

RULES/FORMS – IMPLEMENTATION

SEPTEMBER 1, 2020

COMMERCIAL PROPERTY

LI-CF-2020-085

## INTRODUCTION OF 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 Commercial Property multistate forms and rules revisions in 14 jurisdictions.

**Effective Date:** 12/1/2020

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

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### JURISDICTIONS

- Alaska
- Connecticut
- District of Columbia
- Iowa
- Kansas
- Kentucky
- Maryland
- Maine
- Minnesota
- Montana
- New Hampshire
- Oklahoma
- South Carolina
- Virginia

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### BACKGROUND

In circular:

- [LI-CF-2020-051](#), we announced the filing of multistate forms filing CF-2020-OCYFR, which introduced two endorsements for the exclusion of loss or damage by a cyber incident and revised one endorsement within the Division Five – Fire And Allied Lines section of the Commercial Lines Manual.
- [LI-CF-2020-052](#), we announced the filing of multistate rules filing CF-2020-RCYRU, which revised several multistate rules within the Division Five – Fire And Allied Lines section of the Commercial Lines Manual to instruct on the usage of new mandatory endorsements filed under companion forms filing CF-2020-OCYFR.
- [LI-CF-2020-059](#), we will provide you with final copies of multistate forms and endorsements included in forms filing CF-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:

**District of Columbia, Iowa, Kansas, Kentucky, Maine, Montana, New Hampshire, Oklahoma and Virginia**

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

These changes are applicable to all policies **written** on or after **December 1, 2020**.

**Alaska, Connecticut and Maryland**

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

These changes are applicable to all policies **effective** on or after **December 1, 2020**.

**Minnesota and South Carolina**

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

### Rules:

**District of Columbia, Iowa, Kansas, Kentucky, Maine, Montana, New Hampshire, Oklahoma and Virginia**

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

These changes are applicable to all policies **written** on or after **December 1, 2020**.

**Alaska, Connecticut and Maryland**

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

These changes are applicable to all policies **effective** on or after **December 1, 2020**.

**Minnesota and South Carolina**

We do not establish an effective date for Commercial Property 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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## **SPECIAL NOTICE**

The Alaska Division of Insurance has asked that we notify participating insurers that adopt ISO forms or form-related rule revisions that they must accept the explanatory materials in the ISO filing submission. The Division will consider insurers that do not accept the explanatory materials as deviating from the ISO filing. These insurers must explain their deviation as they would in any other form or form-related rule revision. The Division will assume that insurers that have provided ISO with filing authorization have accepted the explanatory materials in filings ISO makes on their behalf unless the insurer provides a written explanation for the deviation. Insurers that have not provided ISO with filing authorization must include in their adoption letters to the Division a statement either acknowledging that they are accepting the explanatory materials that were part of the ISO filing, or an explanation for their deviation.

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## **EFFECT OF ISO REVISION ON FLEX RATING (KENTUCKY RULES)**

This revision does not result in any change which would increase or decrease supplementary rating information for any classification of risks within any territory more than 25%.

A company that decides to revise its supplementary rating information should determine the overall rate level impact of its revision and any other revisions that it has implemented over the preceding 12 months. ISO has not made any revision of supplementary rating information for Commercial Property over the preceding 12 months which would result in percent indications different than those contained in the attached filing.

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## **SUMMARY OF REDUCTIONS IN COVERAGE**

In circular [LI-CF-2020-069](#), we provided an Advisory Notice to Policyholders which outlined changes being made in multistate Cyber Incident Exclusion Endorsements filing. This Policyholder Notice outlined broadenings and reductions in coverage and changes that do not alter coverage.

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## **RATING SOFTWARE IMPACT**

### **CF-2020-OCYFR:**

Refer to circular [LI-CF-2020-051](#) for the impact of the multistate filing.

