

FORMS/RULES – IMPLEMENTATION

OCTOBER 30, 2020

BUSINESSOWNERS

LI-BP-2020-138

## INTRODUCTION OF BUSINESSOWNERS MULTISTATE FORMS AND RULES REVISIONS ADDRESSING CYBER INCIDENT EXCLUSION ENDORSEMENTS TO BE IMPLEMENTED IN VARIOUS JURISDICTIONS

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### KEY MESSAGE

We are implementing new and revised Businessowners multistate forms and rules revisions in 3 jurisdictions.

**Effective Date:** February 1, 2021 (Virginia and Texas) and March 1, 2021 (Louisiana)

**Filing IDs:** BP-2020-OCYFR (Forms), BP-2020-RCYRU (Rules)

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### JURISDICTIONS

- Louisiana\*
- Virginia
- Texas

\* These filings were submitted jointly with the Property Insurance Association of Louisiana to the Louisiana Department of Insurance.

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### BACKGROUND

In circular:

- [LI-BP-2020-077](#), we announced the filing of multistate forms filing BP-2020-OCYFR, which introduced two endorsements for the exclusion of loss or damage by a cyber incident and revised one endorsement for use with ISO's Businessowners program.
- [LI-BP-2020-078](#), we announced the filing of multistate rules filing BP-2020-RCYRU, which revised Rule 16. Mandatory Forms, Coverage And Limits of Division Ten – Businessowners of the Commercial Lines Manual to reference and instruct on the usage of new mandatory endorsements filed under companion forms filing BP-2020-OCYFR.
- [LI-BP-2020-108](#), we provided you with final copies of multistate forms and endorsements included in forms filing BP-2020-OCYFR.

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### INSURANCE DEPARTMENT ACTION

We have received all necessary approvals or acknowledgements, as required by state laws and regulations, from the insurance departments in the jurisdictions listed in the Jurisdictions block.

**Note:** The announcement of implementation in a particular jurisdiction includes the implementation of the multistate filings and any state supplement and/or amendment filing.

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## EFFECTIVE DATE

### Forms:

#### **Louisiana:**

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

These changes are applicable to all policies effective on or after March 1, 2021.

#### **Virginia:**

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

These changes are applicable to all policies written on or after February 1, 2021.

#### **Texas:**

We do not establish an effective date for Businessowners forms revisions in this state. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

### Rules:

#### **Louisiana:**

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

These changes are applicable to all policies effective on or after March 1, 2021.

#### **Virginia:**

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

These changes are applicable to all policies written on or after February 1, 2021.

#### **Texas:**

We do not establish an effective date for Businessowners rules revisions in this state. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

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## COMPANY ACTION

Refer to the Summary of Company Action Requirements attached.

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## RATING SOFTWARE IMPACT

### BP-2020-OCYFR:

Refer to circular [LI-BP-2020-077](#) for the impact of the multistate filing.

### BP-2020-RCYRU:

Refer to circular [LI-BP-2020-078](#) for the impact of the multistate filing.

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## IMPACT ON STATISTICAL REPORTING

ISO is in the process of reviewing the statistical reporting impact of this filing, and a Statistical Plan Holders circular announcing applicable revisions to the Businessowners module in the Commercial Statistical Plans will be released to the industry allowing sufficient lead-time to implement any applicable changes.

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## 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-2019-057](#) 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.

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## FUTURE ISO ACTION

In future circulars, we will:

- Update the status of this revision. This status report will be updated periodically to provide you with the latest status. For interim updates, please check the Insurance Lines Services web site ([www.verisk.com/ils](http://www.verisk.com/ils)). In addition to other information, this web site contains copies of major multistate filing status reports that are updated approximately every two weeks.
  - Inform you of implementation status of these filings in additional jurisdictions.
  - Provide an updated multistate status report summarizing filing activity.
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## REVISION DISTRIBUTION

### Forms:

#### **Louisiana:**

We will issue a Notice to Portfolioholders with an edition date of 3-21 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

#### **Texas and Virginia:**

We will issue a Notice to Portfolioholders with an edition date of 2-21 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

### Rules:

#### **Louisiana:**

We will issue a Notice to Manualholders with an edition date of 3-21 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

#### **Texas and Virginia:**

We will issue a Notice to Manualholders with an edition date of 2-21 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

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**REFERENCE(S)**

- [LI-BP-2020-108](#) (09/25/2020) Businessowners Multistate Forms Cyber Incident Exclusion Endorsements (Edition 02 21) Available
- [LI-BP-2020-078](#) (08/07/2020) Introduction Of Businessowners Multistate Rules Revision Addressing Cyber Incident Exclusion Endorsements Being Filed
- [LI-BP-2020-077](#) (08/07/2020) Introduction Of Businessowners Multistate Forms Revisions Addressing Cyber Incident Exclusion Endorsements Being Filed
- [LI-CL-2019-057](#) (12/10/2019) Revised Lead Time Requirements Listing

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**ATTACHMENT(S)**

- Summary of Company Action Requirements
- Status Report

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**CONTACT INFORMATION**

If you have any questions concerning:

- The forms content of this circular, please contact:  
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- Other issues for this circular, please contact Customer Support:

E-mail: [info@verisk.com](mailto:info@verisk.com)

Phone: 800-888-4476

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## **SUMMARY OF COMPANY ACTION REQUIREMENTS**

### **FORMS filing: BP-2020-OCYFR**

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**Louisiana**  
**Virginia**

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 Number BP-2020-OCYFR, 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.

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**Texas**

ISO has not filed this revision on behalf of insurers.

You must independently determine what revision to make and when to make any revision effective. If you decide to use all or any part of ISO's 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 State File Number(s) S681811. Do NOT refer to this circular number or ISO Filing 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.

