

OCCURRENCE vs CLAIMS-MADE

Coverage Trigger

Occurrence policy covers claims that arise out of damage or injury that took place during the policy period, regardless of when claims are made



Claims-made policy provides coverage that is triggered when a claim is made during the policy period, regardless of when the incident took place (subject to the retroactive date)

Tail Coverage/Extended Reporting Endorsement

Not Applicable



Provides coverage for a designated time period after which a claims-made policy has expired

Prior Acts/Nose Coverage

Not Applicable



Coverage available in place of "Tail" when an insured leaves one claims-made carrier to join another claims-made carrier

Cost

Occurrence policy rating is structured to collect the entire exposure premium up front



The policy rate increases incrementally each year to account for the increased exposure, maturing 4th or 5th year