

STATISTICAL PLAN HOLDERS

MAY 30, 2019

BUSINESSOWNERS	SP-BP-2019-002
COMMERCIAL PROPERTY	SP-CF-2019-002
COMMERCIAL INLAND MARINE	SP-CM-2019-002
FARM	SP-FR-2019-001

MULTISTATE COMMERCIAL LINES WILDFIRE TYPE OF LOSS CODING INTRODUCED

KEY MESSAGE

This circular announces the introduction of Wildfire Type of Loss coding in the Businessowners, Commercial Fire and Allied Lines, Commercial Inland Marine and Farmowners modules of the Commercial Statistical Plan (CSP) and Commercial Statistical Plan – Intermediate (CSP-I) manuals.

BACKGROUND

On March 27, 2019 we released circular [SP-DP-2019-002](#), which introduced Cause of Loss coding in the Homeowners, Mobilehome, Dwelling and Inland Marine modules of the Personal Lines Statistical Plan – Other Than Automobile to support California S.B. No. 824.

California S.B. No. 824, signed September 21, 2018, prohibits an insurer from cancelling or refusing to renew a policy of residential property insurance for a property located in any ZIP code within or adjacent to the fire perimeter, for one year after the declaration of a state of emergency, as defined in Section 8558 of the Government Code, based solely on the fact that the insured structure is located in an area in which a wildfire has occurred. Additionally, this legislation requires an admitted insurer with written California premiums above a specified threshold to submit a report with specified fire risk information on its residential property policies to the commissioner on or before April 1, 2020, and every two years thereafter. Among other things, wildfire-incurred losses, reported by property coverage category and the date of loss, shall be submitted to the commissioner.

INTRODUCTION

To extend our support of California S.B. No. 824 and to identify opportunities where ISO can work with state regulators to provide data on a company's behalf, we are introducing Wildfire Type of Loss Codes in the Businessowners, Commercial Fire and Allied Lines, Commercial Inland Marine and Farmowners modules of the Commercial Statistical Plan (CSP) and Commercial Statistical Plan – Intermediate (CSP-I) manuals. These Type of Loss Codes are being introduced on a countrywide basis.

ISO ACTION

As a result, we are introducing the following Wildfire Type of Loss Codes in the respective modules:

- Businessowners – 1A and 1B
- Commercial Fire and Allied Lines – 1A and 1B
- Commercial Inland Marine – N
- Farmowners – 1A, 2A, 3A, 4A, 5A and 6A

COMMENT(S)

- These changes apply to the Commercial Statistical Plan (CSP) and Commercial Statistical Plan – Intermediate (CSP-I) on a countrywide basis.
- These changes do not apply to the Commercial Statistical Agent Plan (CSAP).

STATISTICAL REPORTING EFFECTIVE DATES

For statistical reporting purposes, these type of loss codes are effective for loss dates of 1/1/2020 and subsequent on a mandatory basis, regardless of inception date.

FUTURE ISO ACTION

We will include these changes in the Third Quarter 2019 release of the Company Edit Package (CEP).

IMPORTANT NOTES

Companies implementing these changes before they are reflected in the Company Edit Package (CEP) and/or Receipt and Acceptance edits may request the "Accept Option" to reprocess records flagged in error by ISO due to the use of new codes.

ATTACHMENT(S)

- CSP Pages: CF-1, CF-91, CF-91.2, CF-92, CF-99, FR-47, IM-35, IM-36 and BP-83
- CSP-I Pages: CF-1, CF-82, CF-83, CF-85, CF-92, FR-40, IM-29 and BP-102

Note: These pages attached hereto as "revised pages" reflect all revisions to the current statistical plan pages associated with the change announced by this circular. These pages may not reflect changes announced in other circulars that affect the same pages.

STATISTICAL REPORTING E-TRAINING AVAILABLE

ISO is excited to announce new eLearning courses, designed to provide you with an introduction and overview of statistical reporting and essential concepts for data quality.

These interactive 15-20 minute courses are now available via a link on the [ISOnet®](#) homepage to ISO Education eLearning.

STATISTICAL REPORTING TRAINING SEMINAR 2019

ISO will hold a statistical reporting training seminar June 18-19, 2019, at Verisk Headquarters, Jersey City, NJ. The seminar will cover the basics of ISO statistical reporting and is open to staff of ISO statistical reporting companies who are new to ISO statistical reporting responsibility or need a refresher course. For more information and to register for the seminar, please visit [ISO's Statistical Reporting Seminar](#) link on our website.

CONTACT INFORMATION

If you have any questions concerning:

- The content of this circular, please contact:
Afrona Sela
Statistical Data Management
201-469-2404
Afrona.Sela@verisk.com
statistical@verisk.com
- Other issues for this circular, please contact Customer Support:
E-mail: info@verisk.com
Phone: 800-888-4476

Callers outside the United States, Canada, and the Caribbean may contact us using our global toll-free number (International Access Code + 800 48977489). For information on all ISO products, visit us at www.verisk.com/iso. To keep abreast of the latest Statistical Services updates, please visit the [ISO Statistical Reporting Guide](#) on ISOnet®.



IMPORTANT NOTICE FOR USERS OF ISO PRODUCTS AND SERVICES

Please make sure that your company has authorized your use of this product and has complied with the requirements applicable in the jurisdiction where you plan to use it.

We distribute both state-specific and multi-state products and services. We do not distribute all the multi-state products and services for use in every jurisdiction due to corporate policy, regulatory preference, or variations or lack of clarity in state laws.

We provide participating insurers with information concerning the jurisdictions for which our products and services are distributed. Even in those jurisdictions, each insurer must determine what filing requirements, if any, apply and whether those requirements have been satisfied.

Now, as in the past, all of our products and services are advisory, and are made available for optional use by participating insurers as a matter of individual choice. Your company must decide for itself which, if any, ISO products or services are needed or useful to its operation and how those selected for use should be applied. We urge that you be guided by the advice of your attorneys on the legal requirements.

