

What's in a Name? Part 2

Knowledge Nugget, 7/24/2008

Back to our friends at Acme Corp/Beta Corp and their naming challenges.....

If Acme Corp. had not merely changed its name to Beta Corp. but had actually had a change in ownership, had reincorporated, or had taken on investors who acquired a majority interest in the company, there could be significant interruptions to coverage well beyond what a change of name would entail.

We won't go into those right now (stay tuned for a later Knowledge Nugget about Change of Control), but suffice it to say that any time one of your insureds approaches you with a request to do anything to its name on its insurance policies, you are in a red flag situation (at least as it pertains to their professional liability coverages) and will likely need to pose some additional questions.

Insureds frequently underestimate the impact of their internal or structural changes on their coverages, and they also frequently do not want to divulge all of the particulars to their agent.

That having been said, here are some areas in which your insureds' name(s) can cause challenges:

1. DBAs -- to include or not include is the question
2. Operating divisions or trade names
3. Parent or sister companies
4. Shareholders/owners/partners/LLC members
5. Subsidiaries
6. Additional Insureds
7. Scheduled Insureds
8. Deleting individuals

These areas are in a broad category regarding "Who is an Insured", and we'll explore them over the weeks to come.