### **CF-2020-RCYRU:**

Refer to circular [LI-CF-2020-052](#) 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. A Statistical Plan Holders circular announcing revisions to the Commercial Fire and Allied Lines 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:

We will issue a Notice to Portfolioholders with an edition date of 12-20 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

### Rules:

We will issue a Notice to Manualholders with an edition date of 12-20 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

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## REFERENCE(S)

- [LI-CF-2020-069](#) (07/21/2020) Advisory Sample Notices To Policyholders For Multistate Cyber Incident Exclusion Endorsements Furnished
  - [LI-CF-2020-059](#) (07/13/2020) Commercial Property Multistate Forms Cyber Incident Exclusion Endorsements (Edition 12 20) Available
  - [LI-CF-2020-052](#) (06/04/2020) Introduction Of Multistate Rules Revision Addressing Cyber Incident Exclusion Endorsements Being Filed
  - [LI-CF-2020-051](#) (06/04/2020) Introduction Of 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:  
Joseph Ameen  
Compliance and Product Services – Property  
201-469-2589  
[property@verisk.com](mailto:property@verisk.com)
- Other issues for this circular, please contact Customer Support:  
E-mail: [info@verisk.com](mailto: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](http://www.verisk.com/iso). To keep abreast of the latest Insurance Lines Services updates, view [www.verisk.com/ils](http://www.verisk.com/ils).

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**SUMMARY OF COMPANY ACTION REQUIREMENTS**

**FORMS filing: CF-2020-OCYFR**

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**Alaska  
Connecticut  
District of Columbia  
Iowa  
Kansas  
Kentucky**

**Maine  
Maryland  
Montana  
New Hampshire  
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 CF-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. In addition, for:

- Alaska, refer to SERFF Tracking Number ISOF-132447208
- Maine, refer to SERFF Tracking Number ISOF-132448302

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**Minnesota  
South Carolina**

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 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 CF-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.

**Oklahoma**

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 CF-2020-OCYFR, Type of Insurance Code (TOI) 01.0 Property and Sub-TOI 01.0001 Commercial Property (Fire and Allied Lines), the State File Number ISOF-132446590 and the approval date July 14, 2020, 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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**SUMMARY OF COMPANY ACTION REQUIREMENTS**

**RULES filing: CF-2020-RCYRU**

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**Alaska  
District of Columbia  
Iowa  
Kansas  
Kentucky  
Maine  
Maryland  
Montana  
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.

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- Alaska, refer to SERFF Tracking Number ISOF-132447204
- Maine, refer to SERFF Tracking Number ISOF-132448316

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**Connecticut  
New Hampshire**

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.

WE WILL SUBMIT THIS REVISION TO THE INSURANCE DEPARTMENT ON:

- November 1, 2020 (Connecticut, New Hampshire)

IF STATE FILING REQUIREMENTS DICTATE THAT YOU MAKE A SUBMISSION WITH THE INSURANCE DEPARTMENT, DO NOT SUBMIT IT PRIOR TO THIS DATE.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number CF-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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**SUMMARY OF COMPANY ACTION REQUIREMENTS**

**RULES filing: CF-2020-RCYRU cont'd**

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**Minnesota  
South Carolina**

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 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 CF-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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**Oklahoma**

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- 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 CF-2020-RCYRU, Type of Insurance Code (TOI) 01.0 Property and Sub-TOI 01.0001 Commercial Property (Fire and Allied Lines), the State File Number ISOF-132446595 and the approval date July 14, 2020, 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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**Status of Commercial Property Multistate Forms And Rules Revisions Addressing  
Cyber Incident Exclusion Endorsements  
CF-2020-OCYFR (Forms), CF-2020-RCYRU (Rules)**