Copyright Explanation

The material distributed by Insurance Services Office, Inc. is copyrighted. All rights reserved. Possession of these pages does not confer the right to print, reprint, publish, copy, sell, file, or use same in any manner without the written permission of the copyright owner. Permission is hereby granted to members, subscribers, and service purchasers to reprint, copy, or otherwise use the enclosed material for purposes of their own business use relating to that territory or line or kind of insurance, or subdivision thereof, for which they participate, provided that:

- A. where ISO copyrighted material is reprinted, copied, or otherwise used **as a whole**, it must reflect the copyright notice actually shown on such material.
- B. where ISO copyrighted material is reprinted, copied, or otherwise used **in part**, the following credit legend must appear at the bottom of each page so used:

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

1. GENERAL REPORTING REQUIREMENTS

Refer to Part I of this plan for the general rules applicable to all types of business.

A. PREMIUMS

Premiums must be separately reported for each unique set of codes in the coding section of this module. Each Building Risk or Personal Property Risk must be separately reported.

A Building Risk is a building or part of a building which takes a separate rate. Platforms, wharves, piers and yard property which take separate rates are considered Building Risks.

A Personal Property Risk is the property of an insured which is described by a single occupancy Classification Code and is located within a single building risk.

When a policy insures more than one Building or Personal Property Risk, each building or personal property risk must be reported separately, including Blanket Rated Risks using blanket coverage rates or average rates.

The premiums reported shall be the premium charged for the policy reflecting any modification resulting from the application of prospective experience rating plans.

B. EXPOSURES

The exposure to be reported is the amount of insurance.

C. LOSSES

Separate statistical entries are required by type of loss code for each paid loss, each outstanding loss, each salvage recovery and each subrogation recovery.

1.1 DIVISIBLE PROPERTY COVERAGE/CAUSES OF LOSS (BASIC, BROAD, AND SPECIAL FORMS – OTHER THAN FARM RISKS)

Property coverage written on any one of three ISO Causes of Loss forms, Basic, Broad or Special provides coverage for the Basic Form perils. These are divided between Basic Group I and Basic Group II perils. The Broad Form also provides coverage for a list of **additional** covered perils, and the Special Form provides coverage on an "all risks" basis. For all the different forms, the different coverage components are rated separately and must be reported to ISO separately. Each of the three forms will generate a BG I and a BG II premium record. For Causes of Loss – Broad Form and Causes of Loss – Special Form, a third premium record is required to report the **additional** premium for **additional** perils which are covered. Each premium record is reported under a separate Subline Code reflecting covered, as well as any excluded, perils. Losses should be reported based on the component that provides the coverage. For example, a fire loss should be reported under a BGI subline no matter which policy form is used. A fire loss should NOT be coded, for example, under an SCL subline because the Causes of Loss – Special Form was used in writing the policy.

To illustrate this by means of an example: A company writes a commercial property building coverage using the Causes of Loss – Special Form. The company is reporting \$3,560 of total written premium and is required to separately identify each group of covered perils with a separate building (Coverage Code 1) record.

For Premiums on the policy:

- The premium charge for the Basic Group I perils (including Vandalism and Sprinkler Leakage) is \$2,870 and should be reported on a separate Basic Group I record, using Subline 015, Coverage Code 1, along with the other reporting requirements outlined in this module.
- The premium charge for the Basic Group II perils, including Wind, is \$505, and should be reported on a separate Basic Group II record, using Subline 027, Coverage Code 1, along with the other reporting requirements outlined in this module. (See Rule 1.3 on page CF-1.1 if the policy consists of windstorm or hail coverage only).
- The premium charge for the additional "**all risk**" Special Form perils, including theft, is \$185, and should be reported on another separate Special Form record, using Subline 035, Coverage Code 1, along with the other reporting requirements outlined in this module.

For Losses on the same policy:

- A loss due to Fire should be reported as a separate Basic Group I record, using Subline 015, Coverage Code 1 and Type of Loss Code 01 or 1A, along with the other reporting detail from the Basic Group I premium record.
- A loss due to Wind should be reported as a separate Basic Group II record, using Subline 027, Coverage Code 1 and Type of Loss Code 42, along with the other reporting detail from the Basic Group II premium record. (See Rule 1.3 on page CF-1.1 if the policy consists of windstorm or hail coverage only).
- A loss due to Theft should be reported as a separate Special Form record, using Subline 035, Coverage Code 1 and Type of Loss Code 07, along with the other reporting detail from the Special Form premium record.

In contrast, had this policy been written using the Causes of Loss – Broad Form, a premium record would have been required and any losses attributable to a broad form additional peril (e.g., Collapse due to weight of Ice or Snow) would have been reported on a Broad Form record, using Subline 055, Coverage Code 1, with the loss record also using an appropriate Type of Loss Code, in this case Type of Loss Code 66.

TYPE OF LOSS CODE

Applicable to all sublines except 055 (Market Segments only), 060, 061, 116, 136, 156, 176, 196

TYPE OF LOSS	CODE
Fire and Lightning (excluding wildfire)	01
<u>Wildfire</u>	<u>1A</u>
Wind**	42
Hail	72
Explosion	03
Riot, Civil Commotion	04
Vandalism and Malicious Mischief	05
Sprinkler Leakage	06
Aircraft or Vehicles, Volcanic Action, or Smoke+	38
Theft (Including Mysterious Disappearance under Farm Coverage)	07
Water Damage:	
Excluding Damage Attributable to Discharge from Sewer, Drain or Sump	08
Discharge from Sewer Drain or Sump	11
Freezing	10
Equipment Breakdown	12
Glass Breakage	68
Collapse (other than Florida) Due To:	
Weight of Ice, Snow or Sleet	66
Other Covered Causes of Collapse (including Sinkhole Collapse)	67
Collapse (Florida only) Due To:***	
Weight of Ice, Snow or Sleet	66
Sinkhole	73
Catastrophic Ground Cover Collapse	74
Other Covered Causes of Collapse	75
Ordinance or Law Losses:	
Loss to the Undamaged Portion of the Building	80
Demolition Cost	81
Increased Cost of Construction	82
Losses under Massachusetts Remediation for Release of Heating Oil Coverage	09
Losses due to acts of terrorism certified under the Terrorism Risk Insurance Act	22
All other terrorism losses	23
Business Interruption (off-premises) – Collision losses	26
Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") property losses caused by:	
(Applicable to sublines 011-014, 015-018, 027, 029, 031, 035, 037, 039, 045, 055, 067, 069, 077, 079, 81-88, 115, 135 and 155 only)	
Fire and Lightning	51
Wind** and Hail	52
Vandalism and Malicious Mischief	53
Sprinkler Leakage	54
Water Damage	55
Freezing	56
All Other Causes of Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") property losses	59
All Other Losses+	09

NOTES:

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to tornado, hurricane, cyclone, or typhoon.

