



Illinois Department of Insurance

JB PRITZKER
Governor

ROBERT H. MURIEL
Director

TO: ALL COMPANIES AND OTHER ENTITIES LICENSED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF ILLINOIS WHO ISSUE OR DELIVER PROPERTY AND CASUALTY (P&C) INSURANCE POLICIES

FROM: Robert H. Muriel, Director 

DATE: June 8, 2020

RE: **Company Bulletin 2020-15**
Coverage Related to Business and Property Damage Losses, Including but not Limited to Those Arising Out of Vandalism and Looting

On June 1, 2020, Governor JB Pritzker issued a disaster proclamation for Cook, Champaign, DuPage, Kane, Kendall, Macon, Madison, Sangamon, and Will Counties, arising out of events described in more detail therein. Subsequently, on June 3, 2020, the Governor issued a disaster proclamation based on related events that applied to Lake, Peoria, Rock Island, Stephenson, and Williamson Counties. Those events resulted in property damage, including vandalism and looting. Peaceful protests are expected to continue, but some groups of individuals may continue to present a threat of additional damage to property. This Company Bulletin addresses any and all such areas included in current and future Gubernatorial Proclamations regarding such events. The aforementioned disaster proclamations and any future related disaster proclamations are individually and collectively referred to herein as “Gubernatorial Proclamations.”

The Department hereby requests that all insurers licensed or authorized to transact insurance business in this State immediately implement the following protective measures:

- Insurers should apply claims best practices consistent with the categorization of this event as a catastrophic event, including expedited claims handling, advance claim payments, and fair treatment of all policyholders, regardless of size.
- Insurers should implement a moratorium on the cancellation or non-renewal of impacted policyholders for a period of 60 days from the date of this Company Bulletin.
- Insurers should err on the side of the policyholder when paying claims as a result of riots, civil commotion, or vandalism from commercial policyholders who were unable to make full premium payments during the period following the Governor’s Executive Order 2020-10, dated March 20, 2020.
- To the extent business interruption provisions are included and operative under a policy, insurers should base payouts on business activity levels that eliminate the impact of COVID-19.

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- Insurers should err on the side of the policyholder when considering the use of exclusions that may or may not be applicable.

The Department understands the importance of the insurance industry in the recovery during times of great loss and thanks insurers in advance for handling claims in a fair and timely way. We encourage insurers to assist in whatever additional ways they can and trust the insurance industry stands ready to be a critical participant in recovery.

If you have any questions or concerns regarding implementation of measures described herein, please contact Mike Chrysler via email at michael.chrysler@illinois.gov.