

RULES – IMPLEMENTATION

OCTOBER 6, 2021

GENERAL LIABILITY

LI-GL-2021-319

ILLINOIS VIRAL OR BACTERIAL INFECTION EXCLUSION RELATED RULES REVISIONS TO BE IMPLEMENTED

KEY MESSAGE

Rules filing GL-2021-ORU1 to be implemented.

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 companion forms filing GL-2021-OEND1, we submitted Illinois viral or bacterial infection exclusion endorsements for use with the Commercial General Liability and Products/Completed Operations Liability Coverage Parts.

ISO ACTION

We revised Illinois exceptions to reflect the introduction of Illinois viral or bacterial infection exclusion endorsements.

EFFECTIVE DATE

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

COMPANY ACTION

ISO has not filed this revision.

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 our revision, you are NOT required to file anything with the Insurance Department.

You must document your files in case the Insurance Department wishes to review the information at a later date. In all internal correspondence on this revision, you should refer to ISO Filing 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 4-22 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

RELATED FORMS REVISION

GL-2021-OEND1

REFERENCE(S)

- [LI-GL-2021-318](#) (10/06/2021) Illinois Introduction Of Optional Viral Or Bacterial Exclusion Endorsements Filed And To Be Implemented
 - [LI-CL-2021-004](#) (02/17/2021) Revised Lead Time Requirements Listing
-

ATTACHMENT(S)

Filing GL-2021-ORU1

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.

CONTACT INFORMATION

If you have any questions concerning:

- The content of this circular, please contact:
Tim McDonnell
Compliance and Product Services - Liability
201-469-3877
Timothy.McDonnell@verisk.com
liability@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 Insurance Lines Services updates, view www.verisk.com/ils.

Illinois Viral Or Bacterial Infection Exclusion Related Rules Revisions

About This Filing

We are revising Illinois exceptions in conjunction with the introduction of Illinois viral or bacterial infection exclusion endorsements in companion forms filing GL-2021-OEND1.

Revised Rules

We are revising the following rules:

- ◆ Rule 36. Description Of Additional Optional Endorsements
- ◆ Rule 48. Products/Completed Operations Liability Coverage (Subline Code 336)

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-OEND1 (forms)

Background

In companion forms filing GL-2021-OEND1, we are submitting Illinois viral or bacterial infection exclusion endorsements for use with the Commercial General Liability and Products/Completed Operations Liability Coverage Parts.

Explanation of Changes

We are revising Illinois exceptions to reflect the introduction of Illinois viral or bacterial infection exclusion endorsements.

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.

Important Note

Insurance Services Office, Inc. (ISO) makes available advisory services to property/casualty insurers. ISO has no adherence requirements. ISO rules and explanatory materials are intended solely for the information and use of ISO's participating insurers and their representatives, and insurance regulators. Neither ISO's general explanations of rules intent nor opinions expressed by members of ISO's staff necessarily reflect every insurer's view or control any insurer's application of manual rules.

36. DESCRIPTION OF ADDITIONAL OPTIONAL ENDORSEMENTS

The following is added to Paragraph **C.:**

Liability arising out of the actual or alleged transmission of viral or bacterial infections may be excluded by attaching Illinois – Exclusion – Viral Or Bacterial Infections – Exception For Designated Infection, Ongoing Operations Or Products Endorsement **CG 40 42**. This exclusion applies with respect to the actual or alleged transmission of a viral or bacterial infection that is transmitted through aerosol particles or respiratory droplets and also with respect to a viral or bacterial infection that is transmitted through any individual or animal (including insects) by any means, other than through aerosol particles or respiratory droplets, including but not limited to viral or bacterial infections that are sexually transmitted. This exclusion does not apply to infections, ongoing operations or the named insured's products described in the Schedule of the endorsement.

