

# AAIS

# BULLETIN

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Line(s) of  
Insurance:

**Agricultural Output**

**Artisans**

**Businessowners**

**Commercial Inland**

**Marine**

**Commercial Liability**

**Commercial Output**

**Commercial Properties**

**Commercial Umbrella**

**Contractors &**

**Developers Output**

**Crime**

**Farm Properties**

**Farmowners**

**Farm Umbrella**

**Glass**

**Inland Marine Guide**

**Personal & Premises**

**Liability**

**\*\*This bulletin and its attachments have been made available at the AAIS open Web site: [AAISonline.com](http://AAISonline.com).  
This bulletin will not be distributed in a paper format.\*\***

## VIRGINIA

### SPECIAL EDITIONS OF CERTIFIED TERRORISM EXCLUSION ENDORSEMENTS AVAILABLE

Reference Bulletin 02-0550

Copies of the special **03 03** editions of the certified terrorism endorsements that are now filed for use in the state of Virginia are attached to this Bulletin.

At the request of the Virginia Insurance Department, the multistate **12 02** editions of the certified terrorism endorsements that AAIS originally submitted have been withdrawn and replaced. In all **03 03** replacement editions, a provision has been added to the definition of "certified act of terrorism" to identify the circumstances under which an act will not be certified as an act of terrorism by the Secretary of the Treasury.

In addition, to all **03 03** editions that provide coverage for certified terrorism loss, a requirement has been added to specify that in the event of a "certified terrorism loss", the insurer's deductible must have been met in order for the Maximum Annual Liability payment limitation provision to apply.

**NOTE: The Virginia Bureau of Insurance has specified that any policy issued with a 12 02 edition of a certified terrorism endorsement must be amended to include the 03 03 edition counterpart. The effective date of the change must coincide with the policy effective date.**

## ENDORSEMENTS

A table which identifies the Certified Terrorism coverage and exclusion endorsements that apply to each Commercial Lines program filed in Virginia is shown below:

<b>Program</b>	<b>Coverage Endorsement</b>	<b>Exclusion Endorsement</b>
Agricultural Output	CL 0600 03 03	CL 0620 03 03
Artisans	AP 0700 03 03	AP 0720 03 03
Businessowners	BP 0750 03 03	BP 0770 03 03
Commercial Inland Marine (Filed Classes)	CL 0600 03 03	CL 0610 03 03

<b>Program</b>	<b>Coverage Endorsement</b>	<b>Exclusion Endorsement</b>
Commercial Liability	GL 0250 03 03	GL 0260 03 03
Commercial Output	CL 0600 03 03	CL 0620 03 03
Commercial Properties	CL 0600 03 03	CL 0620 03 03
Commercial Umbrella	UM 0755 03 03	UM 0765 03 03
Contractors & Developers Output	CL 0600 03 03	CL 0620 03 03
Crime	CL 0600 03 03	CL 0610 03 03
Farm Properties	FL 0600 03 03	FL 0620 03 03
Farmowners	FO 0600 03 03	FO 0620 03 03
Farm Umbrella	UM 0330 03 03	UM 0340 03 03
Glass	CL 0600 03 03	CL 0610 03 03
Personal & Premises Liability (Farm Only)	GL 0310 03 03	GL 0320 03 03

**FILING NUMBERS\***

The endorsements that apply to the programs listed below have been formally "acknowledged" by the Virginia Bureau of Insurance effective **January 3, 2003**.

Refer to the following filing numbers in all correspondence directed to the insurance department.

<b>Program</b>	<b>AAIS Filing Number</b>	<b>State Filing Number</b>
Agricultural Output	AAIS-2002-82AGF	009 0000021781
Artisans	AAIS-2002-82APF	013 0000031629
Businessowners	AAIS-2002-82BPF	013 0000031628
Commercial Inland Marine (Filed Classes)	AAIS-2002-82CIMF	015 0000011688
Commercial Liability	AAIS-2002-82CLF	017 0000049782
Commercial Output	AAIS-2002-82COPF	009 0000021779
Commercial Output	AAIS-2002-82COP2F	009 0000021780
Commercial Properties	AAIS-2002-82CPF	009 0000021776
Contractors & Developers Output	AAIS-2002-82DOPF	009 0000021832
Crime	AAIS-2002-82CRF	026 0000005192
Farm Properties	AAIS-2002-82FPF	011 0000002756
Farmowners	AAIS-2002-82FOF	011 0000002757
Glass	AAIS-2002-82GSF	025 0000000728
Personal & Premises Liability (Farm Only)	AAIS-2002-82PPLF	011 0000002758

\*No filing numbers are shown for the Farm Umbrella and Commercial Umbrella programs, as the proposed changes have not yet been acknowledged by the state. A separate bulletin will be issued to announce the Bureau's formal acknowledgment of the **03 03** Umbrella endorsement editions.