*** **Sinkhole Loss** means loss of or damage to covered property when structural damage to a building, including the foundation, is caused by settlement or systematic weakening of the earth supporting the building, only if the settlement or systematic weakening results from contemporaneous movement or raveling of soils, or rock materials into subterranean voids created by the effect of water on a limestone or similar rock formation. **Catastrophic Ground Cover Collapse** is defined as a geological activity that results in all of the following: the abrupt collapse of ground cover, a depression in the ground cover clearly visible to the naked eye, structural damage to the covered building including foundation, and the insured structure being condemned and ordered to be vacated by the government agency authorized by law to issue such an order for that structure.

+ For Sublines other than 081-088, Aircraft or Vehicles, Volcanic Action, or Smoke losses; Type of Loss Code may be coded as either 38 or 09.

TYPE OF LOSS CODE

TYPE OF LOSS	CODE
Applicable to Sublines 116, 136, 156, 176, 196*	
Fire <u>(excluding wildfire)</u>	41
<u>Wildfire</u>	1B
Lightning	71
Wind**	42
Hail	72
Explosion	03
Vandalism and Malicious Mischief	05
Theft (Including Mysterious Disappearance under Farm Coverage)	07
Collision	65
Collapse Due To:	
Weight of Ice, Snow or Sleet	66
Other Covered Causes of Collapse (including Sinkhole Collapse)	67
Losses due to acts of terrorism certified under Terrorism Risk Insurance Act	22
All other Terrorism Losses	23
Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") property losses caused by:	
(Applicable to Sublines 116, 136 and 156 only)	
● Fire and Lightning	51
● Wind** and Hail	52
● Vandalism and Malicious Mischief	53
● Sprinkler Leakage	54
● Water Damage	55
● Freezing	56
● All Other Causes of Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") property losses	59
All Other Losses, including losses under Massachusetts Farm Remediation for Release of Heating Oil coverage	09
Applicable to Sublines 060 and 061 (Flood Losses)***	
Flood Loss – coverage is responding on an Excess basis	60
Flood Loss – coverage is responding on a Wrap-around basis:	
● Due to underlying NFIP not covering the loss	61
● All other reasons	62
All other Flood Losses	63
Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") loss due to Flood	64

* Companies may **optionally** report (with the exception of the Massachusetts Farm Remediation for Release of Heating Oil coverage) Type of Loss in this detail with sublines 115, 135, 155, 170 and 190.

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to tornado, hurricane, cyclone or typhoon.

*** Flood Losses include sewer back-up or overflow resulting from flood if back-up or overflow occurs within 72 hours after flood recedes.

CODING SECTION

TYPE OF LOSS CODE – MARKET SEGMENTS BUSINESS

Types of Loss (Subline 055, Market Segment Type of Policy Codes)	Code
Coverage Code 3 (Mandatory Endorsement) and Coverage Code A (All Optional Coverage Endorsements)	
Fire and Lightning (excluding wildfire)	01
<u>Wildfire</u>	1A
Wind ** & Hail	02
Explosion	03
Riot, Civil Commotion	04
Vandalism and Malicious Mischief	05
Sprinkler Leakage	06
Theft (including Mysterious Disappearance)	07
Water Damage	08
Third-Party (Liability), Your Work (Type of Policy Codes 14/1E, 24/2E, 40/4A and 60/6A only)	40
Errors and Omissions (E&O):	
– Delivery E&O (Type of Policy Codes 13/1D, 23/2D, 19/1J, 29/2J, 44/4E, 45/4F, 46/4G, 62/6C, 64/6E and 65/6F)	43
– Service E&O (Type of Policy Codes 47/4H, 67/6H, 51/5B and 52/5C)	43
– Landscape Design E&O (Type of Policy Codes 49/4J, 69/6J)	43
– Home Improvement – Design E&O (Type of Policy Codes 46/4G, 62/6C)	47
– Dry Cleaning and Laundry Facilities – Sales & Disposal Liability (Type of Policy Codes 13/1D, 23/2D)	48
– Pet Groomers, Pet Trainers and Veterinarians E&O (Type of Policy Codes 56/5G and 61/6B)	49
Merchandise Withdrawal Expense (Type of Policy Codes 09/0J, 44/4E, 45/4F, 46/4G, 53/5D, 62/6C, 64/6E and 65/6F only)	44
Customer Property Legal Liability (Type of Policy Codes 48/4I and 68/6I only)	45
Sales and Disposal Legal Liability (Type of Policy Codes 48/4I and 68/6I only)	46
All Other Losses	09

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to tornado, hurricane, cyclone or typhoon.

4. TYPE OF LOSS

Type of Loss Codes, as displayed in the COMFAL coding section of this plan, identify the possible causes of loss that may be reported. However, they do not detail conditions regarding the validity of any one Type of Loss Code in combination with specific Subline Codes (Causes of Loss).

Outlined below are valid Type of Loss Codes for Basic Causes of Loss – Group I and II, Causes of Loss – Broad Form and Causes of Loss – Special Form, by specific Subline Code. This does not apply to all coverages reported in the COMFAL module (e.g., does not apply to Farm Property, Highly Protected Risks, Capital Assets, Unmanned Aircraft (Drones), Market Segments, Equipment Breakdown, Discharge from Sewer, Drain, or Sump, Food Contamination, Spoilage Coverage, Flood Coverage, Massachusetts Remediation for Release of Heating Oil Coverage, off-premises Business Interruption, or Indivisible Property Coverage/Cause of Loss).

