

Frequently Asked Questions Regarding Claims-Made and Retroactive Date

What is the difference between a claims-made policy and an occurrence policy?

- Coverage is activated when a claim is made (claims-made policy) instead of when a wrongful act occurs (occurrence policy).

What triggers coverage on a claims-made policy?

- Claim must be made during the policy period.
- Claim must be reported during the policy period.
 - Most policies allow a 30 to 60 day period after policy expiration in which you can still report claims made during the policy period—check your policy for specific provisions.
- The **wrongful act** must occur on or after the policy retroactive date

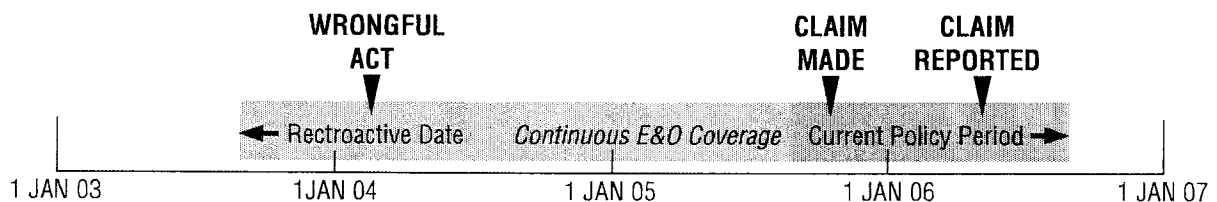
What is a retroactive date?

- Date from which you can show continuous proof of E&O coverage
- There may be NO gaps in coverage--not even 1 day

Why is a retroactive date important to maintain?

- In order for a claim to be covered, it must occur on or after the retroactive date.
See **Example 1** below.
- Any claim made prior to the retroactive date, will NOT be covered. See **Example 2** below.

Example 1 CLAIM COVERED



Example 2 CLAIM NOT COVERED

