

FORMS – IMPLEMENTATION

OCTOBER 19, 2022

COMMERCIAL AUTOMOBILE

LI-CA-2022-244

## REVISED ILLINOIS OPTIONAL VIRAL OR BACTERIAL EXCLUSION ENDORSEMENT FILED AND TO BE IMPLEMENTED

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### KEY MESSAGE

Forms filing CA-2022-OVBE1 to be implemented for May 1, 2023.

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### ISO ACTION

We have revised optional Illinois endorsement CA 27 40 for greater consistency with the Auto Dealers program.

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### INSURANCE DEPARTMENT ACTION

The Illinois Department of Insurance has acknowledged this revision as filed.

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### EFFECTIVE DATE

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

These changes are applicable to all policies written on or after May 1, 2023.

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### 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 CA-2022-OVBE1 and SERFF Tracking Number ISOF-133412241, 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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### RATING SOFTWARE IMPACT

- A new edition date of an existing form number is being introduced.

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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-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.

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## REVISION DISTRIBUTION

We will issue a Notice to Portfolioholders with an edition date of 5-23 (or the earliest possible subsequent date), along with any new and/or revised forms.

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## 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.

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## REFERENCE(S)

- [LI-CA-2022-245](#) (10/19/2022) Illinois Viral Or Bacterial Infection Exclusion Related Rule Revision To Be Implemented
- [LI-CL-2022-006](#) (02/22/2022) Revised Lead Time Requirements Listing

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## ATTACHMENT(S)

- Filing CA-2022-OVBE1
- Final copy of [CA 27 40 04 23](#)

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## CONTACT INFORMATION

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- The content of this circular, please contact:  
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# Illinois Optional Viral Or Bacterial Exclusion Endorsement Revised

## About This Filing

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This filing introduces a new edition of optional Illinois endorsement CA 27 40.

### Revised Form

We are revising the following form:

- ◆ CA 27 40 08 22 Illinois – Exclusion For General Liability Coverages – Viral Or Bacterial Infections – Exception For Designated Infection, Ongoing Operations Or Products

## Background

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Optional Illinois endorsement CA 27 40 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.

## Explanation of Changes

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We are revising the above-mentioned endorsement for greater consistency with the Auto Dealers program (“Program”). Upon further review, the section of the schedule that accommodates references to products and operations would not appear useful or necessary in connection with the related Program. Additionally, we are making editorial revisions to reflect definitions found within the Auto Dealers Coverage Form.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

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

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**SCHEDULE**

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

**A.** The following exclusion is added to Paragraph 2. Exclusions of Paragraph A. Bodily Injury And Property Damage Liability and Paragraph B. Personal And Advertising Injury Liability of Section II – General Liability Coverages:

This insurance does not apply to:

**Viral Or Bacterial Infection**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual or alleged transmission of any of the following:

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

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS – EXCLUSION FOR GENERAL LIABILITY COVERAGES – VIRAL OR BACTERIAL INFECTIONS – EXCEPTION FOR DESIGNATED INFECTION**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**SCHEDULE**

<b>Description Of Infection:</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A.** The following exclusion is added to Paragraph 2. **Exclusions** of Paragraph **A. Bodily Injury And Property Damage Liability** and Paragraph **B. Personal And Advertising Injury Liability** of **Section II – General Liability Coverages**:

This insurance does not apply to:

**Viral Or Bacterial Infection**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual or alleged transmission of any of the following:

- a. A viral or bacterial infection that is transmitted through aerosol particles or respiratory droplets; or
- b. 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 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;
  - 4. Failure to report the viral or bacterial infection to authorities.