

Technology Loss Scenario

Timekeeping Software Loses Track of Time

Coverage: Errors and Omissions Liability

Cause of Action: Software Failure

Type of Organization: Software Company

Description of Event

A company provided timekeeping hardware and software to its customer. The software didn't function correctly; it failed to maintain employee hours worked and to correctly apply the hourly and overtime rates of pay. The failure resulted in over/underpaying employees and in the need for replacement timekeeping clocks. The customer sued the provider of the hardware and software.

Resolution

The claim was valued at \$440,000.

Could this happen to your organization? Contact your trusted Chubb agent or broker:

The Andersen Insurance Group

5870 Trinity Parkway, Suite #130, Centreville, VA 20120

Phone: (703) 988-0101

Email: info@theandersengrp.com



Chubb Group of Insurance Companies
Warren, NJ 07059
www.chubb.com

Loss scenarios are hypothetical in nature and for illustrative purposes only. Whether or not or to what extent a particular loss is covered depends on the facts and circumstances of the loss and the terms, conditions, and endorsements of the policy as issued. It is impossible to state in the abstract whether the policy would necessarily provide coverage in any given situation. Consult your agent, broker, or other expert.