

AAIS

Date: **September 2, 2003**

Bulletin Number: **03-0322**

BULLETIN

AMERICAN ASSOCIATION
OF INSURANCE SERVICES

1745 S. Naperville Road
Wheaton, IL 60187-8132

630-681-8347

800-564-AAIS

FAX 630-681-8356

EMAIL info@AAISonline.com

WEB www.AAISonline.com

Line(s) of

Insurance:

Agricultural Output

Artisans

Businessowners

Commercial Inland

Marine

Commercial Liability

Commercial Output

Commercial Output - XL

Commercial Properties

Contractors &

Developers Output

Crime

Farm Properties

Farmowners

Glass

Inland Marine Guide

Personal & Premises

Liability

****This bulletin and its attachments have been made available at the AAIS open Web site: AAISonline.com.**

This bulletin will not be distributed in a paper format.**

MICHIGAN

NON-CERTIFIED TERRORISM ENDORSEMENT & SUPPLEMENT CHANGES APPROVED

Reference Bulletin 03-0224

The non-certified terrorism endorsement and manual supplement changes described in Reference Bulletin 03-0224 have been approved in Michigan with an effective date of **September 1, 2003**.

BACKGROUND

The addition of Section 2834 to the Michigan Insurance Code on May 29, 2003 exempted loss caused directly or indirectly by terrorism from coverage under commercial property policies of insurance.

In Reference Bulletin 03-0224, companies were advised that they could proceed with implementing the changes to the AAIS certified terrorism materials on **September 1, 2003**, but that they should refrain from implementing the changes to the non-certified terrorism materials until they were further notified by AAIS. This bulletin is being issued to advise companies that insurance department approval of the non-certified terrorism materials has now been received, and that such materials may be implemented accordingly, effective **September 1, 2003**.

FILING NUMBERS

Program	AAIS Non-Certified Forms Filing Number	AAIS Non-Certified Rule Supplement Filing Number
Agricultural Output	N/A -- Filing Not Required	AAIS-2003-16AGRN
Artisans	N/A -- Filing Not Required	AAIS-2003-16APRN
Businessowners	N/A -- Filing Not Required	AAIS-2003-16BPRN
Commercial Inland Marine (Filed Classes)	N/A -- Filing Not Required	AAIS-2003-16CIMRN
Commercial Liability	N/A -- Filing Not Required	AAIS-2003-16CLRN
Commercial Output	N/A -- Filing Not Required	AAIS-2003-16COPRN

Program	AAIS Non-Certified Forms Filing Number	AAIS Non-Certified Rule Supplement Filing Number
Commercial Output XL	N/A -- Filing Not Required	AAIS-2003-16CXLRN
Commercial Properties	N/A -- Filing Not Required	AAIS-2003-16CPRN
Contractors & Developers Output	N/A -- Filing Not Required	AAIS-2003-16DOPRN
Crime	N/A -- Filing Not Required	AAIS-2003-16CRRN
Farm Properties	N/A -- Filing Not Required	AAIS-2003-16FPRN
Farmowners	N/A -- Filing Not Required	AAIS-2003-16FORN
Glass	N/A -- Filing Not Required	AAIS-2003-16GSRN
Personal & Premises Liability (Farm Only)	N/A -- Filing Not Required	AAIS-2003-16PPLRN

COMPANY ACTION

Endorsements

Forms and endorsements are not subject to filing requirements in Michigan.

Companies are not required to notify the Insurance Department if they choose to adopt, or choose not to adopt, the non-certified terrorism endorsements described in Bulletin 03-0224. However, companies should keep documentation as to the effective date of the forms and endorsements that they use.

Rules

Companies that have granted AAIS filing authority for rules can adopt the non-certified terrorism manual supplement pages attached to Bulletin 03-0224 without notifying the insurance department. Companies that choose not to adopt the revised supplement pages, to deviate from the filed supplement pages, or that choose a different effective date must notify the Insurance Department in writing.

INLAND MARINE GUIDE

Michigan does not require rate, rule, or form filings for non-filed Inland Marine Guide classes. However, companies should switch from exclusion endorsements CL 0640 12 02 and CL 0660 12 02 to exclusion endorsements CL 0630 12 02 and CL 0650 12 02, if they have not already done so. In addition, when the change in endorsements is made, companies should begin using the "IMG Terrorism Rules Supplement NSFP- IM Exempt", located on the AAIS public web site at <http://www.aaisonline.com/terror/IMGinfo.htm>, in place of the current "IMG Terrorism Rules Supplement SFP". As was previously the case, the rating information applicable to the Commercial Inland Marine Filed Classes should also be used with the Guide classes.

SUPPLIES

The forms and endorsements filed for use in this state are available from 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 Karen Grela at 800/564-AAIS for more information.

Direct Questions to:

Edie Gardner, CPCU
Product Development Specialist
edieg@AAISonline.com

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 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 or contact Pat Peters at Patp@AAISonline.com.