

Review Requirements Checklist

Commercial Inland Marine

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Line(s) of Insurance/Business:

- Inland Marine; filing code(s) 9.0000
- Animal Mortality; filing code 9.0001*
- Difference in Conditions (DIC); filing code 9.0002*
- EDP Policies; filing code 9.0003*
- Pet Insurance; filing code 9.0004*
- Other Commercial Inland Marine; filing code 9.0005*

* This checklist applies only when these lines of inland marine insurance are written on commercial risks

Links:

- [Illinois Compiled Statutes Online](#)
- [Administrative Regulations Online](#)
- [Product Coding Matrix](#)

All filings are public record in accordance with 215 ILCS 5/404 except where another provision of the Insurance Code says otherwise. The only code section that allows for a filing to be a trade secret or confidential is 215 ILCS 157/40 Use of Credit Information in Personal Insurance Act.

The Department's checklists include summaries that do not provide detailed information about all laws, regulations and bulletins. Therefore, the insurers should review the actual laws, regulations and bulletins to ensure forms are fully compliant before filing with the Department.

A form filing fee is required pursuant to 215 ILCS 5/408 (1)(jj).

LINE OF AUTHORITY	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Must have proper Class and Clause authority to conduct this line of business in Illinois.	215 ILCS 5/4	To write commercial inland marine insurance in Illinois, companies must be licensed to write: <ol style="list-style-type: none"> 1. Class 3, Clause (d)

		<p>To write Livestock and domestic animals in Illinois, including animal mortality and accident and health of livestock and domestic animals, companies must be licensed to write:</p> <ol style="list-style-type: none"> 1. Class 2, Clause (k)
	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
<p>The SERFF filing must contain specific information</p>	<p>50 IL Adm. Code 753</p>	<p>All companies must file, using the System for Electronic Rate and Form Filing (SERFF):</p> <ol style="list-style-type: none"> 1. Copies of all policy forms on these kinds of business and, for mutual companies, a separate proxy signature line for the insured to sign, if applicable; 2. Copies of generally used endorsement forms on these kinds of business; 3. Copies of all application forms used on these kinds of business, including a separate proxy signature line for the insured to sign if applicable; 4. A copy of the declaration page, in non-individualized, template form, absent personal policyholder information; and 5. A copy of the policy jacket, if used by the company. <p>All filings must be accompanied by a forms submission letter that includes:</p> <ol style="list-style-type: none"> 1. The name of the advisory organization or company making the filing; 2. Title, form number, and edition identification for the forms; 3. Information as to what Class and Clause coverage is written under; 4. Identification of all applicable endorsements and applications as to the policy forms for which the endorsements and applications are used;

		<p>5. Notification as to whether the filing is new or supersedes a present filing. Identification of all changes in all superseding filings, as well as identification of all superseded forms, is required; and</p> <p>6. Effective date of use.</p> <p>Companies under the same ownership or general management are required to make separate individual company filings.</p> <p>Company Group (“Me too”) filings are unacceptable.</p>
FILING SUBMISSION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
When forms must be filed.	50 IL Adm. Code 753	Forms must be received by the Department no later than their effective date of use.
Final printed forms must be filed.	50 IL Adm. Code 753	Typed or printer's proof copies may be submitted for review, but must be re-filed in printed form. Statements, provisions, or endorsements may not be typed or superimposed on a policy or endorsement.
Requirements for company FEIN numbers.	Company Bulletin 88-53	Company must include all Federal Employer Identification Numbers (FEINs) for companies making the filing.
Forms under one filing number must have common coverage relationship.	Company Bulletin 88-53	All forms under an assigned filing number must have some common coverage relationship (e.g. all forms in an auto filing must pertain only to auto, etc.). Please refer to Company Bulletin 88-53 for specific information and guidance.
NO FILE OR FILING EXEMPTIONS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Commercial Inland Marine forms issued to "industrial insureds" are not required to be filed in Illinois. However, such forms must comply with all laws,	215 ILCS 5/143(3) 215 ILCS 5/121-2.08 Company	<p>Insurance policies issued to those qualifying as industrial insureds are not subject to the policy form filing requirements of 215 ILCS 5/143(3).</p> <p>Effective January 1, 2015, the standard for the industrial insured exemption has changed due to the passage of Public Act 98-0978 ("Act"). The Act now</p>