STATE	EFFECTIVE OR DISTRIBUTION DATE	STATE-SPECIFIC SUPPLEMENT/AMENDMENT CIRCULAR (FO, RU)	IMPLEMENTATION CIRCULAR (FO, RU)
ALABAMA	12/1/2020		<a href="#">LI-CF-2020-060</a>
ALASKA	12/1/2020	<a href="#">LI-CF-2020-065</a>	<a href="#">LI-CF-2020-085</a>
ARIZONA	12/1/2020		<a href="#">LI-CF-2020-060</a>
ARKANSAS	12/1/2020		<a href="#">LI-CF-2020-060</a>
CALIFORNIA	2/2021	<a href="#">LI-CF-2020-066</a>	
COLORADO	12/1/2020		<a href="#">LI-CF-2020-060</a>
CONNECTICUT	12/1/2020	<a href="#">LI-CF-2020-071</a>	<a href="#">LI-CF-2020-085</a>
DELAWARE	12/1/2020		<a href="#">LI-CF-2020-060</a>
DIST. OF COLUMBIA	12/1/2020		<a href="#">LI-CF-2020-085</a>
FLORIDA			
GEORGIA	12/1/2020	<a href="#">LI-CF-2020-067</a>	
GUAM*	12/1/2020		<a href="#">LI-CF-2020-060</a>
HAWAII	BUREAU		
IDAHO	BUREAU		
ILLINOIS	12/1/2020		<a href="#">LI-CF-2020-060</a>
INDIANA	12/1/2020		<a href="#">LI-CF-2020-060</a>
IOWA	12/1/2020		<a href="#">LI-CF-2020-085</a>
KANSAS	12/1/2020		<a href="#">LI-CF-2020-085</a>
KENTUCKY	12/1/2020	<a href="#">LI-CF-2020-078</a>	<a href="#">LI-CF-2020-085</a>
LOUISIANA	BUREAU		
MAINE	12/1/2020		<a href="#">LI-CF-2020-085</a>
MARYLAND	12/1/2020		<a href="#">LI-CF-2020-085</a>
MASSACHUSETTS	2/1/2021	<a href="#">LI-CF-2020-068</a>	
MICHIGAN	12/1/2020		<a href="#">LI-CF-2020-060</a>
MINNESOTA	12/1/2020		<a href="#">LI-CF-2020-085</a>
MISSISSIPPI	BUREAU		
MISSOURI	12/1/2020		<a href="#">LI-CF-2020-060</a>
MONTANA	12/1/2020	<a href="#">LI-CF-2020-072</a>	<a href="#">LI-CF-2020-085</a>
NEBRASKA	12/1/2020		<a href="#">LI-CF-2020-060</a>
NEVADA	12/1/2020		<a href="#">LI-CF-2020-060</a>
NEW HAMPSHIRE	12/1/2020		<a href="#">LI-CF-2020-085</a>
NEW JERSEY	12/1/2020		<a href="#">LI-CF-2020-060</a>
NEW MEXICO	12/1/2020		<a href="#">LI-CF-2020-060</a>
NEW YORK	12/1/2020	<a href="#">LI-CF-2020-073</a>	
NORTH CAROLINA	12/1/2020		<a href="#">LI-CF-2020-060</a>
NORTH DAKOTA	12/1/2020		<a href="#">LI-CF-2020-060</a>
OHIO	12/1/2020		<a href="#">LI-CF-2020-060</a>
OKLAHOMA	12/1/2020		<a href="#">LI-CF-2020-085</a>
OREGON	12/1/2020		<a href="#">LI-CF-2020-060</a>
PENNSYLVANIA	12/1/2020		<a href="#">LI-CF-2020-060</a>
PUERTO RICO	12/1/2020	<a href="#">LI-CF-2020-074</a>	
RHODE ISLAND	12/1/2020		<a href="#">LI-CF-2020-060</a>
SOUTH CAROLINA	12/1/2020	<a href="#">LI-CF-2020-080</a>	<a href="#">LI-CF-2020-085</a>
SOUTH DAKOTA	12/1/2020		<a href="#">LI-CF-2020-060</a>
TENNESSEE	12/1/2020		<a href="#">LI-CF-2020-060</a>
TEXAS	12/1/2020	<a href="#">LI-CF-2020-075</a>	
U.S. VIRGIN ISLANDS*			
UTAH	12/1/2020		<a href="#">LI-CF-2020-060</a>
VERMONT	12/1/2020	<a href="#">LI-CF-2020-076</a>	
VIRGINIA	12/1/2020		<a href="#">LI-CF-2020-085</a>
WASHINGTON	BUREAU		
WEST VIRGINIA	12/1/2020		<a href="#">LI-CF-2020-060</a>
WISCONSIN	12/1/2020		<a href="#">LI-CF-2020-060</a>
WYOMING	12/1/2020		<a href="#">LI-CF-2020-060</a>

\* ISO has no jurisdiction for rules

MU FORMS FILED	MU RULES FILED
<a href="#">LI-CF-2020-051</a>	<a href="#">LI-CF-2020-052</a>