

RULES – APPROVED

JULY 27, 2018

COMMERCIAL LINES

LI-CL-2018-028

WASHINGTON RULES FOR EFFICIENT PROXIMATE CAUSE RELATED AGGREGATE LIMIT ENDORSEMENTS APPROVED

KEY MESSAGE

Approval of the revision to the Washington Commercial Lines Manual in response to *Xia v. ProBuilders Specialty Insurance Co.*, No. 92436-8, 2017 WL 1532219 (Apr. 27, 2017 Wash.).

Applicable Lines: CU, GL

Effective Date: 1/1/2019

BACKGROUND

In referenced circular [LI-CL-2018-026](#), we announced the submission of rules filing CL-2018-ORU1 in response to *Xia v. ProBuilders Specialty Insurance Co.*, No. 92436-8, 2017 WL 1532219 (Apr. 27, 2017 Wash.)

INSURANCE DEPARTMENT ACTION

The Washington State Office of the Insurance Commissioner has approved this filing.

EFFECTIVE DATE

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies **written** on or after January 1, 2019.

COMPANY ACTION

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the Insurance Department.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

For guidance on submission requirements, consult the ISO State Filing Handbook.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Designation Number [CL-2018-ORU1](#), not this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

RATING SOFTWARE IMPACT

No new attributes are being introduced with this revision.

POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2017-074](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of **1-19** (or the earliest possible subsequent date), along with any new and/or revised manual pages.

RELATED FORMS REVISION

We are announcing in a separate circular the approval of a corresponding forms revision. Please refer to the Reference(s) block for identification of that circular.

REFERENCE(S)

- [LI-CL-2018-027](#) (07/27/2018) Washington Efficient Proximate Cause Related Aggregate Limit Endorsements Approved
- [LI-CL-2018-026](#) (07/18/2018) Washington Rules For Efficient Proximate Cause Related Aggregate Limit Endorsements Filed
- [LI-CL-2017-074](#) (11/20/2017) Revised Lead Time Requirements Listing

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