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Press Release

For Immediate Distribution

Darwin Professional Underwriters Targets Tech//404® for Health Care Organizations

Breakthrough Insurance Liability Product Addresses Threats to Network Security and Data Privacy Losses for Health Care Organizations

December 14, 2006 (Farmington, CT) – Darwin Professional Underwriters, Inc., (Darwin) (NYSE: DR), a leading specialty insurance company, today announced the expansion of Tech//404®, an innovative liability product for health care organizations, in response to increasing exposure to network security and data privacy losses.

Tech//404 for health care organizations is the first specialty liability insurance product to address the exposures of both technology and enterprise information risk in a single, comprehensive insurance policy.

While much attention to date has focused on data theft in technology and financial service companies, other industries, such as health care, are increasing their data risk profile at an alarming rate. With the introduction of electronic medical records (EMR's) and software enabled medical care, hospitals themselves are becoming their own data warehouses with a much greater sensitivity to network intrusions and network interruptions.

Tech//404 for health care organizations is designed for technology-dependent health care companies, which today include most health care firms as the industry undergoes rapid digitization and centralized storage of third-party data. The current market for technology errors and omissions (E&O) liability insurance is estimated at \$650 million, according to a recent Betterley Report. Most projections indicate health care technology liability as one of the fastest growing segments within that estimate.

"It seems we read about security lapses and other data security problems at health care organizations in the news every week," states Drew Bartkiewicz, assistant vice president and lead underwriter for Darwin's technology and information liability group. "Even though there are clear standards for protecting patient privacy, medical organizations are increasingly concerned

about the perils of aggregating data, automating responses, and allowing access. Additionally, health care is one of the most regulated industries for data privacy standards so that is an added dimension of the professionals' concern."

"Tech//404 is unique in addressing both technology and information risk in a single policy," said Bartkiewicz. "This is an innovative product that helps the medical field keep pace with the rapid advances in technology and the liability resulting from these advances."

The product is designed, according to Bartkiewicz, to protect companies from exposures like these three recently reported incidents:

- The September 6, 2006 security breach at Akron Children's Hospital, Akron, Ohio. The files of some 230,000 patients were accessed and sensitive information, including social security numbers and bank account records, was stolen.
- The Sisters of St. Francis Health Services Inc., Indianapolis, Indiana, is being sued in federal court after a July 28, 2006 security lapse that may have exposed the private information of more than 260,000 patients. That suit seeks damages of no less than \$5,000 for each affected claimant.
- The biggest data breach ever was reported in Oregon, where 365,000 patient records were stolen. Ten computer disks and tapes belonging to Providence Health & Services were stolen from an employee's vehicle. To date Providence has spent \$7 million responding to the breach.

For health care organizations contemplating growing risks, such as ID theft, network outages, and regulatory violations for data privacy, Darwin's Tech//404 for can be a significant component in an enterprise risk management program.

Product coverage includes:

- Notification expenses under regulatory requirement to warn of security breaches
- Fines, fees, or penalties arising from privacy or consumer protection errors
- Errors and omissions for delivery of technology professional services
- Network security protection, unauthorized access, and rogue employee coverage
- Breach of privacy, including 3rd party liabilities
- Malicious code, cyber-attacks, and inadvertent transmission of viruses

- Optional contingent bodily injury, crisis management expense, and cyber extortion

Businesses eligible for Tech//404 for health care organizations include: ambulatory surgery centers; health care data processors; health care software providers; image delivery systems; long-term care facilities; physicians groups; hospitals; managed care organizations; third-party administrators; pharmacy delivery systems, and others.

Tech//404 is also available for financial services, e-commerce, and technology companies.

ABOUT DARWIN

Darwin is a specialty insurance group based in Farmington, Connecticut. The company is focused on the professional liability insurance market and underwrites directors and officers ("D&O") liability for public and private companies, errors and omissions ("E&O") liability insurance, and medical malpractice liability insurance. Coverage descriptions are summaries only, and the complete policy should be read. Darwin member companies include Darwin Professional Underwriters, Inc., Darwin National Assurance Company (DNA), and Darwin Select Insurance Company (DSI). DNA and DSI have earned a financial strength rating of "A- (Excellent)" from A.M. Best Company. Darwin is traded on the NYSE Arca exchange under the ticker symbol, "DR." The company became NYSE Arca's first listed company with DR's initial public offering in May 2006. For more information about Darwin, visit www.darwinpro.com.

Policy descriptions are provided as a general overview. Actual coverage may vary and is subject to policy language as issued.

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