Reference Reporting Instruction 1.1 on page **CF-1** of this module for assistance in correctly reporting premiums and losses under the COMFAL Causes of Loss coverage forms.

DIVISIBLE PROPERTY COVERAGE/CAUSE OF LOSS

If the Subline Code is...		The Type of Loss Code can be...
015 or 011*	Basic Group I	01, <u>1A</u> , 03, 05, 06, 22, 23, 51, 53, 54, 59, 80, 81, 82
016 or 012*	Basic Group I – Excluding Vandalism	01, <u>1A</u> , 03, 06, 22, 23, 51, 54, 59, 80, 81, 82
017 or 013*	Basic Group I – Excluding Sprinkler Leakage	01, <u>1A</u> , 03, 05, 22, 23, 51, 53, 59, 80, 81, 82
018 or 014*	Basic Group I – Excluding Vandalism and Sprinkler Leakage	01, <u>1A</u> , 03, 22, 23, 51, 59, 80, 81, 82
027	Basic Group II	04, 09, 22, 23, 38, 42, 52, 59, 67, 72, 73, 74, 80, 81, 82
029	Basic Group II – Excluding Windstorm or Hail	04, 09, 22, 23, 38, 59, 67, 73, 74, 80, 81, 82
031	Windstorm Coverage-only – Including Wind and Hail	22, 23, 42, 52, 72
035**	Special Causes of Loss – Including Theft	07, 08, 09, 10, 22, 23, 55, 56, 59, 66, 67, 68, 75, 80, 81, 82
037*	Special Causes of Loss – Including Theft, on Policies Including Windstorm and Hail	07, 08, 09, 10, 22, 23, 55, 56, 59, 66, 67, 68, 80, 81, 82
039*	Special Causes of Loss – Including Theft, on Policies Excluding Windstorm and Hail	07, 08, 09, 10, 22, 23, 55, 56, 59, 66, 67, 68, 80, 81, 82
045**	Special Causes of Loss – Excluding Theft	08, 09, 10, 22, 23, 55, 56, 59, 66, 67, 68, 75, 80, 81, 82
055	Broad Causes of Loss	08, 09, 22, 23, 55, 59, 66, 67, 68, 75, 80, 81, 82
067*	Special Causes of Loss – Excluding Theft, on Policies Including Windstorm and Hail	08, 09, 10, 22, 23, 55, 56, 59, 66, 67, 68, 80, 81, 82
069*	Special Causes of Loss – Excluding Theft, on Policies Excluding Windstorm and Hail	08, 09, 10, 22, 23, 55, 56, 59, 66, 67, 68, 80, 81, 82
077*	Broad Causes of Loss on Policies Including Windstorm and Hail	08, 09, 22, 23, 55, 59, 66, 67, 68, 80, 81, 82
079*	Broad Causes of Loss on Policies Excluding Windstorm and Hail	08, 09, 22, 23, 55, 59, 66, 67, 68, 80, 81, 82

* 011-014, 037, 039, 067, 069, 077 and 079 are Texas Only Sublines.

** Sublines 035 and 045 do not apply in Texas.

CODING SECTION

TYPE OF LOSS CODE

PROPERTY DAMAGE LOSSES (SUBLINES 100 and 105)

	BUILDING	CONTENTS	TIME ELEMENT
Fire and Lightning <u>(excluding wildfire)</u>	11	21	31
<u>Wildfire</u>	<u>1A</u>	<u>2A</u>	<u>3A</u>
Wind ** and Hail	12	22	32
Explosion	13	23	33
Riot and Civil Commotion	14	24	34
Vandalism and Malicious Mischief	15	25	35
Theft (Including Mysterious Disappearance)	17	27	37
Water Damage	18	28	38
Losses due to Consequential Mold	68	78	88
All Other Losses, including Massachusetts residential liquid fuel losses	19	29	39

PROPERTY DAMAGE LOSSES (SUBLINE 106)*

	BUILDING	CONTENTS	TIME ELEMENT
Fire <u>(excluding wildfire)</u>	41	51	61
<u>Wildfire</u>	<u>4A</u>	<u>5A</u>	<u>6A</u>
Lightning	71	81	91
Wind **	42	52	62
Hail	72	82	92
Explosion	13	23	33
Vandalism and Malicious Mischief	15	25	35
Theft (Including Mysterious Disappearance)	17	27	37
Collision	65	75	85
Collapse Due To:			
Weight of Ice, Snow or Sleet	66	76	86
Other Covered Causes of Collapse (including Sinkhole Collapse)	67	77	87
Losses due to Consequential Mold	68	78	88
All Other Losses, including Massachusetts residential liquid fuel losses	19	29	39

* Companies may **optionally** report Type of Losses in this detail with Sublines 100 and 105.

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to: tornado, hurricane, cyclone, or typhoon.

TERRORISM LOSSES (Applicable to Sublines 100, 105 and 106):

	BUILDING	CONTENTS	TIME ELEMENT
Terrorism Losses****	58	59	60

**** Terrorism losses should only include those of a large magnitude that result in property damage above the \$25 million threshold OR a nuclear, biological or chemical event of any magnitude. Any loss not falling under this description should be reported using the "non-terrorism" Type of Loss Codes.

