

SERFF Tracking Number: AMAX-125679144 State: Arkansas
Filing Company: American Association of Insurance Services State Tracking Number: EFT \$100
Company Tracking Number: AAIS-2008-18FP
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Farm Properties
Project Name/Number: FP CW War and Military Action - Excl Endt AAIS-2008-18FP/AAIS-2008-18FP

Filing at a Glance

Company: American Association of Insurance Services

Product Name: Farm Properties SERFF Tr Num: AMAX-125679144 State: Arkansas
TOI: 01.0 Property SERFF Status: Closed State Tr Num: EFT \$100
Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines) Co Tr Num: AAIS-2008-18FP State Status: Fees verified and received
Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Llyweyia Rawlins
Author: SPI AAIS Disposition Date: 06/10/2008
Date Submitted: 06/03/2008 Disposition Status: Filed
Effective Date Requested (New): 12/01/2008 Effective Date (New): 12/01/2008
Effective Date Requested (Renewal): Effective Date (Renewal): 12/01/2008

State Filing Description:

General Information

Project Name: FP CW War and Military Action - Excl Endt AAIS-2008-18FP Status of Filing in Domicile: Pending
Project Number: AAIS-2008-18FP Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 06/10/2008
State Status Changed: 06/10/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:

Re: AAIS-2008-18FP
Farm Properties Program

SERFF Tracking Number: *AMAX-125679144* *State:* *Arkansas*
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New Mandatory Endorsement

Dear Sir or Madam:

On behalf of our affiliated companies, the American Association of Insurance Services (AAIS) is filing a new, mandatory war and military action exclusion endorsement. Previously, this exclusion was incorporated in the optional non-certified act of terrorism exclusion endorsements filed in this state.

The Filing Memorandum provides a description of the material being proposed at this time. Copies of all materials are enclosed.

We propose that the endorsement described in this filing become effective December 1, 2008. Companies will be advised to take the filing action outlined in the attached company action exhibit.

Please be advised that, upon approval, the materials that are the subject of this filing may also be provided to affiliated companies in an electronic format. We will be happy to furnish you the same materials electronically, upon request. Due to differences in printer configurations or other hardware or software differences, the appearance of the materials that are the subject of this filing may be altered slightly when produced by another system. Such alterations will be cosmetic only and will not affect the content of the filed materials.

Sincerely,

Pallavi U. Shah
Senior Filings Specialist
Pallavis@AAISonline.com

Company and Contact

Filing Contact Information

Pallavi Shah, Senior Filing Specialist
1745 South Naperville Road

PallaviS@aaisonline.com
(630) 681-8347 [Phone]

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Wheaton, IL 60187-8132 (630) 681-8356[FAX]

Filing Company Information

American Association of Insurance Services CoCode: 31400 State of Domicile: Delaware
1745 S. Naperville Road Group Code: Company Type:
Wheaton, IL 60187-8132 Group Name: State ID Number:
(630) 681-8347 ext. [Phone] FEIN Number: 36-2021360

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Filing Fees

Fee Required? Yes
Fee Amount: \$100.00
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Association of Insurance Services	\$100.00	06/03/2008	20642513

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Llyweyia Rawlins	06/10/2008	06/10/2008

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Disposition

Disposition Date: 06/10/2008
Effective Date (New): 12/01/2008
Effective Date (Renewal): 12/01/2008
Status: Filed
Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	CW FP Filing Memo	Filed	Yes
Supporting Document	FL 1428 04 08 to FL 0630 12 02	Filed	Yes
Supporting Document	Forms Company Action Exhibit	Filed	Yes
Form	War and Military Action Exclusion	Filed	Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Filed	War and Military Action Exclusion	FL 1428	04 08	Endorsement/Amendment/Conditions		53.57	FL 1428.PDF

WAR AND MILITARY ACTION EXCLUSION

Exclusions relating to loss caused by or resulting from war, wherever they appear, are deleted and replaced by the War And Military Action Exclusion that follows:

WAR AND MILITARY ACTION EXCLUSION

"We" will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. War, including undeclared or civil war; or

- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction or radiation or radioactive contamination, this War And Military Action Exclusion supersedes the Nuclear Hazard Exclusion.

FL 1428 04 08

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Supporting Document Schedules

Bypassed -Name: Uniform Transmittal Document-Property & Casualty
Bypass Reason: Not Applicable
Comments:

Review Status: Filed 06/10/2008

Satisfied -Name: CW FP Filing Memo
Comments:
Attachment: CW FP Filing Memo.PDF

Review Status: Filed 06/10/2008

Satisfied -Name: FL 1428 04 08 to FL 0630 12 02
Comments:
Attachment: FL 1428 04 08 to FL 0630 12 02.PDF

Review Status: Filed 06/10/2008

Satisfied -Name: Forms Company Action Exhibit
Comments:
Attachment: Forms Company Action Exhibit.PDF

Review Status: Filed 06/10/2008

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
WAR AND MILITARY ACTION EXCLUSION ENDORSEMENT
FILING MEMORANDUM - FARM PROPERTIES PROGRAM**

FL 1428 04 08, WAR AND MILITARY ACTION EXCLUSION

This filing consists of a new, mandatory war and military action exclusion endorsement. Previously, this exclusion was incorporated in the optional non-certified act of terrorism exclusion endorsements filed in this state. However, those endorsements were withdrawn in January, 2008.

