

# AAIS

# BULLETIN

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AMERICAN ASSOCIATION  
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Line(s) of

Insurance:

**Agricultural Output**

**Artisans**

**Businessowners**

**Commercial Inland**

**Marine**

**Commercial Liability**

**Commercial Output**

**Commercial Output-XL**

**Commercial Properties**

**Commercial Umbrella**

**Contractors &**

**Developers Output**

**Crime**

**Farm Properties**

**Farmowners**

**Farm Umbrella**

**Glass**

**Inland Marine Guide**

**Personal & Premises**

**Liability**

**\*\*This bulletin and its attachments have been made available at the AAIS open Web site: [AAISonline.com](http://AAISonline.com).  
This bulletin will not be distributed in a paper format.\*\***

## ILLINOIS

### SPECIAL EDITIONS OF CERTIFIED TERRORISM ENDORSEMENTS AVAILABLE

Reference Bulletin 02-0550

Special **05 03** editions of the certified terrorism endorsements have been filed for use in the state of Illinois as replacements for the **12 02** endorsement editions that were initially submitted. A copy of each new endorsement is attached to this Bulletin.

At the request of the Illinois Insurance Department, the definition of "certified act of terrorism" has been revised, in all of the endorsements that cover or exclude certified terrorism loss, to include the provisions that prohibit the Secretary of the Treasury from certifying an act of terrorism. Specifically, no act will be certified by the Secretary as an act of terrorism if the act is committed as part of the course of a war declared by the Congress (except with respect to any coverage for workers' compensation) or if property and casualty insurance losses resulting from the act do not exceed \$5,000,000 in the aggregate.

While the added terms do not affect the scope of coverage provided or excluded under the AAIS endorsements previously made available, AAIS affiliates are advised to keep these limitations in mind in determining when coverage is or is not provided with respect to loss caused by an act of terrorism.

## ENDORSEMENTS

A table which identifies the Certified Terrorism coverage and exclusion endorsements that apply to each Commercial Lines program filed in Illinois is shown below:

<b>Program</b>	<b>Coverage Endorsement</b>	<b>Exclusion Endorsement</b>
Agricultural Output	CL 0600 05 03	CL 0620 05 03
Artisans	AP 0700 05 03	AP 0720 05 03
Businessowners	BP 0750 05 03	BP 0770 05 03
Commercial Inland Marine (Filed Classes)	CL 0600 05 03	CL 0610 05 03

<b>Program</b>	<b>Coverage Endorsement</b>	<b>Exclusion Endorsement</b>
Commercial Liability	GL 0250 05 03	GL 0260 05 03
Commercial Output	CL 0600 05 03	CL 0620 05 03
Commercial Output-XL	CL 0600 05 03	CL 0620 05 03
Commercial Properties	CL 0600 05 03	CL 0620 05 03
Contractors & Developers Output	CL 0600 05 03	CL 0620 05 03
Crime	CL 0600 05 03	CL 0610 05 03
Farm Properties	FL 0600 05 03	FL 0620 05 03
Farmowners	FO 0600 05 03	FO 0620 05 03
Glass	CL 0600 05 03	CL 0610 05 03
Personal & Premises Liability (Farm Only)	GL 0310 05 03	GL 0320 05 03

<b>Program</b>	<b>Coverage Endorsement</b>	<b>Exclusion Endorsement</b>
Commercial Umbrella	UM 0755 05 03	UM 0765 05 03
Farm Umbrella	UM 0330 05 03	UM 0340 05 03

Companies should begin using the new **05 03** endorsement editions as soon as possible. Although companies are not required to amend policies that have already been issued to reflect the change in endorsement editions, policies that have been issued with the **12 02** endorsement editions should be considered subject to the same terms and conditions as policies that are issued with the **05 03** endorsement editions.

**FILING NUMBERS**

The endorsements described in this bulletin have been filed in the state of Illinois. Refer to the following filing numbers in all correspondence directed to the insurance department.

