

Trigger, Number of Occurrences and Allocation

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TRIGGER OF COVERAGE

1. “Pure” or “strict” manifestation rule -

- triggers coverage upon actual discovery of injury

2. “Relaxed” manifestation rule -

- triggers coverage in first policy period during which discovery of injury is possible

3. “Exposure” rule -

- triggers coverage in any policy period in which exposure to cause of injury occurred

4. “Injury-in-fact” rule -

- triggers coverage at the time of the underlying injury, even if not yet manifested

5. “Injury-causing event” rule -

- triggers coverage at the time of the underlying injury-causing event

6. Triple Trigger

- All policies triggered during period of continuing exposure and manifestation

NUMBER OF OCCURRENCES

1. Cause Test

- determined by the number of causes for a loss(es)
 - Not the number of claims or different types of damages

2. Effects Test

- determined by how many “effects” (injuries/damages) result from an event(s)

1. Pro Rata

- **Time on Risk**
 - allocate amongst multiple insurers based upon each insurer's length of policy period(s)
- **Proportionate Policy Limits**
- **Proportion of Injuries During Each Policy Period**
- **Total Number of Policies**
- **Combination of Above**

ALLOCATION cont.

2. Joint and Several

- insured selects single policy limit
- all insurers reallocate based upon that limit

3. Stacking

- each triggered policy can be called upon to respond up to full limits
- all limits added together

OTHER CONSIDERATIONS

- **Deductibles**
- **Self Insured Retentions**
- **Gaps in Coverage**
- **Policy Language**
 - **specific to limits, allocation, sharing, number of occurrences**

The logo features a large, dark blue, stylized swoosh that curves from the top left, under the text, and tapers to a point on the right side.

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