regulations, bulletins, etc. unless specifically exempted by the law, regulation, bulletin, etc.	Bulletin 2015-09	conforms to the definition of industrial insured as it is defined in section 5/445(1) regarding the surplus lines commercial insured exemption. The Department intends to follow this new standard when determining applicability of the industrial insured exemption to the policy form filing requirements. Please refer to Company Bulletin 2015-09 for specific information and guidance.
Manuscript endorsements are not required to be filed.	215 ILCS 5/143(3)	<p>Insurers are not required to file riders or endorsements prepared to meet special, unusual, peculiar, or extraordinary conditions applying to an individual risk.</p> <p>Because Section 143(3) exempts only riders or endorsements, policy forms applying to an individual risk must still be filed. In addition, because Section 143(3) exempts only endorsements applying to an individual risk, if a company uses the same endorsement on more than one risk, such form no longer qualifies for the filing exemption and must be filed.</p>
SIDE BY SIDE COMPARISON	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Form changes must be highlighted.	50 IL Adm. Code 753	Changes from currently filed forms must be highlighted.
THIRD PARTY FILERS AUTHORITY	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
<p>Insurer may authorize an advisory organization to make a form filing on its behalf.</p> <p>Insurer may change or delay the effective date of an advisory organization form filing by properly notifying the Department.</p> <p>Insurer may authorize attorneys, consulting firms, etc. to submit form filings to the Department,</p>	50 IL Adm. Code 753	<p>Insurer may authorize an advisory organization, of which it is a member or subscriber, to file forms on its behalf, as long as the insurer has on file with the Department a forms authorization letter which includes:</p> <ol style="list-style-type: none"> 1) the name of the authorized advisory organization. 2) the kinds of business for which filings will be made. 3) authorization clause or language. 4) effective date of authorization.

as long as the filing includes proper authorization.		<p>Insurer may change or delay the effective date of an advisory organization form filing by notifying the Department. The notice shall include the insurer name, FEIN number, line of insurance, advisory organization name and filing number, and effective date desired.</p> <p>Insurer may authorize attorneys, consulting firms, etc. to submit form filings to the Department, as long as the filing includes a notice, signed by an authorized company officer, giving authority for the entity to act on the insurer's behalf on any issues related to the filing.</p>
AMBIGUOUS & MISLEADING	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
The Director may disapprove a form filing if it contains inconsistent, ambiguous, or misleading clauses.	215 ILCS 5/143(2)	Director may disapprove any form that contains inconsistent, ambiguous, or misleading clauses.
APPLICATIONS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Applications must be filed.	50 IL Adm. Code 753	Applications must be filed, including online/electronic applications.
ARBITRATION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Requirements for arbitration provisions.	710 ILCS 5/1 215 ILCS 5/143(2)	<p>Any controversy or claim arising out of or relating to the contract, or the breach thereof, may be settled within a reasonable time limit by arbitration administered by the American Arbitration Association in accordance with the Uniform Arbitration Act 710 ILCS 5/1.</p> <p>The arbitration may be binding on both parties, or non-binding upon the insured, but in all instances must be entered into on a voluntary basis, as the insured must have the option of filing a lawsuit. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation</p>

		of Section 143(2) and will be disapproved accordingly.
BANKRUPTCY PROVISIONS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Policies that contain liability coverage must include a bankruptcy provision.	215 ILCS 5/388	All policies containing liability coverage must include a provision stating that insolvency or bankruptcy of the insured shall not release the company from its duties to pay under the policy.
CANCELLATION & NON-RENEWAL	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
May not refuse to issue a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	215 ILCS 5/143.10	No company shall refuse to issue a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
Loss information requested for underwriting.	215 ILCS 5/143.10a	No prospective insurer shall request the insured to provide more detailed loss information than required by it to underwrite the same line or class of insurance.
Loss information required to be provided.	215 ILCS 5/143.10a	<p>Insurer shall provide the following loss information to the first named insured within 30 days of the insured's request, and at the same time as any notice of cancellation or nonrenewal, except where the policy has been cancelled for nonpayment of premium, material misrepresentations or fraud on the part of the insured:</p> <p>a) on closed claims, date and description of occurrence, and total amounts of payments;</p> <p>b) on open claims, date and description of occurrence, total amount of payments and total reserves, if any; and</p> <p>c) for any occurrence not included in (a) or (b), the date and description of occurrence and total reserves, if any.</p> <p>Insurer shall provide additional loss information, including specific loss reserves, to the first named insured as soon as possible, but in no event later than 20 days of receipt of named insured's mailed or</p>

		<p>delivered written request for such information at the request of a prospective insurer.</p> <p>Insurer shall automatically extend coverage under the existing policy, at the same terms and conditions by the same number of days it takes the insurer to provide the insured with this additional information.</p>
Policy must contain cancellation provision.	215 ILCS 5/143.11	Policy must include a cancellation provision setting out the manner in which the policy may be cancelled.
CONDITIONAL RENEWAL	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Assignment or transfer of policies among or between insurers within an insurance holding company system or insurers under common management or control, or as a result of a merger, acquisition, or restructuring of an insurance company, is not a nonrenewal for purposes of the notification requirements.	215 ILCS 5/143.11b	<p>Assignment or transfer of policies among or between insurers within an insurance holding company system or insurers under common management or control, or as a result of a merger, acquisition, or restructuring of an insurance company, is not a nonrenewal for purposes of the notification requirements.</p> <p>If the increase in the renewal premium is 30% or more, contains a change in deductibles or change in coverage that materially alters the policy, the company must adhere to provisions in Section 143.17a as described below.</p> <p>A company making an assignment or transfer of a policy among or between insurers as stated above, must deliver to the named insured notice of such assignment or transfer at least 60 days prior to the renewal date. Notification must also be mailed to the insured's broker, if known, or the agent of record and to the mortgage or lien holder listed on the policy.</p>
Requirements for advance notice of renewal with changes in deductibles, changes in coverage that materially alters the policy, or increase of 30% or more.	215 ILCS 5/143.17a	<p>If an insurer offers to renew directly to the named insured with a renewal increase of 30% or more, or with a change in deductible or coverage that materially alters the policy, the insurer must mail or deliver to the named insured, written notice of such premium increase or change at least 60 days prior to the renewal or anniversary date.</p> <p>The increase in premium shall be the renewal premium based on the known exposure as of the date</p>

