



CGU PROFESSIONAL RISKS INSURANCE

Infotech Liability Package

CGU Professional Risks Insurance revised package for the IT consulting market, now offers more extensive coverage at a competitive price.

As before, this product combines two different insurance covers into the one convenient package and offers many extensions, specifically designed to protect the assets of information technology professionals.

SPECIAL FEATURES OF OUR NEW POLICY...

Policy 1 – Civil Liability PI Policy

- Policy indemnifies the Insured in the provision of Information Technology – (which is defined to include specified services and related equipment).
- Cover for Loss of Documents extended to include electronic data and ‘the reasonable costs, charges and expenses incurred in replacing or restoring such Documents/Data’
- Goods & Workmanship exclusion has been replaced with Known Defects & Recall exclusion.
- Date Recognition exclusion removed.
- Intellectual Property cover extended to include ‘unintentional infringement of circuit layout rights’.
- Claims arising out of or in any way connected to the Insured’s insolvency, bankruptcy or liquidation excluded.
- First party loss, including lost profit, expressly excluded.
- Refund of Professional Fees, Cost Guarantee and Trading Debts exclusion has been extended to exclude cover for cost or savings estimates or guarantees and the costs and expenses incurred by or on behalf of the Insured in complying with any contractual obligations or making good any faulty Information Technology.
- TPA claim cover is limited to breaches of Part V.

The above is a brief summary only and does not detail all the wording. For full details please refer to the policy wording located on our website at <http://www.cgu.com.au/prorisk/products.shtml>

Policy 2 – Broad-Form Liability Policy

- Date Recognition exclusion removed.
- Electronic Data and Loss (or contamination or destruction) of computer data exclusions removed.

These covers are automatically provided under the policy and do not require any additional premium to be included.

We have modified or added some exclusions to the standard wording including the following:

- Aircraft technology and Pollution exclusions added

Why IT Consultants should take out this cover?

Legal uncertainty exists over the character of some of the activities provided by IT consultants. In providing software advice and/or design, are they providing a service or a ‘product’?

Understandably, the uncertainty has caused confusion in the handling of claims. Should the claim be treated as a ‘service’ and therefore be covered under a Professional Indemnity policy? i.e. the claim arose from a breach of the Insured’s professional duty.

Alternatively, should the claim be treated as a 'product' under a Public & Products liability policy i.e. the claim arose out of a product or manufacturing fault?

CGU Professional Risks' Information Technology Liability Package provides the convenience and benefit of its full Civil Liability Professional Indemnity and CGU's Broadform Liability Insurance policies, in one Liability Package Policy. The Package provides cover for both civil liability arising from the conduct of the Insured's professional business practice, and third party loss caused by bodily injury or property damage. We do this by removing the 'sale and supply exclusion' in CGU Professional Risks' Professional Indemnity wording. It allows a closer fit with the Broadform Liability policy, minimising uncertainty over the cover provided to IT consultants under this package.

In addition the policies within the package are specifically tailored for IT professionals by removal of the electronic data exclusion from the general liability policy and by extending documents cover under the PI section to include data and the Date Recognition Exclusion has been removed from both sections of the policy.

CGU Professional Risks Insurance – Who are we?

- **Security** – Standard and Poor's AA Insurer Financial Strength rating. As a division of CGU Insurance, CGU Professional Risks Insurance is part of Insurance Australia Group – Australasia's leading general insurance group – which has over

\$6.4 billion in gross written premium and almost 11 million active policies.

- **Service** – CGU Professional Risks Insurance has been voted No.1 Underwriter for professional indemnity and directors' & officers' insurance by 'middle market' brokers for a sixth year in succession, according to JP Morgan's 2004 General Insurance Survey.
- **Expertise** – Over 20 years of experience in providing professional risks insurance to the Australian market.
- **Product range** – In addition CGU Professional Risks Insurance offers the following products;
 - Professional Indemnity Insurance
 - Directors' & Officers' Insurance
 - Employment Practices Liability (stand-alone wording)
 - InfoTech Liability Package
 - Superannuation Trustees Liability
 - Defamation Insurance
 - Office Bearers Liability
 - Liability Package for Associations & Non Profit Organisations

Contact details

NSW Office

388 George Street Sydney NSW 2000
PO Box H90 Australia Square Sydney NSW 1215
Tel. (02) 8224 4655 Fax (02) 8224 4030

Victorian Office

Level 4 CGU Centre 485 Latrobe Street
Melbourne VIC 3000
GPO Box 4609 Melbourne VIC 3001
Tel. (03) 9601 8700 Fax (03) 9602 5255

Queensland Branch

Level 12 189 Grey Street South Bank Qld 4101
PO Box 1495 Milton Qld 4064
Tel (07) 3135 1566 Fax (07) 3135 1564

Western Australia Branch

Level 7 179 St George's Terrace Perth WA 6000
PO Box 7018 Cloisters Square Perth WA 6850
DX 199 Perth
Tel. (08) 9278 1495 Fax (08) 9321 9923

South Australia Branch

Level 4 150 Grenfell Street Adelaide SA 5000
GPO Box 9902 Adelaide SA 5001
DX 394 Adelaide
Tel. (08) 8425 6650 Fax (08) 8425 6592