

Liability Trigger Conversion

SCENARIOS

- Liability Trigger Conversion coverage request arise when a business converts its insurance from a “claims made” form to “occurrence.” This may happen where occurrence coverage becomes available for a class of business formerly restricted to claims made, or when a business insured on an occurrence basis acquires another business insured on a claims made basis.
- In these circumstances, it is critical for business to protect themselves against claims presented in the future arising out of bodily injury or property damage that took place in the past. This may be a challenge when the Extended Reporting Period (ERP or “Tail” Coverage) offered by the claims made carrier is prohibitively expensive, of too short a term, or not offered at all.
- Liability Trigger Conversion (Nose coverage) may be attached to the replacement occurrence policy in lieu of an Extended Reporting Period on the expiring claims made policy.

COVERAGES OFFERED

- Endorsements that provides coverage for claims first made against the insured during the current policy period resulting from bodily injury, property damage or personal and advertising injury that took place from the first date of continuous claims made coverage.
- Liability Trigger Conversion (Nose coverage) is a one-year term and is renewable annually
- Occurrence Coverage

ELIGIBLE EXPOSURES

- Examples include manufacturers or distributors of auto parts, watercraft product, medical equipment, environmentally friendly chemical, athletic equipment, and more!

INELIGIBLE EXPOSURES

- Stand-alone Liability Trigger Conversion (Nose coverage)

LIMITS AVAILABLE

- Primary up to \$2M per occurrence
- Excess considered on a case-by-case basis

SUBMISSION REQUIREMENTS

- Provide expiring carrier, retroactive date and policy term of expiring claims made policy. A copy of the expiring declaration page will be required when binding.
- Identify / confirm any changes in product mix during the Trigger Conversion (Nose) period
- Completed Products Application
- Historical Sales - minimum 5 years, more if available
- Loss History - minimum 5 years, more if available, values within last 90 days