	<p>of the quotation compared to the premium as of the last day of coverage for the current year's policy, annualized. The premium may be subsequently amended to reflect any change in exposure or reinsurance costs not considered in the quotation. The renewal notice must provide the specific dollar amount of the premium. Renewal notices issued with the wording "your premium increase will be 30% or more" do not comply with the Code.</p> <p>Notification must also be mailed to the insured's broker, if known, or the agent of record and to the mortgage or lien holder listed on the policy.</p> <p>If the insurer fails to provide 60 days notice in advance of the renewal or anniversary date <u>but provides notice at least 31 days prior to the renewal or anniversary date</u>, the company must extend the current policy under the same terms, conditions and premium to allow 60 days notice, and provide the actual renewal premium quotation and any change in coverage or deductible on the policy. <u>If the insurer fails to provide 31 days advance notice as described above, the insurer must renew the expiring policy under the same terms and conditions for an additional year or until the effective date of any similar coverage procured by the insured, whichever is earlier. The insurer may increase the renewal premium, however such increase must be less than 30% of the expiring term's premium, and notice of such increase must be delivered to the named insured on or before the date of expiration of the current policy period.</u></p> <p>Proof of mailing or proof of receipt may be proven by a sworn affidavit by the insurer as to the usual and customary business practices of mailing notices pursuant to Section 143.17a or may be proven consistent with Illinois Supreme Court Rule 236.</p>
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NOTICE OF CANCELLATION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Number of days notice required for cancellation of commercial policies and notice requirements.	215 ILCS 5/143.16	<p>Insurer must mail cancellation notice to the named insured at least: 10 days prior to effective date of cancellation for nonpayment of premium; 30 days prior to effective date of cancellation during the first 60 days of coverage; 60 days prior to effective date of cancellation after coverage has been effective for 61 days or more.</p> <p>All such notices shall include a specific explanation of the reason or reasons for cancellation and shall be mailed to the named insured at the last mailing address known to the company. Notification must also be mailed to the insured's broker, if known, or the agent of record and the mortgage or lien holder listed on the policy.</p>
Cancellation notice must advise insured of right to request a hearing.	215 ILCS 5/143.23 215 ILCS 5/143.16a	If an insurer cancels a commercial policy mid-term per Section 143.16a, for any reason except non-payment of premium, the cancellation notice must advise the named insured of the right to appeal and the procedure to follow for such appeal.
NOTICE OF NON-RENEWAL	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Number of days notice required for nonrenewing a commercial policy and other notice requirements.	215 ILCS 5/143.17a	<p>Nonrenewal notice must be mailed to the named insured at least 60 days in advance of the nonrenewal date.</p> <p>Insurer must maintain proof of mailing of such notice on a recognized U.S. Post Office form or a form acceptable to the U.S. Post Office or other commercial mail delivery service.</p> <p>If the insurer fails to mail notice of nonrenewal to the named insured at least 60 days in advance of the nonrenewal date, the insurer must extend the policy for an additional year or until the effective date of any similar insurance procured by the insured, whichever is less, on the same terms and conditions as the policy sought to be terminated, unless the</p>

		<p>insurer has manifested its intention to renew at a different premium that represents an increase not exceeding 30%.</p> <p>Notification must also be mailed to the insured's broker, if known, or the agent of record and to the mortgage or lien holder listed on the policy.</p> <p>Nonrenewal notice must provide a specific explanation of the reason(s) for nonrenewal.</p>
PERMISSIBLE REASONS FOR CANCELLATION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
May not cancel because agent's contract with insurer was terminated.	215 ILCS 5/141.01	Insurers may not cancel any policy on the ground that the company's contract with the agent through whom the policy was obtained has been terminated.
May not cancel a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	215 ILCS 5/143.10	Insurers may not cancel a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
Reasons for canceling a commercial policy that has been in effect for 60 days or more.	215 ILCS 5/143.16a 50 IL Adm. Code 940	<p>After a policy has been in effect for 60 days, insurer may only cancel for the following 6 reasons: (a) non-payment of premium; (b) the policy was obtained through a material misrepresentation; (c) any insured violated any terms and conditions of the policy; (d) the risk originally accepted has measurably increased; (e) the insurer certifies to the Director of the loss of reinsurance for all or a substantial part of the underlying risk; or (f) the Director determines that continuation of the policy could place the insurer in violation of Illinois insurance laws.</p> <p>Rule 940 outlines requirements for certification of loss of reinsurance.</p>
PERMISSIBLE REASONS FOR NON-RENEWAL	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
May not refuse to renew because agent's contract with insurer was terminated.	215 ILCS 5/141.01	Insurers may not refuse to renew any policy on the ground that the company's contract with the agent through whom the policy was obtained has been terminated.