LIABILITY LOSSES (Applicable to Subline 100 Only):

Liability for Hazards of Lead (Maryland Only)	
Expenses Included in a Qualified Offer:	
– Medical Expenses	45
– Relocation, Rent Subsidy and Other Incidental Expenses	46
Employers Liability	47
Named Individual-Medical Payments	48
Lead Poisoning Liability (Massachusetts Only)	50
All Other Liability and Medical Payments	49

TYPE OF LOSS CODE

Location of Loss (1st Digit) – All States	Code	Loss Due to (2nd Digit)*	Code
Insured's Premises	1	Fire, Lightning, Explosion and Smoke (<u>excluding wildfire</u>)	1
		<u>Wildfire</u>	<u>N</u>
Premises of Others	2	Windstorm** and Hail	2
In Transit – Railroad	3	Breakage, Collision, Upset, Overturn, Derailment,	
– Surface Mail	4	Dropping, Sinking, Spoilage and Corrosion	3
– Motor Vehicles	5	Water Damage (excluding Flood) Including Backup	
– Air/Waterborne	6	of Sewers and Drains, Sprinkler Leakage and Freezing	4
– Messengers/Salesmen	8	Theft, Burglary, Robbery, Extortion, Incl. Hijacking,	
		Mysterious Disappearance, Pilferage and	
		Shortage	5
		Vandalism, Malicious Mischief, Riot and Civil	
		Commotion	6
		Collapse, Volcanic Action, Earth Movement, i.e.,	
		Subsidence, Landslide, Earthquake, etc.	7
		Flood	8
		Business Interruption	P
		Disappearance of unmanned aircraft due to:	
		Failure of communications link (fly away)	F
		Crash or mid-air collision	G
		Interception or interference by drone-defense or anti-	
		drone device	H
		Hijack by hacking	J
		All Other	9

* Not applicable for data reported for Texas.

TYPE OF LOSS CODE

For data reported for Texas, the following codes apply:

Loss Due to (2nd Digit)	Code
Fire and Lightning_(excluding wildfire)	1
<u>Wildfire</u>	<u>N</u>
Windstorm** and Hail	2
Breakage, Collision, Upset, Overturn, Derailment, Dropping, Sinking, Spoilage and Corrosion	3
Water Damage, (excluding Flood, Sprinkler Leakage and Freezing), including Backup of Sewers and Drains	4
Theft, Burglary, Robbery, Extortion, Incl. Hijacking, Mysterious Disappearance, Pilferage and Shortage	5
Vandalism and Malicious Mischief	6
Collapse, Volcanic Action, Earth Movement, i.e., Subsidence, Landslide, Earthquake, etc.	7
Flood	8
Explosion	A
Smoke	B
Riot and Civil Commotion	C
Sprinkler Leakage	D
Freezing	E
Business Interruption	P
Disappearance of unmanned aircraft due to:	
Failure of communications link (fly away)	F
Crash or mid-air collision	G
Interception or interference by drone-defense or anti-drone device	H
Hijack by hacking	J
All Other	9

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to tornado, hurricane, cyclone, or typhoon.

Note: For losses due to acts of terrorism certified under the Terrorism Risk Insurance Act, report Type of Loss code 99. For All Other terrorism losses, code as 98.

CODING SECTION

TYPE OF LOSS		
BUILDING AND CONTENTS RECORDS (COVERAGE CODES 01, 02, 21, 22, 27-30, 46- 48 and 62-76) AND OFF-PREMISES BUSINESS INTERRUPTION RECORDS (COVERAGE CODES 57-59*)	PROPERTY DAMAGE	TIME ELEMENT*
PROPERTY LOSSES		
Fire and Lightning <u>(excluding wildfire)</u>	21	31
<u>Wildfire</u>	<u>1A</u>	<u>1B</u>
Wind**	80	84
Hail	81	85
Explosion	23	33
Riot or Civil Commotion	24	34
Vandalism	25	35
Sprinkler Leakage	26	36
Burglary, Theft and Robbery – Money and Securities	27	37
Burglary, Theft and Robbery – other than Money and Securities	28	38
Water Damage	20	30
Freezing	61	62
Dropping, Breakage #	16	17
Vehicle - Related Collision, Upset, Overturn #	18	19
Collapse (other than Florida) Due To:		
Weight of Ice, Snow or Sleet	82	86
Other Covered Causes of Collapse (including Sinkhole Collapse)	83	87
Collapse (Florida only) Due To:***		
Weight of Ice, Snow or Sleet	82	86
Sinkhole	10	13
Catastrophic Ground Cover Collapse	11	14
Other Covered Causes of Collapse	12	15
Consequential Fungi or Bacteria ("Mold") property losses caused by:		
Fire and Lightning	63	73
Wind** and Hail	64	74
Vandalism	65	75
Sprinkler Leakage	66	76
Water Damage	67	77
Freezing	69	79
All Other Causes of Consequential Fungi or Bacteria ("Mold") property losses	68	78
Losses Under 'Exterior Building Glass Additional Coverage' (Applicable to Type of Policy Codes Other Than 84, 88, 8E and 8I)	51	52
Glass (Applicable to Type of Policy Codes 84, 88, 8E and 8I only)	51	52
Losses Under Massachusetts Residential Fuel Tank Coverage (Coverage Code 48)	29	–
Losses due to Off-Premises Business Interruption – Collision Coverage only (Coverage Codes 57 and 59)	–	89
Losses due to acts of terrorism certified under the Terrorism Risk Insurance Act	93	94
All Other terrorism losses	97	98
All Other	29	39

Refer to the following page for Type of Loss Code Notes associated with the coding on this page.

1. GENERAL REPORTING REQUIREMENTS

Refer to Part I of this Plan for the general rules applicable to all types of business.

A. PREMIUMS

Premiums must be separately reported for each unique set of codes in the coding section of this module. Each Building Risk or Personal Property Risk must be separately reported.

A Building Risk is a building or part of a building which takes a separate rate. Platforms, wharves, piers and yard property which take separate rates are considered Building Risks.

A Personal Property Risk is the property of an insured which is described by a single Occupancy Classification Code and is located within a single Building Risk.

When a policy insures more than one Building or Personal Property risk, each building or personal property risk must be reported separately, including Blanket Rated Risks using blanket coverage rates or average rates.

The premium reported shall be the premium charged for the policy reflecting any modification resulting from the application of prospective experience rating plans.

B. LOSSES

Separate statistical entries are required by Type of Loss Code for each paid loss, each outstanding loss, each salvage recovery and each subrogation recovery.

