



## Information Technology Professional Liability

I am an IT professional. Why do I need the cover?

IT professionals provide specialist advice on a variety of computer systems, including hardware, software, firmware and networks for their clients. They are also responsible for a range of services, including:

- Hardware design, sales, installation maintenance and repair
- Software design, configuration and customisation
- Computer network design and installation services
- Internet integration and web page development
- Designing and providing training services

Any organisation that develops, manufactures, licenses, sells, provides, advises or integrates any form of information technology and/or related service is exposed to litigation. The failure of a product, service or incorrect advice will expose that organisation to claims. The cost of legal representation itself, irrespective of any liability to compensate a client, can be potentially crippling to an organisation, and is seldom recovered even where the organisation has been found to have no liability.

Why do I need cover if I have never had a claim?

IT professionals may not only face claims for the quality of their advice but also for damage caused by the failure of products they supply. Key exposures include:

- Errors, omissions, or negligence in the design and/or installation of networks and software, preparation of custom-made programs
- Bodily injury and/or property damage in the conduct of the business
- Breach of copyright arising from the use or modification of proprietary software programs
- Loss of data due to systems programming failures
- Delays and or costs overruns in the development, installation or integration of software, hardware or firmware
- Breach of privacy or similar other legislation from the inadvertent publication/broadcast of databases
- Liability arising out of the design of or the content on a website or internet site
- Recommending a computer network to a client that fails to perform as described, or recommending equipment that is inadequate to meet the client's needs or type of operations

Why do I need Public & Products Liability AND Professional Indemnity cover under one policy?

The combined product was developed to overcome the shortcomings of the standard public liability and professional indemnity policies. This is largely due to there being a blurred distinction in the IT industry between a product and a service. For example, a standard professional indemnity policy will only respond to IT claims if they relate to a design flaw - but for software and other IT developers, this is rarely the case. The history of litigation shows that when claimants have a problem with functionality, the cause is far more complex and rarely due to an identifiable design flaw. The combined policy wording overcomes this distinction.

Even if it isn't a design error, won't my Products Liability Policy still provide cover?

No. If the claim is due to functionality, it is probable the third party claim will be for pure economic loss. In the absence of personal injury or property damage, the standard Products Liability policy won't provide cover.

Who is the policy underwritten by?

As one of the largest privately owned insurance brokerages in Australia, Griffiths Goodall Insurance Brokers has multiple underwriter distribution channels. This means that we are able to source numerous quotations in the insurance marketplace to ensure that we are providing our clients with the very best value for money.

Why should I choose Griffiths Goodall Insurance Brokers?

We offer a complete insurance broking package encompassing technical insurance advice, market analysis, risk management and claims management services. Our brokerage is a member of both the National Insurance Brokers Association and the Insurance Brokers Network of Australia. Membership of these credible and accredited bodies ensures that we stay ahead of changes within the industry - and that helps us provide first class advice and tailor-made service to you.



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