May not refuse to renew a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	215 ILCS 5/143.10	Insurers may not refuse to renew a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
Insurers may nonrenew for almost any reason(s) except those specifically prohibited in other Illinois insurance laws or regulations. However, insurers must give a specific explanation of the reason(s) for nonrenewal.	215 ILCS 5/143.17a	Insurers may nonrenew for almost any reason(s) except those specifically prohibited in other Illinois insurance laws or regulations. However, insurers must give a specific explanation of the reason(s) for nonrenewal.
CONSUMER INFORMATION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Cancellation notice must advise insured of right to request a hearing.	215 ILCS 5/143.23	If an insurer cancels a policy mid-term per Section 143.16a, for any reason except non-payment of premium, the cancellation notice must advise the named insured of the right to request a hearing to appeal such decision, and the procedure to follow for such appeal.
Written notice of company's complaint Department and Department of Insurance Public Service Department.	215 ILCS 5/143c 50 IL Adm. Code 931	No policy may be delivered unless the policyholder or certificate holder is provided written notice of the address of the complaint Department of the insurance company, and the address of the Public Service Department of the Department of Insurance or its successor. Rule 931 provides more specific guidance that: a) such notice shall accompany any newly issued policy or binder; b) "written notice" shall be satisfied by: any printed notice delivered with a policy or certificate; any adhering label attached to a policy or certificate; any computerized notice issued concurrently with a computer issued policy or certificate; or any other

		<p>form of individual written notice substantially similar to the above.</p> <p>Notice of Availability of the Department of Insurance shall be no less informative than the following: Illinois Department of Insurance, Consumer Division, 122 S. Michigan Ave., 19th Floor, Chicago, Illinois 60603 and Illinois Department of Insurance 320 West Washington Street, Springfield, Illinois 62767.</p> <p>The address to be used for the company shall be an office that can service all types of complaints. If one office cannot service all types of complaints, then the additional addresses of each appropriate service office must be given.</p> <p>In addition to providing the required addresses, the notification should set forth the minimum amount of information included in the following suggested wording: "This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following."</p>
CONTENT OF POLICIES	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Reasons for which the Director may disapprove a form filing.	215 ILCS 5/143(2)	The Director may disapprove any form that (i) violates any provision of the Illinois Insurance Code, (ii) contains inconsistent, ambiguous, or misleading clauses, or (iii) contains exceptions and conditions that will unreasonably or deceptively affect the risks that are purported to be assumed by the policy.
Requirements for form content and readability.	50 IL Adm. Code 753	There must be printed at the head of the policy the name of the insurer or insurers issuing the policy, the location of the Home Office thereof; a statement of whether the insurer is a stock, mutual, reciprocal, Lloyds, alien insurer, or an insurer operating under a charter by Special Act of the Legislature of any state. There may be added thereto such devices, emblems

		<p>or designs and dates as are appropriate for the insurer issuing the policy.</p> <p>All forms must be identified by a descriptive title, form number and edition identification.</p> <p>All forms must be printed in not less than eight-point type.</p>
DEFINITIONS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Definition of "renewal" or "to renew."	215 ILCS 5/143.13(d)	Definition of "renewal" or "to renew."
Definition of "nonpayment of premium."	215 ILCS 5/143.13(e)	Definition of "nonpayment of premium."
Definition of "policy delivered or issued for delivery in this State."	215 ILCS 5/143.13(f)	Definition of "policy delivered or issued for delivery in this State."
Definition of "cancellation" or "cancelled."	215 ILCS 5/143.13(g)	Definition of "cancellation" or "cancelled."
Nation-wide marine definition of the NAIC.	50 IL Adm. Code 101	Describes the kinds of risks and coverages which may be classified or identified under state insurance laws as marine, inland marine, or transportation insurance, but does not include all of the kinds of risks and coverages which may be written, classified or identified under such.
DISCRIMINATION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
May not cancel certain policies, or refuse to issue or renew certain policies solely due to hate crimes.	215 ILCS 5/143.24c Title 26 U.S.C. Sections 170(b)(1)(A)(i), (ii), and (vi).	<p>Insurers may not cancel a policy, or refuse to issue or renew a policy solely on the basis that one or more claims have been made against any policy during the preceding 60 months, for a loss that is the result of a hate crime, if the insured provides evidence to the insurer that the act causing the loss is identified as a hate crime on a police report.</p> <p>Applies to policies issued to an individual, a religious organization described in Section 170(b)(1)(A)(i) of Title 26 of the United States Code, or an educational organization described in Section</p>

