

Review Requirements Checklist

Commercial Multi-Peril

Contact Person: [Denice Baldin](#) (217) 524-6497

Line(s) of Insurance/Business:

- Commercial Multi-Peril; filing code(s) 5.0000
- Non-Liability Portion; filing code 5.1000
- Liability Portion; filing code 5.2000
- Builders' Risk; filing code 5.0001
- Business Owners; filing code 5.0002
- Commercial Package Policy; filing code 5.0003
- Manufacturer's Output Policy; filing code 5.0004
- Other CMP Policies; filing code 5.0005

Links:

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

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 List of Classes/Clauses	To write Commercial Multi-Peril (Non-Liability Portion), companies must be licensed to write: <ol style="list-style-type: none"> 1. Class 2, Clauses (e), (f), (h), (i), (j), and 2. Class 3, Clauses (a), (b), (c), (d), (e), (f), (g), (h). To write Commercial Multi-Peril (Liability Portion), companies must be licensed to write:

		<ol style="list-style-type: none"> 1. Class 2, Clauses (c), (e), (f), (h), (i), (j), and 2. Class 3, Clauses (a), (b), (c), (d), (e), (f), (g), (h).
SERFF FILING	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
<p>The submission letter must contain specified information.</p> <p>"Me too" filings are not allowed.</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; 5. Notification as to whether the filing is new or supersedes a present filing. Identification of all changes in all superseding filings, as well

		<p>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 must include all Federal Employer Identification Numbers (FEINs) for companies making the filing.
All forms submitted under the same SERFF tracking number must have common coverage relationship.		All forms under an assigned SERFF tracking number must have a common coverage relationship. (e.g., all forms in an auto filing must pertain only to auto, etc.)
NO FILE OR FILING EXEMPTIONS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Commercial multi-peril forms issued to "industrial insureds" are not required to be filed in Illinois.	215 ILCS 5/143(3)	Insurance policies issued to those qualifying as industrial insureds are not subject to the policy form filing requirements of 215 ILCS 5/143(3).
However, such forms must comply with all laws, regulations, bulletins, etc. unless specifically exempted by the law, regulation, bulletin, etc.	215 ILCS 5/121-2.08	215 ILCS 5/121-2.08 applies to all authorized companies. Definitions within 5/445 are relied upon to avoid duplication of those definitions. This reliance is not intended to limit exemptions to surplus lines carriers.
Manuscript endorsements are not required to be filed.	215 ILCS 5/143(3)	Insurers are not required to file riders or endorsements prepared to meet special, unusual,

		<p>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, as long as the filing includes proper authorization.</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. <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.
APPRAISAL	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Requirements for appraisal provisions.	215 ILCS 5/397 50 IL Adm. Code 2301 215 ILCS 5/143(2)	Policy must contain an appraisal provision that conforms to the Standard Fire Policy. Any forms that contain provisions to the contrary conflict with the Standard Fire Policy minimum language and 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.
ARBITRATION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Requirements for arbitration provisions.	215 ILCS 5/397 50 IL Adm. Code 2301 710 ILCS 5/1 215 ILCS 5/143(2)	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. 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 per Lines 157-161 of the Standard Fire Policy. Any forms that contain provisions to the contrary conflict with the Standard Fire Policy minimum language and 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.
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 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. An exact and unaltered copy of the notice shall also be sent to the insured's producer, if known, and agent of record.</p>
Requirements for advance notice of renewal with changes in deductibles, changes in coverage that materially alters	215 ILCS 5/143.17a	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

<p>the policy, or increase of 30% or more.</p>	<p>Illinois Supreme Court Rule 236</p>	<p>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 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.</p> <p>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</p>
--	--	---

		customary business practices of mailing notices pursuant to Section 143.17a or may be proven consistent with Illinois Supreme Court Rule 236.
MINIMUM RETAINED PREMIUM	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Minimum earned premium provisions are prohibited.	215 ILCS 5/397 215 ILCS 5/143(2)	The Standard Fire Policy provides for pro rata return of premium if the insurer cancels the policy. Any forms that contain provisions to the contrary conflict with the Standard Fire Policy minimum language and 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.
NOTICE OF CANCELLATION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Cancellation notice mailing requirements and requirements for canceling premium financed insurance contracts.	215 ILCS 5/143.14	Insurer must mail cancellation notice to the named insured at the last mailing address known by insurer. Insurer must maintain proof of mailing on a form acceptable to U.S. Post Office or other commercial mail delivery service. 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. Section 143.14 also contains requirements for canceling premium financed insurance contracts and procedures for returning unearned premium. See law for specific details of requirements.
Number of days notice required for cancellation of commercial policies and notice requirements.	215 ILCS 5/143.16	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. All notices shall include a specific explanation of the reason(s) for cancellation.

