures such as computer fraud and forgery</td>
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<td>• Theft, disappearance and destruction, as well as robbery and safe burglary, inside the premises</td>
</tr>
<tr>
<td></td>
<td>• Theft, disappearance and destruction, as well as actual or attempted robbery, outside the premises</td>
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<th>Kidnap and Ransom</th>
<th>For protection of software and information technology company employees, at home and while traveling to certain countries abroad</th>
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<th>Marine</th>
<th>The Hartford has a long history of providing innovative inland and ocean marine products and services to software and information technology companies to help meet specialized property and cargo coverage needs, including:</th>
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<tr>
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<td>• Shipper’s Interest</td>
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<td>• Ocean Cargo Choice℠</td>
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### Group Benefits

A top seller of Group Life, Disability and Accident insurance, The Hartford has been meeting employer benefit needs for more than 60 years. Our tailored solutions and innovative services help reduce costly errors and administrative burdens, while increasing productivity. For example, The Hartford offers absence management tracking on every level from workers’ compensation to family medical leave. Our Short-term Disability (STD) claim durations, on average, are 12 days shorter than the industry average. In today’s economy, controlling costs while providing a benefits package that attracts and retains quality employees can be vital to an employer’s bottom line.

#### INSURANCE COVERAGE

#### THE HARTFORD OFFERS

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<tr>
<th>Group Life</th>
<th>Employer and employee (voluntary) paid options (see also Voluntary Benefits)</th>
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<td>Available coverage up to a specified amount without medical underwriting</td>
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<td>Waiver of Premium option in the event of a total disability</td>
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<td>Continuation of coverage when employment ends through a conversion and/or portability offering</td>
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<td>Living benefit option as much as 80% up to $500,000</td>
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<td>Value-added services such as travel assistance, identity theft services, estate guidance, and funeral planning</td>
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4. LIMRA’s U.S. Group Disability and Life Sales Report Summary, full-year results for 2011: #1 in new AD&D sales, #4 in new combined fully insured Disability sales, and #5 in Group Life sales.
5. The Hartford’s Group Benefits Claims department internal data as of 12/31/10 compared to most recent (2008) Integrated Benefits Institute’s Short-term Disability industry duration benchmarks.
6. Assumes employee enrolls when first eligible to do so. Late enrollments and higher amounts of coverage require medical underwriting.
7. Receipt of accelerated benefits may be taxable. Seek assistance from a qualified tax advisor for more information.
## 360 OF PROTECTION

### INSURANCE COVERAGE

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| **Accidental Death and Dismemberment (AD&D)** | **Group and Standalone AD&D Insurance**  
24-hour worldwide business and pleasure protection; available as part of the Group Life policy or as a Standalone policy  
• Provides partial payments for accidental losses other than loss of life  
• AD&D amount is based on the severity of the loss  
• Rider ‘packages’ or customized options available |
| **Group Disability – STD & LTD** | **Both Short-term Disability (STD) and Long-term Disability (LTD) include employer-paid and voluntary options, return-to-work incentives and professional coordinators as well as rehabilitation programs**  
**STD plans** include three work incentive options plus flexible features:  
• **Weekly benefits up to 70%** of an employee’s lost income  
• **Waiting periods** for accident and sickness of one to 30 days  
• Maximum **benefit durations** of 13, 26 and 52 weeks  
**LTD plans** focus on productivity, financially encouraging employees who want to work  
• **Comprehensive Disability definition** satisfies the Elimination Period with a loss of duties only, while **recurrent disability language** helps encourage return-to-work attempts  
• **Return-to-work incentives** that increase overall replacement income  
• **Rehabilitation assistance** with family care credit  
• **Value-added features** like Ability Assist®, which provides emotional, legal and financial counseling8 |
| **Integrated Benefits** | **Companies that offer The Hartford’s Short- and Long-term Disability and Life plans benefit from:**  
• A **seamless transition** between STD and LTD and Life Premium Waiver, with the Basic and Supplemental Life Premium Waiver Elimination Period matching the LTD Elimination Period  
• **Continuation of Basic and Supplemental Life coverage at group rates** while an employee is receiving LTD and earning 20% to 80% of pre-disability earnings |
| **Business Travel Accident** | **Business Travel Accident benefit offers:**  
• **High coverage limits** available for all employees or specific groups up to 10 times salary  
• **24-hour protection**, with benefits payable for losses that occur within 365 days of the accident  
• Full range of coverage options plus **emergency travel assistance** and other services |
| **Group Retiree Health** | **A fully insured program** that works with Medicare to cover many of the deductibles, co-payments and out-of-pocket expenses that Medicare doesn’t cover, like preventative care and at-home recovery services  
**Covers retirees, their spouses, widow(er)s and domestic partners** who are age 65+ and entitled to Medicare  
• A variety of **prescription drug options** to fit retirees’ needs  
• Multiple billing payment and timing options |

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8. Ability Assist® is offered through The Hartford by ComPsych®. ComPsych is not affiliated with The Hartford and is not a provider of insurance services.
For More Information

Why not join the 82,000+ technology companies that have already chosen The Hartford to insure their business? To learn more about the many advantages that The Hartford’s 360° of protection can offer your software or information technology company, please contact your local Hartford agent, benefits consultant or representative. You can also e-mail us at techpracticegroup@thehartford.com.
With The Hartford Behind You, Achieve What’s Ahead of You.®

www.thehartford.com/technology

This document outlines in general terms the coverages that may be afforded under a Hartford policy. All policies must be examined carefully to determine suitability for your needs and to identify any exclusions, limitations or any other terms and conditions that may specifically affect coverage. All claims for coverage are subject to claims adjusting. In the event of a conflict, the terms and conditions of the policy prevail. All Hartford coverages described in this document may be offered by one or more of the property and casualty insurance company subsidiaries of The Hartford Financial Services Group, Inc. Possession of these materials by a licensed insurance producer does not mean that such producer is an authorized agent of The Hartford. To ascertain whether a producer is a Hartford agent, please contact your state’s Department of Insurance or The Hartford at 1-888-203-3823.

The Hartford® is The Hartford Financial Services Group, Inc. and its subsidiaries, including issuing companies Hartford Life Insurance Company and Hartford Life and Accident Insurance Company. Policies sold in New York are underwritten by Hartford Life Insurance Company. Home Office of both companies is Simsbury, CT.

All benefits are subject to the terms and conditions of the policy. Policies underwritten by the issuing companies listed above detail exclusions, limitations, reduction of benefits and terms under which the policies may be continued in force or discontinued. This guide explains the general purpose of the insurance described, but in no way changes or affects the policy as actually issued. In the event of a discrepancy between this brochure and the policy, the terms of the policy apply. Complete details are in the Certificate of Insurance issued to each insured individual and the Master Policy as issued to the policyholder. Benefits are subject to state availability.