		170(b)(1)(A)(ii) of Title 26 of the United States Code, or any other nonprofit organization described in Section 170(b)(1)(A)(vi) of Title 26 of the United States Code that is organized and operated for religious, charitable, or educational purposes.
Redlining -- When geographic location of risk may be grounds for refusing to insure.	215 ILCS 5/155.22	Insurer may not refuse to provide insurance solely on the basis of the specific geographic location of the risk unless such refusal is for a business purpose which is not a mere pretext for unfair discrimination.
Rating, claims handling, and underwriting decisions based solely on domestic violence.	215 ILCS 5/155.22b	No insurer that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating, underwriting, or claims handling decision.
Unfair methods of competition or unfair or deceptive acts or practices defined.	215 ILCS 5/424(3)	It is an unfair method of competition or unfair and deceptive act or practice if a company makes or permits any unfair discrimination between individuals or risks of the same class or of essentially the same hazard and expense element because of the race, color, religion, or national origin of such insurance risks or applicants.
Procedure as to unfair methods of competition or unfair or deceptive acts or practices not defined.	215 ILCS 5/429	Outlines the procedures the Director follows when he has reason to believe that a company is engaging in unfair methods of competition or unfair or deceptive acts or practices.
DOMESTIC ABUSE	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Rating, claims handling, and underwriting decisions based solely on domestic violence.	215 ILCS 5/155.22b	No insurer that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating, underwriting, or claims handling decision.
Intentional acts exclusion -- exception for innocent co-insured.	215 ILCS 5/155.22b	If a policy excludes property damage coverage for intentional acts, the insurers may not deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if the loss arose out of a pattern of criminal domestic violence and the

		perpetrator of the loss is criminally prosecuted for the act causing the loss.
Civil Union Partnerships-effective June 1, 2011	Public Act 96-1513 Company Bulletin 2011-06 Civil Union Fact Sheet	The Religious Freedom Protection and Civil Union Act (Public Act 96-1513) will allow both same-sex and different-sex couples to enter into a civil union with all of the obligations, protections, and legal rights that Illinois provides to married heterosexual couples. Please note that whenever a policy form, application, or rating rule includes the terms "spouse," "married," or "immediate family member" it is required that parties to a civil union be included in these definitions.
EXCLUSIONS & LIMITATIONS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Blank endorsements are acceptable for filing, with exceptions.	215 ILCS 5/143(2)	Blank endorsements may be filed, but may not be used to decrease coverage, increase rates or deductibles, or negatively alter any terms or conditions of coverage, unless such change is at the sole request of the insured. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.
Electromagnetic exclusions are prohibited.	215 ILCS 5/143(2)	Electromagnetic exclusions are prohibited. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.
Pollution exclusion requirements.	215 ILCS 5/143(2)	Pollution exclusions may not apply to damage caused by heat, smoke or fumes from a hostile fire. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation

		of Section 143(2) and will be disapproved accordingly.
MOLD	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Filing procedures and requirements for exclusions and limitations related to mold.	Company Bulletin 2002-07	Please refer to Company Bulletin 2002-07 for specific information and guidance.
TERRORISM	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Terrorism Risk Insurance Program Reauthorization Act of 2015 and Filing Procedures and Requirements for Terrorism-Related Forms, Rules and Rates.	Company Bulletin 2015-03	Please refer to Company Bulletin 2015-03 for specific information and guidance.
GROUP POLICIES	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Group inland marine forms, rates and rules are required to be filed only in certain instances.	215 ILCS 5/400.1 50 IL Adm. Code 2302	Group inland marine forms, rates and rules are required to be filed only for insurance involving personal property owned by, being purchased by, or pledged as collateral by individuals, and not used in any business, trade or profession.
Group inland marine insurance authorized. Forms are prior approval. Director has 90 days to disapprove a form (plus a 30-day extension if he notifies the insurer in writing). Filing is deemed approved unless Director disapproves within the 90 days or 30-day extension.	215 ILCS 5/400.1 50 IL Adm. Code 2302	Insurers authorized to write inland marine insurance in IL may issue group or master policy-certificate inland marine policies which may include coverages incidental or supplemental to the inland marine policy, if the insurer is authorized to also write the class of coverage which is incidental/supplemental. No policy, certificate of insurance, memorandum of insurance, application for insurance, endorsement or rider, may be issued unless a copy of the form shall have been filed with and approved by the Director before its use. The Director has 90 days after the filing of the form to disapprove such form if the benefits provided therein are not reasonable in relation to the premium charged, or if it contains provisions that are unjust,