<b>Program</b>	<b>AAIS Filing Number</b>
Agricultural Output, Artisans, Businessowners, Commercial Inland Marine (Filed Classes), Commercial Liability, Commercial Output, Commercial Output - XL, Commercial Properties, Contractors & Developers Output, Crime, Farm Properties, Farmowners, Glass, and Personal & Premises Liability (Farm Only)	AAIS-2002-82
Commercial Umbrella and Farm Umbrella	AAIS-2002-84

The Illinois Department of Insurance also asked that we remind companies that, in accordance with the Terrorism Risk Insurance Act of 2002, use of the AAIS terrorism endorsements with any risks other than commercial property and casualty risks is not permitted.

## **COMPANY ACTION**

### **Endorsements**

#### *Commercial Lines Programs Other Than Inland Marine Guide and Umbrellas*

Companies that have granted AAIS filing authority for forms and endorsements can adopt the endorsements without notifying the insurance department.

#### *Inland Marine Guide*

In Illinois, companies are required to file endorsements for non-filed inland marine classes. Companies affiliated for the Inland Marine Guide must make an independent filing to use the special **05 03** editions of the certified terrorism endorsements with any of the Inland Marine Guide classes. For companies that have already submitted a filing of the **12 02** editions and have received an objection, it is recommended that the **05 03** editions be included with your objection response.

Note: The AAIS terrorism endorsements are not designed for use with the Yacht class.

#### *Commercial and Farm Umbrella Programs*

Each company that wishes to adopt these endorsements must do so by establishing an effective date and notifying the Insurance Department in writing. For companies that have already submitted a filing of the **12 02** editions and have received an objection, it is recommended that the **05 03** editions be included with your objection response.

## **SUPPLIES**

The forms and endorsements filed for use in this state have been released to CCH Insurance Services Inc. (CCH), the print vendor for AAIS forms and endorsements. Call CCH at (800) 382-2424 to order forms and endorsements in paper printed format. Call CCH at 800-782-9481 to order the text of AAIS forms in a variety of electronic formats.

AAIS also offers the text of forms and endorsements in limited electronic formats. Call Veronica Clarke at 800/564-AAIS for more information.

## **ATTACHMENTS**

- CL 0600 05 03 Certified Terrorism Loss
- CL 0610 05 03 Certified Act of Terrorism Exclusion
- CL 0620 05 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- AP 0700 05 03 Certified Terrorism Loss
- AP 0720 05 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- BP 0750 05 03 Certified Terrorism Loss
- BP 0770 05 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- FL 0600 05 03 Certified Terrorism Loss

- FL 0620 05 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- FO 0600 05 03 Certified Terrorism Loss
- FO 0620 05 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- GL 0250 05 03 Certified Terrorism Loss
- GL 0260 05 03 Certified Act of Terrorism Exclusion
- GL 0310 05 03 Certified Terrorism Loss
- GL 0320 05 03 Certified Act of Terrorism Exclusion
- UM 0330 05 03 Certified Terrorism Loss
- UM 0340 05 03 Certified Act of Terrorism Exclusion
- UM 0755 05 03 Certified Terrorism Loss
- UM 0765 05 03 Certified Act of Terrorism Exclusion

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***AAISDIRECT AND AAIS PRODUCT ADVISORY***

All AAIS bulletins, forms, manuals, and other resource information for all lines of insurance are now available online. For a two-week trial of our Internet service, *AAISdirect*, or a cost quote, contact Rick Anderer. E-mail [Richarda@AAISonline.com](mailto:Richarda@AAISonline.com) or call 800/564-AAIS.

The AAIS e-mail publication, *AAIS Product Advisory*, provides bulletin summaries and other timely information related to products to anyone at your company at no charge. Unlike *AAISdirect*, you can subscribe to *AAIS Product Advisory* whether your company is affiliated or not.

While valuable as a stand-alone service, the *AAIS Product Advisory* is an ideal complement to *AAISdirect*. The communication gives you an overview of new information posted weekly on *AAISdirect* and is directly linked to the site so that you can quickly access complete copies of bulletins.

For more information and to sign up, go to [www.AAISonline.com](http://www.AAISonline.com) or contact Pat Peters at [Patp@AAISonline.com](mailto:Patp@AAISonline.com).