<p>Cancellation of fire and marine policies with 10 days' advance notice.</p>	<p>215 ILCS 5/143.20a 215 ILCS 5/4</p>	<p>Property policies issued for the kinds of business enumerated in Class 3 of Section 4 may be cancelled with 10 days' written notice to the named insureds if the insured property is found to consist of one or more of the following:</p> <ul style="list-style-type: none"> a) Buildings to which, following a fire loss, permanent repairs have not commenced within 60 days after satisfactory adjustment of loss, unless such delay is a direct result of a labor dispute or weather conditions; b) Buildings which have been unoccupied 60 consecutive days, except buildings which have a seasonal occupancy and buildings which are undergoing construction, repair or reconstruction and are properly secured against unauthorized entry; c) Buildings on which, because of their physical condition, there is an outstanding order to vacate, an outstanding demolition order, or which have been declared unsafe in accordance with applicable law; d) Buildings on which heat, water, sewer service or public lighting have not been connected for 30 consecutive days or more. <p>All such notices of cancellation must be sent by certified mail and regular mail to the address of record of the named insured, and all such cancellations shall be made on a pro rata basis.</p>
<p>Insurer must advise insured of eligibility for the Illinois FAIR Plan Association.</p>	<p>215 ILCS 5/143.22</p>	<p>When a policy containing fire and extended coverage insurance is cancelled, other than for nonpayment of premium or evidence of incendiarism, and if the location of the insured property is within the State of Illinois, insurers must notify named insureds of their eligibility for the FAIR Plan and explain the procedure to make application. Such notice must accompany or be included in the cancellation notice.</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 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>
Insurer must advise insured of eligibility for the Illinois FAIR Plan Association.	215 ILCS 5/143.22	When a policy containing fire and extended coverage insurance is nonrenewed, other than for evidence of incendiarism, and if the location of the insured property is within the State of Illinois, insurers must notify named insureds of their eligibility for the FAIR Plan and explain the procedure to make

		application. Such notice must accompany or be included in the cancellation notice.
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	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. Rule 940 outlines requirements for certification of loss of reinsurance.
Cancellation of fire and marine policies with 10 days' advance notice.	215 ILCS 5/143.20a 215 ILCS 5/4	Property policies issued for the kinds of business enumerated in Class 3 of Section 4 may be cancelled with 10 days' written notice to the named insureds if the insured property is found to consist of one or more of the following: a) Buildings to which, following a fire loss, permanent repairs have not commenced within 60 days after satisfactory adjustment of loss, unless such delay is a direct result of a labor dispute or weather conditions; b) Buildings which have been unoccupied 60 consecutive days, except buildings which have a

		<p>seasonal occupancy and buildings which are undergoing construction, repair or reconstruction and are properly secured against unauthorized entry;</p> <p>c) Buildings on which, because of their physical condition, there is an outstanding order to vacate, an outstanding demolition order, or which have been declared unsafe in accordance with applicable law;</p> <p>d) Buildings on which heat, water, sewer service or public lighting have not been connected for 30 consecutive days or more.</p> <p>All such notices of cancellation must be sent by certified mail and regular mail to the address of record of the named insured, and all such cancellations shall be made on a pro rata basis.</p>
PERMISSIBLE REASONS FOR NON-RENEWAL	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
<p>Insurers may nonrenew for almost any reason(s) except those specifically prohibited in other Illinois insurance laws or regulations.</p> <p>However, insurers must give a specific explanation of the reason(s) for nonrenewal.</p>	<p>215 ILCS 5/143.17a</p>	<p>Insurers may nonrenew for almost any reason(s) except those specifically prohibited in other Illinois insurance laws or regulations.</p> <p>However, insurers must give a specific explanation of the reason(s) for nonrenewal.</p>
<p>May not refuse to renew because agent's contract with insurer was terminated.</p>	<p>215 ILCS 5/141.01</p>	<p>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.</p>
<p>May not refuse to renew a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.</p>	<p>215 ILCS 5/143.10</p>	<p>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.</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.
Hired and Non-owned Auto/Uninsured Motorists Coverage	215 ILCS 5/143(2) 215 ILCS 5/143a 215 ILCS 5/143a-2 Harrington v. American Family Mutual Insurance Company	If hired and/or non-owned auto coverage is offered, an insurer may not specifically exclude statutory mandated uninsured motorist coverage. 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.
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 or designs and dates as are appropriate for the insurer issuing the policy. All forms must be identified by a descriptive title, form number and edition identification. All forms must be printed in not less than eight-point type.
DEFENSE WITHIN LIMITS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Defense costs may not be included in limits of liability.	215 ILCS 5/143(2)	Defense costs must be paid as supplement to the limits of liability. Defense costs may not be included

