

ERRORS & OMISSIONS

INSIGHTS

LloydSadd



Technology E&O: Protection Against Financial Loss

When providing technology-driven services, any errors in software, algorithms, or processes could lead to significant financial losses for clients.

Technology Errors & Omissions (E&O) protects against these types of claims and responds to allegations of professional mistakes or service failures.

REASONS TO CARRY TECH E&O

LIABILITY FOR DATA BREACHES & CYBER RISKS

Technology companies often handle sensitive financial data, making them prime targets for cyberattacks. While cyber liability insurance addresses the response to a breach, Technology E&O provides coverage if clients suffer financial losses due to a technology-related issue on your end.

CONTRACTUAL OBLIGATIONS

Clients or business partners may require Technology E&O insurance as part of service agreements. It demonstrates

your commitment to mitigating risks and instills confidence in your ability to deliver services reliably.

REPUTATION MANAGEMENT

Claims of errors, omissions, or system failures can damage your reputation. Technology E&O not only provides financial coverage but also helps you manage and resolve disputes, protecting your brand.

MITIGATION OF LEGAL RISKS

Most industries have specific rules and regulations regarding how private client data is stored and responsibilities in the case of a breach. If your services fail to comply with regulations or inadvertently cause a compliance issue for your clients, you may face lawsuits or claims. Technology E&O can provide financial support in these situations.

COMPLEX ECOSYSTEM OF PRODUCTS & SERVICES

When offering integrated solutions involving APIs, third-party partnerships, or proprietary software, the risk of service disruption or incompatibility increases. Technology E&O helps cover liabilities stemming from these complexities.

CONCLUSION

Overall, Technology E&O safeguards companies from potential financial and reputational damages caused by errors, omissions, or technology failures, ensuring the company can focus on innovation and growth.

If you have questions specific to your business, or would like additional information, please reach out to your Lloyd Sadd Advisor.

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**LET US HELP YOU
MANAGE YOUR RISK**

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