

FORMS – IMPLEMENTATION

MARCH 22, 2022

BUSINESSOWNERS

LI-BP-2022-039

ILLINOIS INTRODUCTION OF OPTIONAL VIRAL OR BACTERIAL EXCLUSION ENDORSEMENT FILED AND TO BE IMPLEMENTED

KEY MESSAGE

Forms filing BP-2022-OEND1 to be implemented for September 1, 2022.

ISO ACTION

We have introduced a new optional endorsement for use with the Businessowners Coverage Form.

BP 15 23 – Illinois – Exclusion – Viral Or Bacterial Infections – Exception For Designated Infection, Ongoing Operations Or Products:

- Generally excludes coverage for liability for bodily injury, property damage or personal and advertising injury arising out of the actual or alleged transmission of any of the following:
 - ◆ A viral or bacterial infection that is transmitted through aerosol particles or respiratory droplets; or
 - ◆ 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 will apply even if there is a claim for negligence or other wrongdoing in the:
 - ◆ Supervising, hiring, employing, training or monitoring of others that may be infected with and spread the viral or bacterial infection;
 - ◆ Testing for the viral or bacterial infection;
 - ◆ Failure to prevent the spread of the viral or bacterial infection; or
 - ◆ Failure to report the viral or bacterial infection to authorities.
- The exclusion will not apply to bodily injury, property damage or personal and advertising injury arising out of any infection, ongoing operations or named insured's product described in the schedule of this endorsement.

INSURANCE DEPARTMENT ACTION

The Illinois Department of Insurance has acknowledged 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 September 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 [BP-2022-OEND1](#), 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

New attributes being introduced with this revision:

- A new form is being introduced.

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-2022-006](#) 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 Portfolioholders with an edition date of 9-22 (or the earliest possible subsequent date), along with any new and/or revised forms.

RELATED RULES REVISION

We are announcing in a separate circular the implementation of a corresponding rules revision. Please refer to the Reference(s) block for identification of that circular.

REFERENCE(S)

- [LI-BP-2022-040](#) (03/22/2022) Illinois Viral Or Bacterial Infection Exclusion Related Rule Revisions To Be Implemented
- [LI-CL-2022-006](#) (02/22/2022) Revised Lead Time Requirements Listing

[ATTACHMENT\(S\)](#)

- Filing BP-2022-OEND1
- Final copy of [BP 15 23 08 22](#)

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:
Kyle Pardo
Compliance and Product Services – Liability
201-469-3073
Kyle.Pardo@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 Introduction Of Optional Viral Or Bacterial Exclusion Endorsement

About This Filing

We are introducing an optional Illinois endorsement to address liability arising out of viral or bacterial infections.

New Forms

We are introducing the following forms:

- ◆ BP 15 23 08 22 – Illinois – Exclusion – Viral Or Bacterial Infections – Exception For Designated Infection, Ongoing Operations Or Products

Related Filing(s)

- ◆ BP-2022-ORU1 (Rules)

Explanation of Changes

We are introducing optional endorsement BP 15 23 for use with the Businessowners Coverage Form.

Endorsement BP 15 23 – Illinois – Exclusion – Viral Or Bacterial Infections – Exception For Designated Infection, Ongoing Operations Or Products:

- ◆ Generally excludes coverage for liability for bodily injury, property damage or personal and advertising injury arising out of the actual or alleged transmission of any of the following:
 - A viral or bacterial infection that is transmitted through aerosol particles or respiratory droplets; or
 - 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 will apply even if there is a claim for negligence or other wrongdoing in the:
 - Supervising, hiring, employing, training or monitoring of others that may be infected with and spread the viral or bacterial infection;

- Testing for the viral or bacterial infection;
- Failure to prevent the spread of the viral or bacterial infection; or
- Failure to report the viral or bacterial infection to authorities.
- ◆ The exclusion will not apply to bodily injury, property damage or personal and advertising injury arising out of any infection, ongoing operations or named insured's product described in the schedule of this endorsement.

Impact

Attachment of this endorsement may result in a reduction of coverage to the extent that current policy exclusions do not apply to liability arising out of the actual or alleged transmission of:

- ◆ A viral or bacterial infection that is transmitted through aerosol particles or respiratory droplets; or
- ◆ 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.

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 policy forms 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 policy intent nor opinions expressed by ISO's staff necessarily reflect every insurer's view or control any insurer's determination of coverage for a specific claim. ISO does not intercede in coverage disputes arising from insurance policies. If there is any conflict between a form and any other part of the attached material, the provisions of the form apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS – EXCLUSION – VIRAL OR BACTERIAL INFECTIONS – EXCEPTION FOR DESIGNATED INFECTION, ONGOING OPERATIONS OR PRODUCTS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Description Of Infection:
Description Of Ongoing Operations Or Your Product:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

N

A. The following is added to Paragraph B. Exclusions in Section II – Liability:

Viral Or Bacterial Infection

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the actual or alleged transmission of any of the following:

1. A viral or bacterial infection that is transmitted through aerosol particles or respiratory droplets; or
2. 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.

However, this exclusion does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of any infection, ongoing operations or "your product" described in the Schedule of this endorsement.

B. Unless otherwise listed in the Schedule of this endorsement, Paragraph A. applies even if the claims against any insured allege negligence or other wrongdoing in the:

1. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread the viral or bacterial infection;
2. Testing for the viral or bacterial infection;
3. Failure to prevent the spread of the viral or bacterial infection; or
4. Failure to report the viral or bacterial infection to authorities.

E

W

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ILLINOIS – EXCLUSION – VIRAL OR BACTERIAL
INFECTIONS – EXCEPTION FOR DESIGNATED
INFECTION, ONGOING OPERATIONS OR PRODUCTS**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Description Of Infection:
Description Of Ongoing Operations Or Your Product:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following is added to Paragraph B. Exclusions in Section II – Liability:

Viral Or Bacterial Infection

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the actual or alleged transmission of any of the following:

1. A viral or bacterial infection that is transmitted through aerosol particles or respiratory droplets; or
2. 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.

However, this exclusion does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of any infection, ongoing operations or "your product" described in the Schedule of this endorsement.

B. Unless otherwise listed in the Schedule of this endorsement, Paragraph A. applies even if the claims against any insured allege negligence or other wrongdoing in the:

1. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread the viral or bacterial infection;
2. Testing for the viral or bacterial infection;
3. Failure to prevent the spread of the viral or bacterial infection; or
4. Failure to report the viral or bacterial infection to authorities.