1.1 BASIC GROUP I, BASIC GROUP II, BROAD, AND SPECIAL FORMS – OTHER THAN FARM RISKS

DIVISIBLE COVERAGE/CAUSES OF LOSS

Property coverage written on any one of three ISO Causes of Loss forms, Basic, Broad or Special provides coverage for the Basic Form perils. These are divided between Basic Group I and Basic Group II perils. The Broad Form also provides coverage for a list of **additional** covered perils, and the Special Form provides coverage on an "all risks" basis. For all the different forms, the different coverage components are rated separately and must be reported to ISO separately. Each of the three forms will generate a BG I and a BG II premium record. For Causes of Loss – Broad Form and Causes of Loss – Special Form, a third premium record is required to report the **additional** premium for **additional** perils which are covered. Each premium record is reported under a separate Subline Code reflecting covered, as well as any excluded, perils. Losses should be reported based on the component that provides the coverage. For example, a fire loss should be reported under a BGI subline no matter which policy form is used. A fire loss should NOT be coded, for example, under an SCL subline because the Causes of Loss – Special Form was used in writing the policy.

To illustrate this by means of an example: A company writes a commercial property building coverage using the Causes of Loss – Special Form. The company is reporting \$3,560 of total written premium and is required to separately identify each group of covered perils with a separate building (Coverage Code 1) record.

For Premiums on the policy:

- The premium charge for the Basic Group I perils (including Vandalism and Sprinkler Leakage) is \$2,870, and should be reported on a separate Basic Group I record, using subline 015, Coverage Code 1, along with the other reporting requirements outlined in this module.
- The premium charge for the Basic Group II perils, including Wind, is \$505, and should be reported on a separate Basic Group II record, using subline 027, Coverage Code 1, along with the other reporting requirements outlined in this module. (See Rule 1.3 on page CF-1.1 if policy consists of windstorm or hail coverage only).
- The premium charge for the additional "**all risk**" Special Form perils, including theft, is \$185, and should be reported on another separate Special Form record, using subline 035, Coverage Code 1, along with the other reporting requirements outlined in this module.

For Losses on the same policy:

- A loss due to Fire should be reported as a separate Basic Group I record, using subline 015, Coverage Code 1 and Type of Loss Code 01 or 1A, along with the other reporting detail from the Basic Group I premium record.
- A loss due to Wind should be reported as a separate Basic Group II record, using subline 027, Coverage Code 1 and Type of Loss Code 42, along with the other reporting detail from the Basic Group II premium record. (See Rule 1.3 on page CF-1.1 if the policy consists of windstorm or hail coverage only).
- A loss due to Theft should be reported as a separate Special Form record, using subline 035, Coverage Code 1 and Type of Loss Code 07, along with the other reporting detail from the Special Form premium record.

In contrast, had this policy been written using the Causes of Loss – Broad Form, a premium record would have been required and any losses attributable to a broad form additional peril (e.g., Collapse due to weight of Ice or Snow) would have been reported on a Broad Form record, using subline 055, Coverage Code 1, with the loss record also using an appropriate Type of Loss Code, in this case Type of Loss Code 66.

TYPE OF LOSS CODE

TYPE OF LOSS	CODE
Applicable to all sublines except 055 (Market Segments only), 060, 061, 116, 136, 156, 176 and 196	
Fire and Lightning (excluding wildfire)	01
Wildfire	1A
Wind**	42
Hail	72
Explosion	03
Riot, Civil Commotion	04
Vandalism and Malicious Mischief	05
Sprinkler Leakage	06
Aircraft or Vehicles, Volcanic Action or Smoke+	38
Theft (Including Mysterious Disappearance under Farm Coverage)	07
Water Damage:	
Excluding Damage attributable to Discharge from Sewer, Drain or Sump	08
Discharge from Sewer Drain or Sump	11
Freezing	10
Equipment Breakdown	12
Glass Breakage	68
Collapse (other than Florida) Due To:	
Weight of Ice, Snow or Sleet	66
Other Covered Causes of Collapse (including Sinkhole Collapse)	67
Collapse (Florida only) Due To:***	
Weight of Ice, Snow or Sleet	66
Sinkhole	73
Catastrophic Ground Cover Collapse	74
Other Covered Causes of Collapse	75
Ordinance or Law Losses:	
Loss to the Undamaged Portion of the Building	80
Demolition Cost	81
Increased Cost of Construction	82
Losses under Massachusetts Remediation for Release of Heating Oil Coverage	09
Losses due to acts of terrorism certified under the Terrorism Risk Insurance Act	22
All other terrorism losses	23
Business Interruption (off-premises) – Collision losses	26
Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") property losses caused by:	
(Applicable to sublines 015, 016, 017, 018, 027, 029, 031, 035, 045, 055, 81-88, 115, 135 and 155 only)	
Fire and Lightning	51
Wind** and Hail	52
Vandalism and Malicious Mischief	53
Sprinkler Leakage	54
Water Damage	55
Freezing	56
All Other Causes of consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") property losses	59
All Other Losses+	09

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to, tornado, hurricane, cyclone or typhoon.

*** **Sinkhole Loss** means loss of or damage to covered property when structural damage to a building, including the foundation, is caused by settlement or systematic weakening of the earth supporting the building, only if the settlement or systematic weakening results from contemporaneous movement or raveling of soils, or rock materials into subterranean voids created by the effect of water on a limestone or similar rock formation. **Catastrophic Ground Cover Collapse** is defined as a geological activity that results in all of the following: the abrupt collapse of ground cover, a depression in the ground cover clearly visible to the naked eye, structural damage to the covered building including foundation, and the insured structure being condemned and ordered to be vacated by the government agency authorized by law to issue such an order for that structure.

+ For sublines other than 081-088, Aircraft or Vehicles, Volcanic Action or Smoke losses; Type of Loss Code may be coded as either 38 or 09.