		<p>unfair, inequitable, misleading, deceptive, or encourage misrepresentation of the coverage, or are contrary to any provision of the Insurance Code or any rule or regulation promulgated thereunder.</p> <p>The Director may extend such waiting period for an additional 30 days upon written notice to the Company.</p> <p>A filing is deemed to meet the requirements of this section unless disapproved by the Director within the 90 days or 30-day extension.</p>
<p>If form is disapproved, insurer may not use the form.</p> <p>Insurer may request hearing within 30 days after receipt of disapproval.</p> <p>Director may withdraw approval at any time after a hearing is held.</p>	<p>215 ILCS 5/400.1</p>	<p>If the Director disapproves the form, the insurer shall not issue or use such form.</p> <p>In such disapproval, the Director shall specify the reason for the disapproval.</p> <p>The Company may request a hearing on such disapproval within 30 days after receipt of such disapproval. The Director shall grant a hearing subsequent to the receipt of such request.</p> <p>The Director may, at any time after a hearing held not less than 20 days after written notice to the insurer, withdraw his approval of any such form on any ground set forth above. The written notice of such hearing shall state the reason for the proposed withdrawal.</p> <p>It is not lawful for the insurer to issue such forms or use them after the effective date of such approval withdrawal.</p>
<p>Director may require filing of schedules of premium rates.</p>	<p>215 ILCS 5/400.1</p>	<p>The Director may at any time require the filing of the schedules of premium rates used or to be used in connection with the specific policy filings required.</p>
<p>Director's orders are subject to judicial review.</p>	<p>215 ILCS 5/400.1</p>	<p>Any order or final determination of the Director under the provisions of this Section shall be subject to judicial review.</p>

Definition of "form" as used in group inland marine.	50 IL Adm. Code 2302	<p>Form includes any document to be issued or delivered constituting in substance a policy, contract, certificate of insurance, endorsement, rider, application or other matter incorporated therein by reference. "Form" may also include any manner of advertising and sales promotion material, regardless of the media involved.</p> <p>The Director may request that advertising and sales promotion material also be filed.</p>
Submission and form requirements.	50 IL Adm. Code 2302	<p>Form filing shall include two letters of submission, two copies of the form in final printed form, showing:</p> <ul style="list-style-type: none"> a) The form number and edition date in the lower, left corner on the front of the form, b) Printed in not less than 8-point type; c) With spacing between printed lines of not less than one-point leading; d) Bearing a descriptive title; e) Showing at the beginning of the form, the name of the insurer, the location of the home office thereof, a stock, mutual, reciprocal, Lloyds, alien insurer, or an insurer operating under a charter by Special Act of the Legislature of any state.
<p>A submission letter is required, and the submission letter must contain specified information.</p> <p>"Me too" filings are not allowed.</p>	50 IL Adm. Code 2302	<p>All filings must include a forms submission letter which includes:</p> <ul style="list-style-type: none"> a) The name of the company and/or Advisory Organization; b) Title, form number and edition identification of the forms;

		<p>c) Identification of all applicable endorsements, applications and policy forms with which the material being filed will be used;</p> <p>d) Notification as to whether the filing is new or supersedes a present filing. Identification of all changes in any superseded filing(s) as well as identification of all superseded forms is required. Identification of superseded forms shall include title, form number, edition date, date shown on Department filing stamp.</p> <p>e) proposed effective date of use;</p> <p>Companies under the same ownership or general management are required to make separate individual company filings. Company Group ("Me too") filings are unacceptable.</p>
<p>Forms will not be approved until the rates, rules and minimum premiums have been accepted for filing.</p>	<p>50 IL Adm. Code 2302</p>	<p>No form will be approved until the rates, rules and minimum premiums, for use therewith, have been accepted for filing.</p>
<p>Disclosure notice required.</p>	<p>50 IL Adm. Code 2302</p>	<p>All insurance applications and certificates shall contain, in a type size and ink color to make it predominant, the following:</p> <p>WARNING</p> <p>PURCHASING THIS COVERAGE MAY VOID OR LIMIT OTHER INSURANCE SUCH AS A HOMEOWNERS POLICY OR FIRE POLICY COVERING YOUR CONTENTS. PLEASE READ ANY SUCH POLICIES YOU HAVE.</p> <p>On applications, the warning shall appear immediately above the space provided for the applicant's signature.</p> <p>Upon prior approval of the Director, the warning maybe modified from the above language if done so</p>

		with substantially similar wording to convey the intent and purpose of the warning.
Requirements for certificates.	50 IL Adm. Code 2302	<p>Each certificate shall:</p> <ul style="list-style-type: none"> a) show the name and address of the master policyholder and the certificate holder; b) provide that loss payments shall be made to all insureds as their interest may appear at the time of the loss for property pledged as collateral for loans; c) provide for repair or replacement of the damaged property, or in the event of a cash settlement, provide that payment shall be made to the creditor to reduce or extinguish the unpaid indebtedness with any excess payable to the purchaser when insuring property purchased or sold under the terms of any open end charge account or closed end installment sales contract; d) have a description of the insured property; <ul style="list-style-type: none"> i) All insured items shall have a specific description and shall have a specific amount of coverage shown for each item unless records are maintained and are available to determine every item insured and the amount of insurance applicable thereto. When insurance is provided on a replacement cost basis, a specific amount of insurance is not required. These records shall also be maintained in sufficient detail and in a form readily available to the Director in order to verify every item insured and the amount of insurance applicable thereto. ii) items pledged as collateral for loans, not related to the purchase or sale of said items, may be collectively rather than specifically described and

