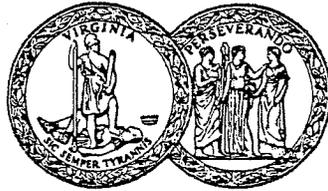


COMMONWEALTH OF VIRGINIA



JAMES W. NEWMAN, JR.
COMMISSIONER OF INSURANCE

W. G. FLOURNOY
FIRST DEPUTY COMMISSIONER

BOX 1157
RICHMOND, VA. 23209
TELEPHONE (804) 786-3741

LETTER

REPLACED

**STATE CORPORATION COMMISSION
BUREAU OF INSURANCE**

April 28, 1980

**By Administrative
Letter 1980-8**

Administrative Letter 1980-4

TO: All Companies Licensed to Transact Credit Insurance in the Commonwealth of Virginia

RE: Virginia Regulation 13 Regarding Credit Life Insurance

The effective date of Regulation 13 is July 1, 1980. Certificates, statements, policy forms and premium rates associated with existing (in force) credit insurance policies must conform to the requirements of this regulation not later than the anniversary date of the policy next following the effective date of the regulation. An insurer whether or not requested by a creditor, cannot delay the effect of Regulation 13 by replacing one of its existing policies with a new one after February 29, 1980. Anniversary dates of existing policies may not be amended by back-dating or otherwise to avoid complying with the regulation.

One effect of Regulation 13 is to withdraw approval effective July 1, 1980 from all existing portfolios of credit life insurance certificates, policy forms, and premium rates that have previously been approved by the Bureau of Insurance. This will not affect, however, any existing (in force) group or franchise policies (including certificates issued thereunder) until the anniversary of such policies next following July 1, 1980.

I want to assist you in meeting the July 1, 1980 deadline for obtaining approval of new forms, and I urge you to file your new forms as soon as possible.

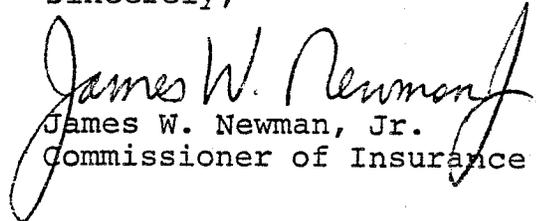
Any form filed for approval that contains coverage more restrictive than that described in Section 10B must be submitted in accordance with the requirements set forth in Section 9B of Regulation 13.

I expect that there will be a substantial number of credit insurance filings. My staff will acknowledge receipt of your form filing and indicate the date of its

receipt. Therefore, please do not call and inquire on the status of your credit filing unless you do not receive our acknowledgement within a reasonable period of time, or until at least thirty-five (35) days from the date of our receipt.

If you have any questions on the new credit insurance regulation, please direct such questions, in writing, to Michael Harper, CLU, Policy Examiner, Bureau of Insurance. He will respond as promptly as possible.

Sincerely,


James W. Newman, Jr.
Commissioner of Insurance

JWNjr:dj