		in the limits of liability. 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.
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."
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).	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. 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 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	750 ILCS 75/1 Civil Union Fact Sheet	The Religious Freedom Protection and Civil Union Act 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
Certain restrictive endorsements must be signed and dated by insured.	215 ILCS 5/143(2)	Animal bite exclusions, roof exclusions, and shed exclusions will be acceptable for filing only if they contain a provision for the insured to sign and date the endorsement, indicating acknowledgement and acceptance that there is no coverage provided. 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.
Communicable disease exclusions must be specific.	215 ILCS 5/143(2)	Form may not exclude broad categories of communicable disease. Form may exclude only specific diseases, such as AIDS, or specific classes of diseases, such as sexually transmitted diseases. 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.
Intoxicant or narcotic exclusions are prohibited unless specific language is included.	215 ILCS 5/143(2)	Intoxicant or narcotic exclusions are prohibited unless they include the following: 1) a standard set forth with regard to what is considered an intoxicant

		or narcotic; 2) a standard set forth as to what levels of consumption defines intoxication; 3) a standard of proof set forth; and 4) language that distinguishes the intent or motivation. 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 BI/PD 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.
Professional liability coverage may not reduce overall limits.	215 ILCS 5/143(2)	Professional Liability coverage must have separate limits that do not reduce the limits of this coverage. 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.
Intentional acts exclusion -- exception for using reasonable force to protect persons or property	215 ILCS 5/143(2)	Intentional acts exclusions must contain an exception for an insured using reasonable force to protect persons or property. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risk that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly.
Intentional acts exclusion -- exception for innocent co-insured.	215 ILCS 5/155.22b	If a policy excludes property coverage for intentional acts, the insurer 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.
Vandalism and Malicious Mischief provisions must conform to the Standard Fire Policy.	215 ILCS 5/397 50 IL Adm. Code 2301 215 ILCS 5/143(2) David & Kathryn Lundquist v. Allstate Insurance Company	Vandalism and Malicious Mischief exclusions should reflect the provision found in the Standard Fire Policy regarding vacant or unoccupied buildings. Specifically, ensuing loss to a described building, as a result of fire, that is vacant or unoccupied must be covered until the building is vacant or unoccupied for 60 consecutive days. Any forms that contain provisions to the contrary conflict with the Standard Fire Policy minimum language and 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.
Hired and Non-owned Auto/Uninsured Motorists Coverage	215 ILCS 5/143(2) 215 ILCS 5/143a 215 ILCS 5/143a-2 Harrington v. American Family Mutual Insurance Company	If hired and/or non-owned auto coverage is offered, an insurer may not specifically exclude statutory mandated uninsured motorist coverage. 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 commercial multi-peril policies are not specifically allowed by statute.	215 ILCS 5/388a-388g 215 ILCS 5/393a-393g 215 ILCS 5/400.1 IL Adm. Code 2302 215 ILCS 5/900-906	There are no enabling statutes in Illinois that authorize the writing of group fire, casualty, inland marine, or surety insurance. The effect is to require that all fire, casualty, inland marine, or surety insureds of the same class be treated alike. These provisions are not applicable where the Illinois Insurance Code specifically authorizes the grouping of risks. The only coverages that are currently authorized on a group basis are: a) group vehicle; b) group professional liability; c) group inland marine; d) group legal.
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.
Insured must commence suit against the company within 12 months after the inception of the loss.	215 ILCS 5/397 215 ILCS 5/143(2)	Per the Standard Fire Policy, no suit or action for the recovery of any claim shall be sustainable in any court of law or equity unless all the requirements of the policy have been complied with, and unless commenced within 12 months after inception of the loss. Any forms that contain provisions that provide less than 12 months conflict with the Standard Fire Policy minimum language and 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.

DEFENSE COSTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Defense costs may not be included in limits of liability.	215 ILCS 5/143(2)	Defense costs must be paid as supplement to the limits of liability. Defense costs may not be included in the limits of liability. 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.
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.
MINIMUM STANDARDS FOR CONTENT (POLICIES AND STANDARD FORMS)	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Coverage must conform to Standard Fire Policy.	215 ILCS 5/397 215 ILCS 5/397.05 50 IL Adm. Code 2301 Standard Fire Policy Form	All policies or contracts covering fire and lightning issued or delivered by an insurer subject to the provisions of the Illinois Insurance Code, or by any agent or representative thereof on any property in this State must conform to the Standard Fire Policy, and no provision shall be more restrictive than those contained in the Standard Fire Policy.
NOTICE REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Insurer must advise insured of eligibility for the Illinois FAIR Plan Association.	215 ILCS 5/143.22	When a policy containing fire and extended coverage insurance is cancelled, other than for nonpayment of premium or evidence of incendiarism, or

