

TECHNOLOGY & LIFE SCIENCE PRACTICE



FAILSAFE® OVERVIEW: PROFESSIONAL AND CYBER RISK PROTECTION EXCLUSIVELY FOR TECHNOLOGY BUSINESSES.



PROTECTION FOR BUSINESSES OF ALL SIZES

Not all companies need the same level of protection. That's why we developed our FailSafe® product suite, with three coverage options that you can help your clients tailor to their unique business needs.

FAILSAFE MEGA®

Superior Professional & Cyber Risk coverage available only to Spectrum® Business Owner's Policy clients.

FAILSAFE GIGA®

A standalone Professional & Cyber Risk policy available to all tech companies.

FAILSAFE TERA®

A more robust Professional & Cyber Risk product, which expands the coverage of FailSafe GIGA.

WHY YOUR TECHNOLOGY CLIENTS NEED FAILSAFE

Technology is integral to the operation of most businesses today. When technology fails, the financial impacts can be significant, and the companies affected often seek compensation from their technology product or service providers.

Unfortunately, traditional liability policies aren't designed to respond to pure financial claims.

Consider what would happen if your technology client were found legally liable for a financial loss because:

- A glitch in their software caused their client to lose a month's worth of billing data
- Equipment they installed prevented their customer from receiving online orders for 48 hours
- Their cloud-based data services failed to back up critical, unrecoverable data
- The website they designed for a customer too closely resembled its key competitor's site

Protection for technology exposures.

In situations like these, you want to know that your technology client is protected. At The Hartford, we believe that professional and cyber risk coverages are essential parts of a comprehensive insurance program for all technology companies. That's why we developed the FailSafe product suite.

FailSafe addresses the professional and cyber risk exposures for technology companies of all sizes. Together with The Hartford's standard lines solutions, it can help provide protection for your technology clients.

THE FAILSAFE PRODUCT SUITE

FAILSAFE MEGA

This Professional & Cyber Risk coverage part is available exclusively to technology companies that purchase The Hartford's Spectrum® Business Owner's Policy. You can submit and rate FailSafe MEGA through our online ICONSM submission system. It features:

Professional Liability Coverage

- E&O: Negligence; Breach of warranty or representation coverage with no contractual liability exclusions
- Security Liability coverage for Professional Services:
 - » Denial of service
 - » Disruption of service
 - » Unauthorized access to, unauthorized use of, repudiation of access to, tampering with or introduction of malicious code into firmware, data, software, systems or networks
 - » Identity theft or disclosure of nonpublic personal information
 - » Disclosure of third-party nonpublic corporate information

Data Privacy and Network Security Liability Coverage

- Security Liability coverage for activities on an insured's computer system or network, including those of a third-party cloud provider
- Coverage for rogue employees
- Punitive, exemplary and multiplied damages where insurable by law based upon the jurisdiction most favorable to the insured
- Insured has full right to object to settlement with softened hammer clause of 50%
- All perils fully integrated into one insuring agreement
- Coverage limits from \$300,000 to \$2MM through ICON. Up to \$5MM in capacity is available through your Technology & Life Science Practice underwriter

FAILSAFE GIGA

A standalone Professional & Cyber Risk policy available to technology companies of all sizes, FailSafe GIGA includes all of the coverage afforded under the FailSafe MEGA product, plus the following features:

- Enterprise definition of covered services
- Limits up to \$15 million are available
- Available by endorsement
 - » Personal Injury & Intellectual Property Liability coverage for Professional Services; and Media Liability coverage
- **First Party Coverage available**, including:
 - » Expenses:
 - Crisis management expenses
 - Cyber investigation expenses
 - Data privacy regulatory expenses
 - Notification and identity protection expenses
 - PCI expenses
 - » Extortion:
 - Cyber extortion expenses;
 - » Business interruption and data loss:
 - Business interruption loss
 - Dependent business interruption loss
 - Data restoration loss

FAILSAFE TERA

The Hartford's most robust Professional & Cyber Risk product for technology companies includes all of the enterprise liability coverage afforded under the FailSafe GIGA product, plus the following expanded peril coverage offerings:

- **Professional Liability Coverage - Expanded Perils:**
 - » Personal Injury Liability coverage
 - » Intellectual Property Liability coverage (includes software code)
- **Media Liability Coverage** (includes Advertising Injury)

FAILSAFE FEATURES

- One unified insuring agreement for all applicable liability coverage grants (Professional Liability; Data Privacy and Network Security Liability; and Media Liability).
- Claims-made policy
- Defense within the limits
- Specified coverage for independent contractors and clients
- Universal coverage territory
- Policy is not subject to premium audit

WHO NEEDS FAILSAFE?