Paragraphs **C.6.** and **C.14.** are replaced by the following:

C. Exclusion Endorsements

6. To address coverage for employees or volunteer workers as insureds, the following endorsements are available:
 - a. The coverage for employees and volunteer workers as insureds provided by the Commercial General Liability Coverage Form may be excluded by attaching Exclusion – Employees And Volunteer Workers As Insureds Endorsement **CG 21 37**.
 - b. The coverage for volunteer workers as insureds provided by the Commercial General Liability Coverage Form may be excluded by attaching Exclusion – Volunteer Workers As Insureds Endorsement **CG 21 66**.
14. Liability arising out of any pollution exposure not otherwise precluded by the pollution exclusion contained in the Commercial General Liability Coverage Part:
 - a. May be totally excluded, with the exception of liability arising out of a hostile fire, by attaching Total Pollution Exclusion With A Hostile Fire Exception Endorsement **CG 21 55**; or
 - b. May be totally excluded, with the exception of liability arising out of the building heating equipment or a hostile fire, by attaching Total Pollution Exclusion With A Building Heating, Cooling And Dehumidifying Equipment Exception And A Hostile Fire Exception Endorsement **CG 21 65**.

Paragraph **C.26.** does not apply.

Paragraph **C.29.g.** does not apply.

Paragraph **E.11.b.** does not apply.

Paragraph **G.9.** is replaced by the following:

G. Interline Endorsements

9. To change the following items of a policy:
 - a. Insured's Name;
 - b. Insured's Mailing Address;
 - c. Policy Number;
 - d. Company;
 - e. Effective/Expiration Date;
 - f. Insured's Legal Status/Business of Insured;
 - g. Payment Plan;
 - h. Premium Determination;
 - i. Additional Interested Parties;
 - j. Coverage Forms and Endorsements;
 - k. Limits/Exposures;
 - l. Deductibles;
 - m. Covered Property/Located Description;
 - n. Classification/Class Codes;
 - o. Rates; or
 - p. Underlying Insurance;use Illinois Policy Changes Endorsement **IL 12 04**.

48. PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE (Subline Code 336)

The following is added to Paragraph **A.**:

Liability arising out of the actual or alleged transmission of viral or bacterial infections may be excluded by attaching Illinois – Exclusion – Viral Or Bacterial Infections – Exception For Designated Infection, Ongoing Operations Or Products Endorsement **CG 34 93**. This exclusion applies with respect to the actual or alleged transmission of a viral or bacterial infection that is transmitted through aerosol particles or respiratory droplets and also with respect to a viral or bacterial infection that is transmitted through any individual or animal (including insects) by any means, other than through aerosol particles or respiratory droplets, including but not limited to viral or bacterial infections that are sexually transmitted. This exclusion does not apply to infections, ongoing operations or the named insured's products described in the Schedule of the endorsement.

Paragraph **A.3.c.** is replaced by the following:

c. Refer to mandatory state endorsements:

- (1)** Illinois Changes – Cancellation And Nonrenewal Endorsement **CG 02 00**.
- (2)** Illinois Changes Endorsement **CG 29 81** (for use with **CG 00 38**).
- (3)** Illinois Changes – Civil Union Endorsement **IL 01 47**.
- (4)** Illinois Changes – Defense Costs Endorsement **IL 01 62**.

Paragraphs **A.5.** and **A.10.** do not apply.

Paragraph **A.16.** is replaced by the following:

A. Description Of Products/Completed Operations Liability Coverage

- 16.** To include defense expenses within the Each Occurrence Limit and Products/Completed Operations Aggregate Limit, attach Illinois Changes – Defense Within Limits – Products/Completed Operations Endorsement **CG 34 77**.

Apply the applicable defense within limits basic limit multiplier to the appropriate company Products/Completed Operations basic limits rate(s); refer to company for the defense within limits basic limit multiplier(s).

For limits other than the basic limit, apply the appropriate Products/Completed Operations increased limits factor for the limit of insurance indicated in the Declarations; refer to company for the defense within limits increased limit factor.