## **COMPANY ACTION**

### **Endorsements<sup>1</sup>**

#### *Commercial Lines Programs Other Than Inland Marine Guide*

Companies that have granted AAIS filing authority for forms and endorsements can adopt the endorsements without notifying the insurance department.

#### *Inland Marine Guide*

In Virginia, companies are required to file endorsements for certain non-filed inland marine classes. Companies affiliated for the Inland Marine Guide must make an independent filing to use the special editions of the certified terrorism endorsements (CL 0600 03 03 and CL 0610 03 03) for the Bailee Customers Floater and Motor Truck Cargo classes. For companies that have already submitted a filing of the **12 02** editions and have received an objection, it is recommended that the **03 03** editions be included with your filing response.

For the non-filed inland marine classes other than Bailee Customers Floater and Motor Truck Cargo, the endorsements listed above are available for immediate use. (However, since the terrorism endorsements are not compatible with the forms and endorsements in the Yacht class, they should not be used with policies providing Yacht coverage).

Companies are advised to refer to Administrative Letter 2002-15, Dec. 18, 2002, for the filing requirements that apply to terrorism-related filings in Virginia.

<sup>1</sup>*See the NOTE on Page 1 of this Bulletin for information regarding each company's obligation to amend policies that include a 12 02 edition of a certified terrorism endorsement.*

## **HOUSE BILL 2606 - UPCOMING CHANGES**

On February 13, 2003, the Virginia legislature unanimously passed House Bill 2606, which allows all certified terrorism coverage (including fire-following coverage) to be rejected by the insured. Previously, due to Standard Fire Policy provisions, it was not possible for the insured to reject fire-following coverage, even when all other certified terrorism coverage was rejected. The change is expected to become effective July 1, 2003.

AAIS endorsements that exclude loss resulting from certified and non-certified acts of terrorism and that do not make exceptions for fire-following loss will be filed to coincide with the effective date of the revised law.

## **SUPPLIES**

The forms and endorsements approved for use in this state have been released to Uniform Information Services, Inc. (UIS), the print vendor for AAIS forms and endorsements. Call UIS at (800) 382-2424 to order forms and endorsements in paper printed format. Call UIS at 800-782-9481 to order the text of AAIS forms in a variety of electronic formats.

AAIS also offers the text of forms and endorsements in limited electronic formats. Call Veronica Clarke at 800/564-AAIS for more information.

## **ATTACHMENTS**

- CL 0600 03 03 Certified Terrorism Loss
- CL 0610 03 03 Certified Act of Terrorism Exclusion
- CL 0620 03 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- AP 0700 03 03 Certified Terrorism Loss
- AP 0720 03 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- BP 0750 03 03 Certified Terrorism Loss
- BP 0770 03 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- GL 0250 03 03 Certified Terrorism Loss
- GL 0260 03 03 Certified Act of Terrorism Exclusion
- FL 0600 03 03 Certified Terrorism Loss
- FL 0620 03 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- FO 0600 03 03 Certified Terrorism Loss
- FO 0620 03 03 Certified Act of Terrorism Exclusion (With Limited Exception)
- GL 0310 03 03 Certified Terrorism Loss
- GL 0320 03 03 Certified Act of Terrorism Exclusion

### **Direct Questions to:**

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### ***AAISDIRECT AND AAIS PRODUCT ADVISORY***

All AAIS bulletins, forms, manuals, and other resource information for all lines of insurance are now available online. For a two-week trial of our Internet service, *AAISdirect*, or a cost quote, contact Rick Anderer. E-mail Richarda@AAISonline.com or call 800/564-AAIS.

The AAIS e-mail publication, *AAIS Product Advisory*, provides bulletin summaries and other timely information related to products to anyone at your company at no charge. Unlike *AAISdirect*, you can subscribe to *AAIS Product Advisory* whether your company is affiliated or not.

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While valuable as a stand-alone service, the *AAIS Product Advisory* is an ideal complement to *AAISdirect*. The communication gives you an overview of new information posted weekly on *AAISdirect* and is directly linked to the site so that you can quickly access complete copies of bulletins.

For more information and to sign up, go to [www.AAISonline.com](http://www.AAISonline.com) or contact Pat Peters at [Patp@AAISonline.com](mailto:Patp@AAISonline.com).

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Go to [www.AAISonline.com](http://www.AAISonline.com) for information and to register for the AAIS Annual Conference, April 6-8 in Monterey, Calif. This year's conference will feature a series of business sessions designed for senior executives and managers in marketing, underwriting, and product development.