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### **RULES filing: BP-2020-RCYRU**

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**Louisiana**  
**Virginia**

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 BP-2020-RCYRU, 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.

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**Texas**

ISO has not filed this revision on behalf of insurers.

You must independently determine what revision to make and when to make any revision effective. If you decide to use all or any part of ISO's 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 State File Number(s) S681810. Do NOT refer to this circular number or ISO Filing 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.

**Status of Businessowners Multistate Forms And Rules Revisions Addressing  
Cyber Incident Exclusion Endorsements  
BP-2020-OCYFR (Forms), BP-2020-RCYRU (Rules)**

STATE	EFFECTIVE OR DISTRIBUTION DATE	STATE-SPECIFIC SUPPLEMENT/AMENDMENT CIRCULAR (FO, RU)	IMPLEMENTATION CIRCULAR (FO, RU)
ALABAMA	02/01/2021		<a href="#">LI-BP-2020-107</a>
ALASKA	02/01/2021		<a href="#">LI-BP-2020-107</a>
ARIZONA			
ARKANSAS		<a href="#">LI-BP-2020-083</a>	
CALIFORNIA			
COLORADO	02/2021		<a href="#">LI-BP-2020-107</a>
CONNECTICUT	02/01/2021	<a href="#">LI-BP-2020-084</a>	<a href="#">LI-BP-2020-107</a>
DELAWARE	02/01/2021		<a href="#">LI-BP-2020-107</a>
DIST. OF COLUMBIA			
FLORIDA			
GEORGIA		<a href="#">LI-BP-2020-085</a>	
GUAM*	02/2021		<a href="#">LI-BP-2020-107</a>
HAWAII	BUREAU		
IDAHO	02/01/2021		<a href="#">LI-BP-2020-107</a>
ILLINOIS	02/01/2021		<a href="#">LI-BP-2020-107</a>
INDIANA	02/01/2021		<a href="#">LI-BP-2020-107</a>
IOWA	02/01/2021		<a href="#">LI-BP-2020-114</a>
KANSAS	02/01/2021		<a href="#">LI-BP-2020-107</a>
KENTUCKY	02/01/2021	<a href="#">LI-BP-2020-086</a>	<a href="#">LI-BP-2020-107</a>
LOUISIANA**	03/01/2021		<a href="#">LI-BP-2020-138</a>
MAINE	02/01/2021		<a href="#">LI-BP-2020-107</a>
MARYLAND	02/01/2021		<a href="#">LI-BP-2020-107</a>
MASSACHUSETTS	02/01/2021		<a href="#">LI-BP-2020-107</a>
MICHIGAN	02/01/2021		<a href="#">LI-BP-2020-107</a>
MINNESOTA	02/01/2021		<a href="#">LI-BP-2020-107</a>
MISSISSIPPI**	02/01/2021		<a href="#">LI-BP-2020-107</a>
MISSOURI	02/01/2021		<a href="#">LI-BP-2020-107</a>
MONTANA		<a href="#">LI-BP-2020-088</a>	
NEBRASKA	02/01/2021		<a href="#">LI-BP-2020-107</a>
NEVADA	02/01/2021		<a href="#">LI-BP-2020-107</a>
NEW HAMPSHIRE	02/01/2021		<a href="#">LI-BP-2020-107</a>
NEW JERSEY			
NEW MEXICO	02/01/2021	<a href="#">LI-BP-2020-090</a>	<a href="#">LI-BP-2020-114</a>
NEW YORK		<a href="#">LI-BP-2020-091</a>	
NORTH CAROLINA	02/01/2021		<a href="#">LI-BP-2020-107</a>
NORTH DAKOTA	02/01/2021		<a href="#">LI-BP-2020-107</a>
OHIO	02/01/2021		<a href="#">LI-BP-2020-107</a>
OKLAHOMA	02/01/2021		<a href="#">LI-BP-2020-107</a>
OREGON	02/01/2021	<a href="#">LI-BP-2020-087</a>	<a href="#">LI-BP-2020-107</a>
PENNSYLVANIA	02/01/2021		<a href="#">LI-BP-2020-107</a>
PUERTO RICO		<a href="#">LI-BP-2020-092</a>	
RHODE ISLAND	02/01/2021		<a href="#">LI-BP-2020-107</a>
SOUTH CAROLINA	02/2021		<a href="#">LI-BP-2020-114</a>
SOUTH DAKOTA	02/01/2021	<a href="#">LI-BP-2020-093</a>	<a href="#">LI-BP-2020-107</a>
TENNESSEE	02/01/2021		<a href="#">LI-BP-2020-107</a>
TEXAS	02/2021	<a href="#">LI-BP-2020-094</a>	<a href="#">LI-BP-2020-138</a>
U.S. VIRGIN ISLANDS*			
UTAH	02/01/2021		<a href="#">LI-BP-2020-107</a>
VERMONT	02/01/2021	<a href="#">LI-BP-2020-095</a>	<a href="#">LI-BP-2020-107</a>
VIRGINIA	02/01/2021		<a href="#">LI-BP-2020-138</a>
WASHINGTON**	BUREAU		
WEST VIRGINIA	02/01/2021		<a href="#">LI-BP-2020-107</a>
WISCONSIN			
WYOMING	02/01/2021		<a href="#">LI-BP-2020-107</a>

\* ISO has no jurisdiction for rules.

\*\* LA, MS – Joint jurisdiction (FO, RU). WA – Under jurisdiction of WSRB

MU FORMS FILED	MU RULES FILED
<a href="#">LI-BP-2020-077</a>	<a href="#">LI-BP-2020-078</a>