

SERFF Tracking Number: AMAX-125720331 State: Arkansas  
Filing Company: American Association of Insurance Services State Tracking Number: EFT \$100  
Company Tracking Number: AAIS-2008-18PPL  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0003 Comprehensive Personal Liability  
Product Name: Personal & Premises Liability  
Project Name/Number: PPL CW War and Military Action - Excl Endt AAIS-2008-18PPL/AAIS-2008-18PPL

## Filing at a Glance

Company: American Association of Insurance Services

Product Name: Personal & Premises Liability SERFF Tr Num: AMAX-125720331 State: Arkansas  
TOI: 17.0 Other Liability - Claims SERFF Status: Closed State Tr Num: EFT \$100  
Made/Occurrence  
Sub-TOI: 17.0003 Comprehensive Personal Co Tr Num: AAIS-2008-18PPL State Status: Fees verified and  
Liability received  
Filing Type: Form Co Status: Reviewer(s): Becky Harrington,  
Betty Montesi  
Author: SPI AAIS Disposition Date: 07/02/2008  
Date Submitted: 07/02/2008 Disposition Status: Approved  
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: PPL CW War and Military Action - Excl Endt AAIS-2008-18PPL Status of Filing in Domicile: Pending  
18PPL  
Project Number: AAIS-2008-18PPL Domicile Status Comments:  
Reference Organization: Reference Number:  
Reference Title: Advisory Org. Circular:  
Filing Status Changed: 07/02/2008  
State Status Changed: 07/02/2008 Deemer Date:  
Corresponding Filing Tracking Number:  
Filing Description:

Re: AAIS-2008-18PPL

Personal & Premises Liability Program  
New Mandatory Endorsement

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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.

## Company and Contact

### Filing Contact Information

Pallavi Shah, Senior Filing Specialist  
1745 South Naperville Road  
Wheaton, IL 60187-8132

PallaviS@aisonline.com  
(630) 681-8347 [Phone]  
(630) 681-8356[FAX]

### Filing Company Information

American Association of Insurance Services  
1745 S. Naperville Road

CoCode: 31400  
Group Code:

State of Domicile: Delaware  
Company Type:

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Wheaton, IL 60187-8132  
(630) 681-8347 ext. [Phone]

Group Name:  
FEIN Number: 36-2021360  
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State ID Number:

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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	07/02/2008	21211234

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Becky Harrington	07/02/2008	07/02/2008



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<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Uniform Transmittal Document-Property & Casualty	Approved	Yes
<b>Supporting Document</b>	CW PPL Farm Filing Memo	Approved	Yes
<b>Supporting Document</b>	GL 1341 04 08 to GL 0330 12 02	Approved	Yes
<b>Supporting Document</b>	AR Forms Company Action Exhibit	Approved	Yes
<b>Form</b>	War and Militararu Action Exclusion	Approved	Yes

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## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	War and Militar Action Exclusion	GL 1341	04 08	Endorseme New nt/Amendm ent/Condi ons		46.41	GL 1341.PDF

## WAR AND MILITARY ACTION EXCLUSION

1. The reference to words that have special meaning is deleted and replaced by the following:

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

2. Under Exclusions That Apply to Coverages L and M, item 1. is deleted and replaced by the following War And Military Action Exclusion:

### WAR AND MILITARY ACTION EXCLUSION

"We" will not pay for any injury or damage caused directly or indirectly by the following. Such injury 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.

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GL 1341 04 08

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## Supporting Document Schedules

**Review Status:**  
**Bypassed -Name:** Uniform Transmittal Document-  
Property & Casualty **Approved** 07/02/2008  
**Bypass Reason:** Not Applicable  
**Comments:**

**Review Status:**  
**Satisfied -Name:** CW PPL Farm Filing Memo **Approved** 07/02/2008  
**Comments:**  
**Attachment:**  
CW PPL Farm Filing Memo.PDF

**Review Status:**  
**Satisfied -Name:** GL 1341 04 08 to GL 0330 12 02 **Approved** 07/02/2008  
**Comments:**  
**Attachment:**  
GL 1341 04 08 to GL 0330 12 02.PDF

**Review Status:**  
**Satisfied -Name:** AR Forms Company Action Exhibit **Approved** 07/02/2008  
**Comments:**  
**Attachment:**  
AR Forms Company Action Exhibit.PDF

**AMERICAN ASSOCIATION OF INSURANCE SERVICES  
WAR AND MILITARY ACTION EXCLUSION ENDORSEMENT  
FILING MEMORANDUM - PERSONAL AND PREMISES LIABILITY PROGRAM**

**GL 1341 04 08, WAR AND MILITARY ACTION EXCLUSION**

This filing consists of a new, mandatory war and military action exclusion endorsement for policies that include Farm Personal Liability Coverage (form GL-2). 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 reference to words that have special meaning is deleted and replaced by the following:

~~Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.~~

2. ~~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".~~

3. ~~Under Exclusions That Apply to Coverages L and M, item 1. is deleted and replaced by the following War And Military Action Exclusion:~~

### ~~WAR AND MILITARY ACTION EXCLUSION~~

~~"We" will not pay for any injury or damage caused directly or indirectly by the following. Such injury 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.

4. ~~The following Non-certified Act of Terrorism Exclusion is added.~~

- a. ~~Regardless of the amount of damage and losses, the Non-certified Act of Terrorism Exclusion applies to any incident of "non-certified terrorism loss":~~
  - ~~1) that involves the use, release, or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or~~
  - ~~2) that is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or~~
  - ~~3) 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.~~

b. ~~Except as provided in 4.a.1), 4.a.2), or 4.a.3) above, the Non-certified Act of Terrorism Exclusion will only apply to an incident of "non-certified terrorism loss" in which:~~

- 1) ~~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; or~~

- 2) ~~fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:~~

- a) ~~Physical injury that involves a substantial risk of death; or~~
- b) ~~Protracted and obvious physical disfigurement; or~~

e) ~~Protracted loss of or impairment of the function of a bodily member or organ.~~

~~—Preceding paragraphs 4.b.1) and 4.b.2) describe the thresholds 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 any injury 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 injury or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.~~

5. ~~The following provision is added.~~

~~—In the event of any incident of "non-certified terrorism loss" that is not subject to the Non-certified Act of Terrorism Exclusion, coverage does not apply to any injury or damage that is otherwise excluded under this policy.~~

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**GL-0330-12-02**  
**GL 1341 04 08**

# AMERICAN ASSOCIATION OF INSURANCE SERVICES

## COMPANY ACTION EXHIBIT

### ARKANSAS

#### FORMS AND ENDORSEMENTS

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.