

CHAIRPERSON’S STATEMENT (The Chairperson shall read the following paragraph at the beginning of all meetings held under the auspices of ISO at which participation and discussion by any two or more insurance industry competitors is reasonably anticipated.):

All participants and ISO staff should duly note the ISO Policy Statement on Discussion at Meetings, a copy of which was transmitted to you with your agenda, if any. If you did not receive a copy of the ISO Policy Statement, it is available now for your review. The ISO Policy Statement reminds us that ISO corporate policy restricts decision-making and discussion. These restrictions are designed to prevent even so much as an appearance of impropriety. We should all be guided by the ISO Policy Statement in our discussions, and we should all take the opportunity at this time to review the ISO Policy Statement.

**INSURANCE SERVICES OFFICE, INC.
POLICY STATEMENT ON DISCUSSION AT MEETINGS**

I. DISCUSSION OF RATE LEVELS OR LOSS COST LEVELS

Participants shall not discuss insurer rate levels, insurer loss cost levels, or what ISO advisory loss cost levels ought to be for any line of insurance for any jurisdiction.

II. DISCUSSION OF RATING OR RATEMAKING¹

Participants shall not discuss anything pertaining to rating or ratemaking for the stated lines of insurance in the following jurisdictions:

A. PRECLUDED FOR ALL LINES OF INSURANCE

California	Kentucky	S. Carolina	Vermont
Colorado	Maryland	Tennessee	Virginia
Illinois	New York ²	Texas	Wyoming

B. PRECLUDED FOR CERTAIN LINES OF INSURANCE

Arkansas	Connecticut	Florida	Hawaii
Personal Auto	Personal Auto	Personal Auto	Personal Auto
Homeowners	Homeowners		Commercial Auto
	Personal Inland Marine		
	Dwelling Fire		

¹As used in this ISO Policy Statement, the terms “ratemaking” and “rating” do not include the collection, editing, and coding of data.

²For medical malpractice insurance in New York, discussion of rating or ratemaking is not precluded, and III. A. applies.

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III. DISCUSSION AND DECISION-MAKING

- A. Where discussion is not precluded by I. or II., participants may advise staff on rating and ratemaking issues and on the development of policy forms, riders, endorsements, or any part thereof, and any applicable rules related thereto. However:
 - (i) user advisory and industry liaison panels shall not have any decision-making authority; and
 - (ii) the Board of Directors shall not have decision-making authority with respect to loss costs, rates, rating plans, rating methodology, rate-related rules, or the development of any policy form, rider, endorsement, or part thereof, and any applicable rules, relating to general liability and professional liability lines of insurance.
- B. Participants and ISO staff shall not discuss the corporate policies or intentions of any insurer or other entity within the property-casualty insurance industry. A participant's expression of opinion concerning an ISO action, product, or service in no way binds the participant's employer, either to that opinion or to adopt or not to adopt that action, product, or service.
- C. In order to protect ISO's proprietary interest in its work product, all agenda items, minutes and discussions at ISO-organized meetings are confidential. Participants and other personnel of the participant's employer receive agenda items and minutes, and participate in discussions at meetings, with the understanding and agreement that they will keep such documents and discussions confidential. Such documents and discussions may be shared only with such persons who, in the performance of their job duties, have a need to know the information contained therein.
- D. Unless expressly authorized, no participant may speak or act for ISO.

IV. OTHER PERTINENT ISO POLICIES

ISO performs its various functions in accordance with its statutory authority as a licensed or registered rating, rate service, or advisory organization and pursuant to its Certificate of Incorporation and By-Laws, which state these pertinent ISO policies:

A. NONADHERENCE

"No insurer shall be required, as a condition of membership, participation as a subscriber, or of purchasing services from the corporation or from any subsidiary of the corporation, to charge those rates or use those loss costs, rules or forms that are filed or issued by the corporation. Except as may otherwise be required by law, all services of the corporation are advisory, and the corporation encourages each participating insurer to take into account its own loss experience, expenses and profit objectives, and to use its own actuarial judgments and procedures in individually determining its own rates."

B. NONEXCLUSION

Participation in ISO is available to any property-casualty insurer authorized to write an ISO line or subline of business in a U.S. jurisdiction. ISO's suspension or termination of an insurer's participation may result only from the insurer's failure to pay promptly any charges properly levied.