		<p>one amount of coverage may be shown for the entire collateral.</p> <p>e) contain the following provisions of the master policy: perils insured against; cancellation provisions; all provisions applicable to claims.</p> <p>f) contain wording advising that it is necessary to refer to the master policy for the entire contract wording and state where, in the State of Illinois, such master policy may be seen;</p> <p>g) contain the provisions set forth in the "Coverage acceptance or rejection by the insured certificate holder" section below.</p>
<p>Master policy or certified copy thereof must be maintained and available for inspection in Illinois.</p>	<p>50 IL Adm. Code 2302</p>	<p>Each master policy or a certified duplicate thereof shall be maintained within the state of Illinois and shall be available for inspection, during usual business hours, by any holder of a certificate issued under such master policy.</p>
<p>Coverage acceptance or rejection by the insured certificate holder.</p>	<p>50 IL Adm. Code 2302</p>	<p>Certificate holders must be allowed time to reject the insurance as follows:</p> <p>i) certificate holders shall be allowed 15 days after receiving a certificate of insurance to determine if the coverage is to remain in effect or is to be canceled without any premium being earned.</p> <p>ii) if loss(es) occurs after the insured has signed an application for the coverage and before or during the above-mentioned 15 days, and the insured has not given the insurer or the master policyholder evidence of his rejection of the coverage, such loss(es) shall be paid and the premiums shall be charged for the time coverage is in force. Making any claim during this said period of time constitutes acceptance of the coverage by the insured.</p> <p>iii) if, during the 15 days following the insured's receipt of the certificate of insurance, the insured</p>

		<p>chooses to reject the subject coverage and no loss has been claimed by said insured, the coverage shall be cancelled as of its effective date and without any premium being charged. Any premium which may have been paid shall, in the event of such rejection, be returned to the insured. Thereafter, no claims may be made under the subject coverage.</p> <p>iv) computation of earned premium for cancellation, other than as described above, by insured certificate holder, may be on a short-rate basis. Such short-rate charge shall not be more than 10% in excess of the earned premium computed on a pro-rata basis.</p> <p>v) when coverage is revised or cancelled and rewritten, earned premium shall be computed on a pro-rata basis.</p> <p>Coverage shall continue without interruption and the revised or rewritten coverage shall be charged rates not to exceed those charged prior to the revision or rewriting.</p>
<p>Insurable items and determination of amounts of coverage.</p>	<p>50 IL Adm. Code 2302</p>	<p>The amounts of insurance provided applicable to items pledged as collateral for loans or purchased or sold under the terms of any closed end transaction shall be exclusive of:</p> <ol style="list-style-type: none"> 1) Insurance premiums; 2) Interest, carrying or finance charges; 3) Service charges; 4) Warranty charges; 5) Other charges added to the net price of the items. <p>The item(s) to be insured shall only be tangible property.</p>

Revolving charge accounts.	50 IL Adm. Code 2302	The company shall maintain sufficient records to provide satisfactory evidence for the Director of Insurance or his designee to determine that for each group policy written the average amount of insurance for the debtor of each group is at least equal to or greater than the value of the tangible property insured for such debtors.
ACTION AGAINST COMPANY	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Periods of limitation tolled.	215 ILCS 5/143.1	If the form contains a provision limiting the period of time within which the insured may bring suit, the provision must state that the running of such period is tolled from the date proof of loss is filed until the date the claim is denied in whole or in part.
PAYMENT OF LOSS TIME PERIOD	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
If a form states when a claim will be paid, the language must conform to this Rule.	50 IL Adm. Code 919.50	If a form contains a provision stating when a claim shall be paid, the provision must comply with this Rule that states that the insurer shall affirm or deny liability on claims within a reasonable time and shall offer payment within 30 days of affirmation of liability if the amount of the claim is determined and not in dispute. For those portions of the claim which are not in dispute and the payee is known, the insurer shall tender payment within said 30 days.
OTHER INSURANCE	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Requirements for "Other Insurance" provisions.	215 ILCS 5/143(2)	"Other Insurance" provisions must state that coverage under the policy will share proportionately with other similar coverages the insured may have. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.
REBATES	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Payments or acceptance of rebates prohibited.	215 ILCS 5/151 215 ILCS 5/152	No insurer, agent or broker shall offer, give, etc., any rebate of premium, agent's commission, profits, dividends, or any special advantage in date of policy