The federal Terrorism Risk Insurance Program (TRIP) was recently amended by the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA). Among the changes made by TRIPRA was a revised definition of what constituted a "certified act of terrorism". That revised definition omitted the requirement that the act be committed by persons acting on behalf of a foreign person or a foreign interest.

As a result of this change, all "non-certified" terrorism endorsements were withdrawn with the filing of new "certified" terrorism endorsements. These "non-certified" terrorism endorsements contained an amendment that replaced the war exclusion with a war and military exclusion. Coverage was excluded for actions to defend against an actual or expected attack by any government, sovereign, or other authority using military personnel or other agents, or action taken by a governmental authority in hindering or defending against insurrection, rebellion, revolution, or usurped power.

With this filing, the War And Military Action Exclusion previously contained in the withdrawn non-certified terrorism endorsements is being added by means of a new, mandatory endorsement. A copy of the proposed endorsement is provided, as is a sample mock up showing the differences between the proposed endorsement and one of the previous non-certified terrorism endorsements.

~~NON-CERTIFIED ACT OF TERRORISM EXCLUSION AND WAR AND MILITARY ACTION EXCLUSION~~

~~1. The following definitions are added.~~

~~a. "Non-certified act of terrorism" means a violent act or an act that is dangerous to human life, property, or infrastructure that:~~

- ~~1) is committed by an individual or individuals; and~~
- ~~2) appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion; and~~
- ~~3) is not certified as a terrorist act pursuant to the Federal Terrorism Risk Insurance Act of 2002 or any amendments thereto.~~

~~b. "Non-certified terrorism loss" means any loss that results from a "non-certified act of terrorism".~~

~~2. Exclusions relating to loss caused by or resulting from war, wherever they appear, are deleted and replaced by the War And Military Action Exclusion that follows:~~

~~WAR AND MILITARY ACTION EXCLUSION~~

~~"We" will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.~~

~~a. War, including undeclared or civil war; or~~

- ~~b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or~~
- ~~c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.~~

~~With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction or radiation or radioactive contamination, this War And Military Action Exclusion supersedes the Nuclear Hazard Exclusion.~~

~~3. The following Non-certified Act of Terrorism Exclusion is added. Regardless of the amount of damage and losses, the Non-certified Act of Terrorism Exclusion applies to any incident of "non-certified terrorism loss":~~

- ~~a. that is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or~~
- ~~b. in which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.~~

~~However, the Non-certified Act of Terrorism Exclusion does not apply to any loss that results from an act that is not certified by the Secretary of the Treasury to be an act of terrorism solely because the property and casualty insurance losses resulting from that act do not exceed \$5,000,000 in the aggregate.~~

Except as provided in 3.a. or 3.b. above, the Non-certified Act of Terrorism Exclusion will only apply to an incident of "non-certified terrorism loss" in which the total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico, and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, "we" will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property.

For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "non-certified terrorism loss" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

The preceding paragraph describes the threshold used to measure the magnitude of an incident of "non-certified terrorism loss" and the circumstances in which the threshold will apply, for the purpose of determining whether the Non-certified Act of Terrorism Exclusion will apply to that incident. When the Non-certified Act of Terrorism Exclusion applies to an incident of terrorism, there is no coverage under this policy.

NON-CERTIFIED ACT OF TERRORISM EXCLUSION

"We" will not pay for loss or damage caused directly or indirectly by a "non-certified act of terrorism", including action in hindering or defending against an actual or expected "non-certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

4. The following provisions are added.

a. Neither the "terms" of this endorsement nor the "terms" of any other terrorism endorsement attached to this policy provide coverage for any loss that would otherwise be excluded by this policy under:

- 1) exclusions that address war, military action, or nuclear hazard; or
- 2) any other exclusion; and

b. the absence of any other terrorism endorsement does not imply coverage for any loss that would otherwise be excluded by this policy under:

- 1) exclusions that address war, military action, or nuclear hazard; or
- 2) any other exclusion.

FL 0630-12-02

FL 1428 04 08

AMERICAN ASSOCIATION OF INSURANCE SERVICES

COMPANY ACTION EXHIBIT

ARKANSAS

FORMS

Companies that have granted AAIS filing authority for forms and endorsements for this line of insurance:

- can adopt an AAIS forms and endorsements filing, without modifications, on the effective date designated by AAIS without notifying the Arkansas Insurance Department (ARID).
- can adopt an AAIS forms and endorsements filing on an earlier effective date by notifying the ARID at least 30 days before their chosen effective date.
- can adopt an AAIS forms and endorsements filing on a later effective date by notifying the ARID at least 30 days before the effective date designated by AAIS.
- can modify an AAIS forms and endorsements filing by establishing an effective date and submitting their modifications to the ARID at least 30 days before their chosen effective date.
- can choose not to adopt an AAIS forms and endorsements filing by notifying the ARID on or before the effective date designated by AAIS.

Companies that have not granted AAIS filing authority for forms and endorsements for this line of insurance:

- can adopt an AAIS forms and endorsements filing by establishing an effective date and making a reference filing with the ARID at least 30 days before their chosen effective date. A reference filing should contain only transmittal forms and the filing reference numbers. Copies of AAIS filed and approved materials should ***not*** be included in a reference filing.

Include the AAIS and state file numbers in all correspondence with the ARID.