		nonrenewed, and if the location of the insured property is within the State of Illinois, insurers must notify named insureds of their eligibility for the FAIR Plan and explain the procedure to make application. Such notice must accompany or be included in the cancellation or nonrenewal notice.
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 CB 2025-01	<p>No policy may be delivered unless the policy holder or certificate holder is provided written notice regarding where to file a complaint. This notice is expected to be filed with all new products as well as any time there is a change made to the notice.</p> <p>Rule 931 provides more specific guidance that: The requirement of providing “written notice” shall be satisfied by:</p> <ul style="list-style-type: none"> A) Any printed notice delivered with a policy or certificate; B) Any adhering label attached to a policy or certificate; C) Any computerized notice issued concurrently with a computer issued policy of certificate; D) Any other form of individual written notice substantially similar to the above. <p>In the required notice:</p> <ul style="list-style-type: none"> A) Companies shall use the contact information for the Department of Insurance explicitly stating “You may file a consumer complaint online at the Illinois Department of Insurance’s website or by mail. The Department maintains a Consumer Division in Chicago at 115 S. LaSalle St., 13th Floor, Chicago, IL 60603 and in Springfield at 320 West Washington Street, Springfield, IL 62767. B) 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

		<p>types of complaints, then the additional addresses of each appropriate service office must be given.</p> <p>C) 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> <p>The following types of insurance are exempted from this Part:</p> <p>A) Ocean Marine B) Fidelity and Surety C) Commercial Inland Marine risks which, by general custom, are not written according to manual rates or rating plans.</p>
OTHER INSURANCE	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Requirements for "Other Insurance" provisions.	215 ILCS 5/397 215 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 conflict with the Standard Fire Policy minimum language and 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.
PREMIUM REFUND	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Minimum earned premium provisions are prohibited.	215 ILCS 5/397 215 ILCS 5/143(2)	The Standard Fire Policy provides for pro rata return of premium if the insurer cancels the policy. Any forms that contain provisions to the contrary conflict with the Standard Fire Policy minimum language and 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.
PUNITIVE DAMAGES	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Punitive damages.	95 IL. App. 34 3d 1122 215 ILCS 5/143(2)	An insurer may not reimburse an insured for punitive damages assessed as a result of the insured's own misconduct. If a form excludes coverage for punitive damages, the form must state that it provides a defense for claims involving both compensatory and punitive damages. 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. Rebates -- penalties	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 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. However, insurers may pay a bonus to policyholders or abate their premiums, in whole or in part, out of surplus accumulated from nonparticipating insurance. 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." 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. Any company or person violating any provision of Section 151 shall be guilty of a Class B misdemeanor.
STANDARD FIRE POLICY	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Coverage must conform to Standard Fire Policy.	215 ILCS 5/397 215 ILCS 5/397.05 50 IL Adm. Code 2301 Standard Fire Policy Form	All policies or contracts covering fire and lightning issued or delivered by an insurer subject to the provisions of the Illinois Insurance Code, or by any agent or representative thereof on any property in this State must conform to the Standard Fire Policy, and no provision shall be more restrictive than those contained in the Standard Fire Policy.
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 voided 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.
MISCELLANEOUS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Prejudgment interest.	215 ILCS 5/143(2)	Illinois courts do not award prejudgment interest. However, if a form references payment of prejudgment interest, then such payment must be a supplementary coverage and not paid within the policy limits. 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.

Post-judgment interest.	215 ILCS 5/143(2)	If a form references payment of post-judgment interest, then such payment must be a supplementary coverage and not paid within the policy limits. 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.
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	Insurers 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. Termination notices may be emailed to Amber Young .
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.
Mine subsidence coverage must be automatically included on policies in 34 Illinois counties. In all other counties, insurers must provide mine subsidence coverage if the insured requests it.	215 ILCS 5/805.1 List of 34 counties	In the 34 Illinois counties that have been determined to have a significant mine subsidence exposure, every policy issued or renewed insuring a commercial building on a direct basis shall include, at a separately stated premium, commercial mine subsidence coverage unless waived in writing by the insured. In all other Illinois counties, insurers must provide mine subsidence insurance coverage if the insured requests it.
RATE, RULE, RATING PLAN, CLASSIFICATION,	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS

AND TERRITORY FILING REQUIREMENTS		
Commercial multi-peril rates and rules are not required to be filed in Illinois.	50 IL Adm. Code 754	Commercial multi-peril 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	<p>A company is not required to file s 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.</p> <p>Company must maintain documentary information regarding such individual risk rates for review by the Department's Property & Casualty Compliance Unit.</p>
OTHER	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
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.

Revised 08/22/2023