FailSafe can provide coverage to a broad array of technology companies, including:

- Software & information technology
 - » Prepackaged or custom software developers
 - » Website designers
 - » Computer consultants
 - » Systems integrators
 - » Federal government IT contractors
- Hardware & electronics manufacturing
 - » Electronic components
 - » Consumer electronics
 - » Computers
 - » Communications equipment
- Telecommunications & integrated communication services
 - » Local exchange carriers
 - » Long distance telecom carriers
 - » Internet/application service providers
 - » Website hosting

A PORTAL TO RISK CONTROL

Policyholders will also have access to [The Hartford Cyber Center](#). It gives users access to tools and information about raising the bar on security, including:

- Breach response calculator
- Templates
- Best practice guides
- Training videos
- The latest news on privacy and security

RECOMMENDED CYBER RISK SOLUTIONS

To help close security gaps, The Hartford offers recommendations on cyber security services.¹

OUR FIRST RESPONSE: PROFESSIONAL ASSISTANCE

The Hartford has developed a panel of third-party service providers with deep breach response experience. We call them The Hartford First RespondersSM. After a breach, they can help businesses:

- Coordinate a timely and efficient response
- Comply with regulatory requirements
- Protect the company's brand
- Provide real identity risk solutions to their customers

The Hartford First RespondersSM can help businesses round out their incident response plan. As customers of The Hartford, they'll have the additional benefits of:

- 24/7 emergency response assistance
- Pre-negotiated rates
- Vendor availability²

WE KNOW YOUR INDUSTRY AND DELIVER ACCORDINGLY

At The Hartford, we've been insuring the technology and life science industry for more than 30 years. We understand the rapidly changing environment your customers face. We offer the products and services designed to help meet their coverage needs today and tomorrow.

LEARN MORE.

Visit thehartford.com/technology for more information about our appetite and the coverage The Hartford can provide to your technology and life science clients.

¹ The information provided in these materials is intended to be general and advisory in nature. It shall not be considered legal advice. The Hartford does not warrant that the implementation of any view or recommendation contained herein will: (i) result in the elimination of any risk at your business locations or with respect to your business operations; or (ii) be an appropriate legal or business practice. The Hartford assumes no responsibility for the control or correction of risk or legal compliance with respect to your business practices, and the views and recommendations contained herein shall not constitute our undertaking, on your behalf or for the benefit of others, to determine or warrant that your business operations are safe, or are in compliance with any law, rule or regulation. Readers seeking to resolve specific legal or business issues or concerns related to the information provided in these materials should consult their attorney or business advisors.

² The Hartford has arranged for data risk management services for our policyholders at a discount from some third-party service providers. Such service providers are independent contractors and not agents of The Hartford. The Hartford does not warrant the performance of third-party service providers even if paid for as part of the policy coverage, and disclaims all liability with respect to use of or reliance on such third-party service providers.

This document outlines in general terms the coverages that may be afforded under a policy from The Hartford. 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. In the event of a conflict, the terms and conditions of the policy prevail.

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In Texas, the insurance is underwritten by Hartford Accident and Indemnity Company, Hartford Fire Insurance Company, Hartford Casualty Insurance Company, Hartford Lloyd's Insurance Company, Hartford Insurance Company of the Midwest, Trumbull Insurance Company, Twin City Fire Insurance Company, Hartford Underwriters Insurance Company, Property and Casualty Insurance Company of Hartford and Sentinel Insurance Company, Ltd. Certain coverages and features may vary and may not be available in all states. Applicants are individually underwritten and some may not qualify. This insurance is underwritten by Hartford Fire Insurance Company, Inc., and its property and casualty affiliates, Hartford, CT. In CA, this insurance is written by Hartford Fire Insurance Company (CA license #7268) and its property and casualty insurance affiliates.

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Business Insurance
Employee Benefits
Auto
Home