Rebates -- penalties		<p>or age of issue, or any other valuable consideration or inducement, upon issuance or renewal, which is not specified in the policy contract of insurance.</p> <p>However, insurers may pay a bonus to policyholders or abate their premiums, in whole or in part, out of surplus accumulated from nonparticipating insurance.</p> <p>Insurers may also offer a child passenger restraint system, or a discount from the purchase price of a child passenger restraining system to policyholders, when the purpose of such system is the safety of a child and compliance with the "Child Passenger Protection Act."</p> <p>No insured or applicant shall directly or indirectly receive or accept any rebate of premium or agent's or broker's commission, or any favor or advantage, or any valuable consideration or inducement, other than such as is specified in the policy.</p> <p>Any company or person violating any provision of Section 151 shall be guilty of a Class B misdemeanor.</p>
VOIDANCE	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Requirements to rescind a policy for misrepresentation or false warranty.	215 ILCS 5/154	A policy may not be rescinded, defeated or avoided unless the misrepresentation is stated in the policy, endorsement or rider attached thereto, or in the written application therefore, and was made with the actual intent to deceive, or materially affected either the acceptance of the risk or the hazard assumed by the company.
OTHER	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Endorsements that amend another endorsement are prohibited.	215 ILCS 5/143(2)	An endorsement cannot be used to amend another endorsement. Such endorsements are deemed to result in inconsistent, ambiguous, or misleading

		clauses, in violation of Section 143(2) and will be disapproved accordingly.
Requirements for termination of line of business.	215 ILCS 5/143.11a	A company must notify the Director of the termination of a line of insurance, as well as the reasons for the action, 90 days before termination of any policy is effective.
Negative response roll-ons are prohibited.	215 ILCS 5/429	Form changes that are optional may not be applied "automatically unless the insured rejects." Insureds must be offered the option and must respond affirmatively for the change to apply. To apply the option automatically unless rejected is to engage in an unfair or deceptive act or practice.
RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Commercial inland marine rates and rules are not required to be filed in Illinois.	50 IL Adm. Code 754	Commercial inland marine rates and rules are not required to be filed in Illinois.
INDIVIDUAL RISK RATING	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Insurers do not have to file Rates for individual risks. However, insurers must maintain documentary information for review by the Department.	50 IL Adm. Code 754	A company is not required to file Rates for individual Illinois risks which cannot be rated in the normal course of business rating because of special or unusual characteristics and must be rated on the basis of underwriting judgment. Company must maintain documentary information regarding such individual risk rates for review by the Department's Property & Casualty Compliance Unit.
MISCELLANEOUS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Rating decisions based solely on domestic violence.	215 ILCS 5/155.22b	No insurer that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating decision.

Unfair methods of competition or unfair or deceptive acts or practices defined.	215 ILCS 5/424(3)	It is an unfair method of competition or unfair and deceptive act or practice if a company makes or permits any unfair discrimination between individuals or risks of the same class or of essentially the same hazard and expense element because of the race, color, religion, or national origin of such insurance risks or applicants.
Procedure as to unfair methods of competition or unfair or deceptive acts or practices not defined.	215 ILCS 5/429	Outlines the procedures the Director follows when he has reason to believe that a company is engaging in unfair methods of competition or unfair or deceptive acts or practices.
GROUP INLAND MARINE RATE AND RULE REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Group inland marine forms, rates and rules are required to be filed only in certain instances.	215 ILCS 5/400.1 50 IL Adm. Code 2302	Group inland marine forms, rates and rules are required to be filed only for insurance involving personal property owned by, being purchased by, or pledged as collateral by individuals, and not used in any business, trade or profession.
Group inland marine rules and rates are file and use -- they must be filed with the Director prior to their use. "Me too" filings are not allowed.	50 IL Adm. Code 2302	Insurers must file group inland marine rates, rules, and minimum premiums with the Director prior to their use. However, such filing shall be required only for insurance involving personal property owned by, being purchased by, or pledged as collateral by individuals, and not used in any business, trade or profession. Companies under the same ownership or general management must file separately. "Me too" filings are not allowed.
Forms will not be approved until the rates, rules and minimum premiums have been accepted for filing.	50 IL Adm. Code 2302	No form will be approved until the rates, rules and minimum premiums, for use therewith, have been accepted for filing.
Director may require filing of schedules of premium rates.	215 ILCS 5/400.1	The Director may at any time require the filing of the schedules of premium rates used or to be used in connection with the specific policy filings required.

Director may require filing of statistical data and other information.	50 IL Adm. Code 2302	The Director may require insurers to file statistical data and other pertinent information necessary to determine the manner of promulgation and the acceptability or unacceptability of a filing for rules, minimum premiums, rates, forms or any combination thereof.
Rates and minimum premiums must be actuarially sound and rates shall not be inadequate, excessive, or unfairly discriminatory.	50 IL Adm. Code 2302	All rates and minimum premiums shall be based on sound actuarial principles. Rates shall not be inadequate, excessive or unfairly discriminatory.
Group inland marine minimum premiums.	50 IL Adm. Code 2302	Minimum premiums: may be established for use with master policies; shall not be used for premiums charged on certificates of insurance; certificate holders may not be charged a premium that is greater than the premium developed by multiplying the rate times the amount of coverage provided for said certificate holder.