

RULES – FILED AND APPROVED

AUGUST 19, 2021

GENERAL LIABILITY

LI-GL-2021-266

DELAWARE RULE REVISION FILED AND APPROVED

KEY MESSAGE

General Liability rules filing GL-2021-ORU1 filed and approved to reflect the withdrawal of multistate endorsement CG 23 06 and introduction of state-specific endorsement CG 23 09.

UPGRADE TO WORD AND EXCEL DOCUMENTS

As previously noted, ISO is implementing changes to our authoring and delivery systems so that **newly created** documents will be delivered in Office 365 .docx/.xlsx format to be phased in by product/service. In addition to **form** documents, we are pleased to announce that during the third quarter 2021, you will be receiving **circular cover letter** and **Notice To Manualholders (NTM)** documents in .docx format delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library, PRM and Suite +. Changes continue for other document types to be phased in by product/service. Products impacted include, but are not limited to, documents delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library (including PolicyWriting Support Forms Instructional Supplement), PRM, Statistical Plans and Suite +.

BACKGROUND

In the companion forms filing GL-2021-OFR1, we are introducing a state-specific endorsement in place of a multistate endorsement based on comments from the Delaware Department of Insurance.

ISO ACTION

In response to the Delaware Department of Insurance request, we submitted filing GL-2021-ORU1. Refer to the attached explanatory material for complete details about the filing.

INSURANCE DEPARTMENT ACTION

The Delaware Department of Insurance has approved this revision as filed.

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, 2022.

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 [GL-2021-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-2021-004](#) 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 **1-22** (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-GL-2021-265](#) (08/19/2021) Cannabis Endorsements Withdrawn And Introduced In Delaware Filed And Approved
- [LI-CL-2021-004](#) (02/17/2021) Revised Lead Time Requirements Listing

[ATTACHMENT\(S\)](#)

Rules Filing [GL-2021-ORU1](#)

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Delaware Rule 36. Exception Introduction

About This Filing

This filing introduces a Delaware state exception to complement changes being made in the companion forms filing GL-2021-OFR1.

New Rule

We are introducing the following rule:

- ◆ Rule 36. Description Of Additional Optional Endorsements

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes.

Related Filing(s)

- ◆ GL-2021-OFR1 (Forms)

Background

In the companion forms filing GL-2021-OFR1, we are introducing a state specific endorsement in place of a multistate endorsement based on comments from the Delaware Department of Insurance.

Explanation of Changes

Rule 36. Description Of Additional Optional Endorsements

We are introducing an exception Paragraph D.15. to accommodate the introduction of a state specific form in the companion forms filing GL-2021-OFR1.

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36. DESCRIPTION OF ADDITIONAL OPTIONAL ENDORSEMENTS

Paragraph **D.15.** is replaced by the following:

D. Special Provisions For Certain Types Of Risks Endorsements

15. Cannabis

To provide limited coverage for liability arising out of cannabis, attach one of the following endorsements:

- a.** To provide coverage for injury or damage arising out of cannabis activity subject to a Cannabis Activity Aggregate Limit, attach Cannabis Activity Coverage Aggregate Limit Endorsement **CG 23 04**. The Cannabis Activity Aggregate Limit must be shown in the Schedule of the endorsement. The Cannabis Activity Aggregate Limit is subject to the General Aggregate or Products/Completed Operations Aggregate Limit, whichever applies.
- b.** To exclude coverage for injury or damage arising out of cannabis, with an exception for hemp subject to a Hemp Aggregate Limit, attach Cannabis Exclusion With Hemp Exception Subject To Hemp Aggregate Limit Endorsement **CG 23 05**. The Hemp Aggregate Limit must be shown in the Schedule of the endorsement. The Hemp Aggregate Limit is subject to the General Aggregate or Products/Completed Operations Aggregate Limit, whichever applies.
- c.** To exclude coverage for injury or damage included in the products/completed operations hazard and arising out of cannabis, with an exception for designated products or work subject to a Cannabis Products/Completed Operations Aggregate Limit, attach Delaware Cannabis Exclusion With Designated Product Or Work Exception Subject To Cannabis Products/Completed Operations Aggregate Limit Endorsement **CG 23 09**. The designated products or work and the Cannabis Products/Completed Operations Aggregate Limit must be shown in the Schedule of the endorsement. The Cannabis Products/Completed Operations Aggregate Limit is subject to the Products/Completed Operations Aggregate Limit.

When Endorsement **CG 23 04**, **CG 23 05** or **CG 23 09** is attached to the policy, do not attach any of the cannabis endorsements described in Paragraph **36.C.32**.