

# ALLIANZ PROFESSIONAL PROTECT TECHNOLOGY INDEMNITY AND PRIVACY INSURANCE

## Comprehensive protection to suit your business

AT A GLANCE 2018

The proliferation of technology and data is a growing concern for technology companies and their stakeholders. This stems from an increase in risk exposure due to contract breaches and strict data privacy regulation. Allianz Global Corporate & Specialty (AGCS) offers tailored policies to protect businesses in the technology industry.

Global IT expenditure spending in 2016 is estimated at close to US\$3.6 trillion. This is expected to grow at an annual average of 2% until 2019, despite the subdued economic outlook.

The technology sector is at the core of this growth and among the world's biggest - accounting for almost a combined US\$6 trillion in quoted market capitalization.

### Potential Liabilities

There are three main categories of risk where liability can arise for technology companies. All three can be considered "catastrophe loss" in nature, meaning that claims tend to be infrequent but with high severity:

- **Breach of Contract** - This occurs when a company suffers a financial loss due to breaching the terms of contract. This is the most common area of risk for technology companies.
- **Security** - Security failure can cause financial losses for third parties for which a company is responsible.
- **Media and Intellectual Property Rights** - It includes breach of trade mark, digital rights violations, database rights, breach of confidential information or a breach of copyright which includes software code.



### Strict Compliance Regulation

Technology companies are exposed to data privacy legislation because of client data they hold in provision of goods and services to clients.

With increasing amount of data and more stringent regulation, the risk exposure will be higher. Most prominently in the US, companies that suffer a data breach involving personally identifiable information have to notify clients and could be responsible for compensation.

EU General Data Privacy Protection Regulation would unify data protection across all member states and impose severe penalties of up to 4% of global annual turnover. In Asia, data protection regulatory regimes in India, Malaysia, the Philippines, Singapore, South Korea, and Taiwan have already come into force. Singapore's laws are among the stiffest with penalties for data protection offenses with fines up to S\$1 million.

## Key Coverage Components

Potential exposures, risks and coverage needs however will vary across the spectrum of the technology sector. Companies increasingly face new exposures to third party liability, regulatory consequences and reputational damage.

Our upgraded Technology Idemnity & Privacy Insurance (TIPI) contains enhanced features to fit exposure due to more onerous regulatory requirements in the global context.

- Breach of contract
- Failure to access
- Failure to deny access
- Virus cover
- Lost data liability
- Lost documents
- Privacy and Data Breach
- Media liability claims cover including IPR
- Regulatory costs cover
- Regulatory fines and penalties cover
- Notification costs
- Response costs
- Cyber extortion cover
- Reputational Crisis costs
- Consultant services cover

## Global Network

Allianz is a global insurer and we understand that multinational corporate clients need a wide-ranging network with clear governance and global procedures. With our global span, our International Insurance Solutions help multinational companies to navigate the local landscape without undue concern over compliance with local tax and regulatory requirements as the Insured expands globally.

## Resources and Expertise

In the event of a cyber security incident or loss of data, an appropriate and speedy response is required to manage the incident successfully. Allianz have a panel of organizations with expertise in their fields who will help you to resolve the incident with a full range of services including: IT forensic services, (including notification services, credit monitoring services etc.) media crisis management services and specialist legal services.

We also have the benefit of our in-house expertise of engineers in Allianz Risk Consulting who will help to assess the full extent of your exposures

## About Allianz

As an international financial services company, we offer our 78 million customers worldwide products and solutions in insurance and asset management. Allianz Global Corporate & Specialty is our dedicated brand for our large corporate and specialty risks and insures over half of the Fortune 500 companies

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## Claims Promise

Allianz claims teams never forget that claims are opportunities to repay clients' trust. Keeping that in mind, AGCS claims experts, each with an average of over 10 years of experience, work closely with Underwriters and Risk Consultants to ensure that they, too, truly understand clients' risks and needs.

Consistently rated among the best in the business, AGCS claims experts are known for their strong global links with and with numerous local experts necessary when losses do occur.

## Our Experts

### Asia Pacific



#### Damian Lynch

Regional Manager, Financial Lines,  
Asia Pacific

Direct: + 61 2 8263 9795

E-mail: damian.lynch@allianz.com.au  
Sydney, Australia

### Singapore



#### Jenny Wilhelm

Manager Financial Lines, Singapore &  
Southeast Asia

Direct: + 65 6395 3651

E-mail: jenny.wilhelm@allianz.com  
Singapore

### Hong Kong & Greater China



#### Horace Gon

Manager, Financial Lines, Hong  
Kong & Greater China

Direct: + 852 2867 0056

Email: horace.gon@allianz.com.hk  
Hong Kong

## Our Ratings

AA

Standard &  
Poor's

A+

A.M. Best