TYPE OF LOSS CODE

TYPE OF LOSS	CODE
Applicable to sublines 116, 136, 156, 176 and 196*	
Fire (excluding wildfire)	41
Wildfire	1B
Lightning	71
Wind**	42
Hail	72
Explosion	03
Vandalism and Malicious Mischief	05
Theft (Including Mysterious Disappearance under Farm Coverage)	07
Collision	65
Collapse Due To:	
Weight of Ice, Snow or Sleet	66
Other Covered Causes of Collapse (including Sinkhole Collapse)	67
Losses due to acts of terrorism certified under the Terrorism Risk Insurance Act	22
All Other Terrorism Losses	23
Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") property losses caused by: (Applicable to sublines 116, 136 and 156 only)	
Fire and Lightning	51
Wind** and Hail	52
Vandalism and Malicious Mischief	53
Sprinkler Leakage	54
Water Damage	55
Freezing	56
All Other Causes of Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") property losses	59
All Other Losses, including losses under Massachusetts Farm Remediation for Release of Heating Oil coverage	09
Applicable to sublines 060 and 061 (Flood Losses***)	
Flood Loss – Coverage is responding on an excess basis	60
Flood Loss – Coverage is responding on a wrap-around basis:	
● Due to underlying NFIP not covering the loss	61
● All other reasons	62
All other Flood Losses	63
Consequential Fungus, Wet Rot, Dry Rot or Bacteria ("Mold") loss due to Flood	64

* Companies may **optionally** report (with the exception of the Massachusetts Farm Remediation for Release of Heating Oil coverage) Type of Losses in this detail with sublines 115, 135, 155, 170 and 190.

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to, tornado, hurricane, cyclone, or typhoon.

*** Flood Losses include sewer back-up or overflow, resulting from flood if back-up or overflow occurs within 72 hours after flood recedes.

TYPE OF LOSS CODE – MARKET SEGMENTS BUSINESS

Types of Loss (Subline 055, Market Segments Type of Policy Codes)	Code
Coverage Code 3 (Mandatory Endorsement) and Coverage Code A (All Optional Coverage Endorsements)	
Fire and Lightning	01
<u>Wildfire</u>	<u>1A</u>
Wind** and Hail	02
Explosion	03
Riot, Civil Commotion	04
Vandalism and Malicious Mischief	05
Sprinkler Leakage	06
Theft (including Mysterious Disappearance)	07
Water Damage	08
Third-Party (Liability), Your Work (Type of Policy Codes 14/1E, 24/2E, 40/4A and 60/6A only)	40
Errors and Omissions (E&O):	
– Delivery E&O (Type of Policy Codes 13/1D, 23/2D, 19/1J, 29/2J, 44/4E, 45/4F, 46/4G, 62/6C, 64/6E and 65/6F)	43
– Service E&O (Type of Policy Codes 47/4H, 67/6H, 51/5B and 52/5C)	43
– Landscape Design E&O (Type of Policy Codes 49/4J, 69/6J)	43
– Home Improvement – Design E&O (Type of Policy Codes 46/4G, 62/6C)	47
– Dry Cleaning and Laundry Facilities (Sales & Disposal Liability) (Type of Policy Codes 13/1D, 23/2D)	48
– Pet Groomers, Pet Trainers and Veterinarians E&O (Type of Policy Codes 56/5G and 61/6B)	49
Merchandise Withdrawal Expense (Type of Policy Codes 09/0J, 44/4E, 45/4F, 46/4G, 53/5D, 62/6C, 64/6E and 65/6F only)	44
Customer Property Legal Liability (Type of Policy Codes 48/4I and 68/6I only)	45
Sales and Disposal Legal Liability (Type of Policy Codes 48/4I and 68/6I only)	46
All Other Losses	09

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to, tornado, hurricane, cyclone or typhoon.

3. TYPE OF LOSS

Type of Loss Codes, as displayed in the COMFAL coding section of this plan, identify the possible causes of loss that may be reported. However, they do not detail conditions regarding the validity of any one Type of Loss Code in combination with specific Subline Codes (Causes of Loss).

Outlined below are valid Type of Loss Codes for Basic Causes of Loss – Groups I and II, Causes of Loss – Broad Form and Causes of Loss – Special Form, by specific Subline Code. This does not apply to all coverages reported in the COMFAL module (e.g., does not apply to Farm Property, Highly Protected Risks, Capital Assets, Market Segments, Equipment Breakdown, Discharge From Sewer, Drain or Sump, Food Contamination, Spoilage Coverage, Flood Coverage, Unmanned Aircraft (Drones), Massachusetts Remediation for Release of Heating Oil Coverage, Off-premises Business Interruption or Indivisible Coverage/Cause of Loss).

Reference Reporting Instruction 1.1 on page **CF-1** of this module for assistance in correctly reporting premiums and losses under the COMFAL Causes of Loss coverage forms.

DIVISIBLE COVERAGE/CAUSE OF LOSS

If the Subline Code is...		The Type of Loss Code can be...
015	Basic Group I	01, 1A, 03, 05, 06, 22, 23, 51, 53, 54, 59, 80, 81, 82
016	Basic Group I – Excluding Vandalism	01, 1A, 03, 06, 22, 23, 51, 54, 59, 80, 81, 82
017	Basic Group I – Excluding Sprinkler Leakage	01, 1A, 03, 05, 22, 23, 51, 53, 59, 80, 81, 82
018	Basic Group I – Excluding Vandalism and Sprinkler Leakage	01, 1A, 03, 22, 23, 51, 59, 80, 81, 82
027	Basic Group II	04, 09, 22, 23, 38, 42, 52, 59, 67, 72, 73, 74, 80, 81, 82
029	Basic Group II – Excluding Windstorm or Hail	04, 09, 22, 23, 38, 59, 67, 73, 74, 80, 81, 82
031	Windstorm Coverage-only – Including Wind and Hail	22, 23, 42, 52, 72
035	Special Causes of Loss – Including Theft	07, 08, 09, 10, 22, 23, 55, 56, 59, 66, 67, 68, 75, 80, 81, 82
045	Special Causes of Loss – Excluding Theft	08, 09, 10, 22, 23, 55, 56, 59, 66, 67, 68, 75, 80, 81, 82
055	Broad Causes of Loss	08, 09, 22, 23, 55, 59, 66, 67, 68, 75, 80, 81, 82

TYPE OF LOSS CODE

PROPERTY DAMAGE LOSSES (SUBLINE 100 and 105)

