

A value-added endorsement that extends coverage of BOP or Commercial General Liability to provide coverage for damages resulting from a wrongful act in conjunction with the insured's professional services.



Tech Errors & Omissions

Examples of how Tech E&O provides added protection

Coverage Highlights

- Claims-made trigger
- Defense costs included within limits

Limits of Insurance	
Standard:	Additional limits:
\$100,000 each claim/ \$100,000 aggregate	\$250K/\$250K; \$500K/\$500K; \$1M/\$1M
Deductible	
Standard:	Additional options:
\$1,000	\$2,500 & \$5,000

Custom Software

A large retail clothing chain hired an IT consulting firm to develop a made-to-order payroll software system. After the system was installed, it began making significant errors. Ultimately, it was found that during a one-month period, the system generated \$575,000 of overpayments, an amount for which the retail clothing chain sued the IT consulting firm.

Web Developer

ABC Developer, LLC is hired to design a fully functional interactive website for a restaurant chain. After three months, the developer fails to deliver the website, which was to include online ordering services, as promised in their contract. The restaurant must hire another developer to complete the website. The restaurant sues for damages of \$150,000, including the increased cost to complete the website and lost profits because of the delay in implementing the online ordering services.

Hardware / Software Installation and Maintenance

XYZ Software Company installs a computerized fare system for a private transportation service, and is responsible for regular maintenance and support of the system. A routine system software upgrade results in erratic behavior of the fare system, including failure of the system to operate, which causes fare system outages throughout various network points of service. As a result, the affected customers are allowed transportation without paying the fee and the transportation service's reputation is damaged. The transportation service company ultimately sues XYZ Software Company for negligence in the performance of services, including damages for lost revenues, extra expenses for paying additional staff to manage the crisis and lost revenues from the reputational damage cause by the event.

The examples are for illustrative purposes only and are not a statement of coverage provided by the endorsement. All claims are evaluated pursuant to the terms and conditions of the endorsement. This summary may not be relied upon as a statement of coverage and Penn National Insurance makes no representation regarding the scope, applicability or existence of coverage for any of the scenarios set forth herein.



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