	BUILDING	CONTENTS	TIME ELEMENT
Fire and Lightning <u>(excluding wildfire)</u>	11	21	31
<u>Wildfire</u>	<u>1A</u>	<u>2A</u>	<u>3A</u>
Wind** and Hail	12	22	32
Explosion	13	23	33
Riot and Civil Commotion	14	24	34
Vandalism and Malicious Mischief	15	25	35
Theft (Including Mysterious Disappearance)	17	27	37
Water Damage	18	28	38
Losses due to Consequential Mold	68	78	88
All Other Losses, including Massachusetts residential liquid fuel losses	19	29	39

PROPERTY DAMAGE LOSSES (SUBLINE 106)*

	BUILDING	CONTENTS	TIME ELEMENT
Fire <u>(excluding wildfire)</u>	41	51	61
<u>Wildfire</u>	<u>4A</u>	<u>5A</u>	<u>6A</u>
Lightning	71	81	91
Wind**	42	52	62
Hail	72	82	92
Explosion	13	23	33
Vandalism and Malicious Mischief	15	25	35
Theft (Including Mysterious Disappearance)	17	27	37
Collision	65	75	85
Collapse Due To:			
Weight of Ice, Snow or Sleet	66	76	86
Other Covered Causes of Collapse	67	77	87
Losses due to Consequential Mold	68	78	88
All Other Losses, including Massachusetts residential liquid fuel losses	19	29	39

* Companies may **optionally** report Type of Losses in this detail with Subline 100 and 105.

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to, tornado, hurricane, cyclone or typhoon.

TERRORISM LOSSES (Applicable to Sublines 100, 105 and 106 only):

	BUILDING	CONTENTS	TIME ELEMENT
Terrorism Losses***	58	59	60

*** Terrorism losses should only include those of a large magnitude that result in property damage above the \$25 million threshold OR a nuclear, biological, or chemical event of any magnitude. Any loss not falling under this description should be reported using the "non-terrorism" Type of Loss Codes.

LIABILITY LOSSES (Applicable to Subline 100 only)

Liability for Hazards of Lead (Maryland Only)

Expenses Included in a Qualified Offer:

– Medical Expenses	45
– Relocation, Rent Subsidy and Other Incidental Expenses	46
Employers Liability	47
Named Individual – Medical Payments	48
Lead Poisoning Liability (Massachusetts Only)	50
All Other Liability and Medical Payments	49

TYPE OF LOSS

LOCATION OF LOSS (1st DIGIT)	CODE	LOSS DUE TO (2nd DIGIT)	CODE
Insured's Premises	1	Fire, Lightning, Explosion and Smoke (<u>excluding wildfire</u>)	1
Premises of Others	2	<u>Wildfire</u>	N
In Transit – Railroad	3	Windstorm** and Hail	2
– Surface Mail	4	Breakage, Collision, Upset, Overturn, Derailment, Dropping, Sinking, Spoilage and Corrosion	3
– Motor Vehicles	5	Water Damage (excluding Flood) Including Backup of Sewers and Drains, Sprinkler Leakage and Freezing	4
– Air/Waterborne	6		4
– Messengers/Salesmen	8	Theft, Burglary, Robbery, Extortion, Incl. Hijacking, Mysterious Disappearance, Pilferage and Shortage	5
		Vandalism, Malicious Mischief, Riot and Civil Commotion	6
		Collapse, Volcanic Action, Earth Movement, i.e., Subsidence, Landslide, Earthquake, etc.	7
		Flood	8
		Business Interruption	P
		Disappearance of unmanned aircraft due to:	
		Failure of communications link (fly away)	F
		Crash or mid-air collision	G
		Interception or interference by drone-defense or anti-drone device	H
		Hijack by hacking	J
		All Other	9

** Wind or windstorm losses are defined as those losses attributable to any wind event including a storm marked by high wind or a funnel of wind. This includes, but is not limited to, tornado, hurricane, cyclone or typhoon.

Note:

For losses due to acts of terrorism certified under the Terrorism Risk Insurance Act, report Type of Loss Code 99. For All Other terrorism losses, code as 98.

TYPE OF LOSS CODE

**BUILDING AND CONTENTS RECORDS (COVERAGE CODES 01, 02, 21, 22, 27-30, 46 - 48 AND 62-76) AND
OFF-PREMISES BUSINESS INTERRUPTION RECORDS (COVERAGE CODES 57-59*)**

PROPERTY LOSSES	PROPERTY DAMAGE	TIME ELEMENT*
Fire and Lightning_(excluding wildfire)	21	31
<u>Wildfire</u>	<u>1A</u>	<u>1B</u>
Wind**	80	84
Hail	81	85
Explosion	23	33
Riot or Civil Commotion	24	34
Vandalism	25	35
Sprinkler Leakage	26	36
Burglary, Theft and Robbery – Money and Securities	27	37
Burglary, Theft and Robbery – Other Than Money and Securities	28	38
Water Damage	20	30
Freezing	61	62
Dropping, Breakage #	16	17
Vehicle - Related Collision, Upset, Overturn #	18	19
Collapse (other than Florida) Due To:		
Weight of Ice, Snow or Sleet	82	86
Other Covered Causes of Collapse (including Sinkhole Collapse)	83	87
Collapse (Florida only) Due To:***		
Weight of Ice, Snow or Sleet	82	86
Sinkhole	10	13
Catastrophic Ground Cover Collapse	11	14
Other Covered Causes of Collapse	12	15
Consequential Fungi or Bacteria ("Mold") property losses caused by:		
Fire and Lightning	63	73
Wind** and Hail	64	74
Vandalism	65	75
Sprinkler Leakage	66	76
Water Damage	67	77
Freezing	69	79
All Other Causes of Consequential Fungi or Bacteria ("Mold") property losses	68	78
Losses Under Exterior Building Glass Additional Coverage	51	52
Glass (applicable to Type of Policy codes 84, 88, 8E and 8I only)	51	52
Losses Under Massachusetts Residential Fuel Tank Coverage (Coverage Code 48)	29	-
Losses due to Off-Premises Business Interruption – Collision Coverage only (Coverage Codes 57 and 59)	-	89
Losses due to acts of terrorism certified under Terrorism Risk Insurance Act	93	94
All Other terrorism losses	97	98
All Other	29	39

Refer to the following page for Type of Loss Code Notes associated with the coding on this page.