

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

SCC-CLERK'S OFFICE
DOCUMENT CONTROL CENTER

AT RICHMOND, May 29, 2018
ADMINISTRATIVE ORDER NO. 12058

2018 JUN - 7 1 P 4 11

MECHANICAL BREAKDOWN INSURANCE

WITHDRAWAL OF CERTAIN STANDARD FORMS PURSUANT TO THE PROVISIONS OF §§ 38.2-2218 THROUGH 38.2-2223 OF THE CODE OF VIRGINIA.

Pursuant to the provisions of §§ 38.2-2218 through 38.2-2223 of the Code of Virginia ("Code"), certain forms of policies, riders, endorsements, and other special or supplemental agreements and provisions for use by all insurers in insuring (1) against loss or damage resulting from accident to, or injury suffered by, any person, and for which the person insured is liable, (2) against loss by liability for damage to property resulting from the ownership, maintenance or use of any motor vehicle, and (3) against loss of or damage to any motor vehicle owned by the insured have been established by other administrative orders.

In 1974, the Bureau of Insurance ("Bureau") established and adopted standard automobile forms for mechanical breakdown insurance pursuant to Administrative Order 6889. Subsequent updates and forms were adopted pursuant to Administrative Orders 9144 and 9603. The Bureau has determined that these forms are not extensively used by any insurers.

Staff of the Bureau have determined that mechanical breakdown insurance standard forms are no longer desirable as standard forms. These forms are identified as:

VA-MB-1a (4-89) New Car Mechanical Breakdown Insurance Policy

VA-MB-2a (4-89) Used Car Mechanical Breakdown Insurance Policy

VA-MB-3 (5-86) Towing Endorsement

VA-MB-4 (5-86) Used Car Rental Reimbursement Endorsement

Bureau staff have therefore recommended to the Commissioner of Insurance ("Commissioner") that the coverage forms and endorsements identified above be withdrawn as standard forms and

will no longer be available for use effective July 1, 2018. Thereafter, insurers will be required to comply with the filing requirements outlined in § 38.2-317 of the Code.

The Commissioner is of the opinion, based on the recommendation from Bureau staff, that the standard forms of policies and endorsements identified above pertaining to mechanical breakdown insurance previously issued and approved by other administrative orders are no longer necessary and should be withdrawn as standard forms.

Accordingly, the Commissioner FINDS and ORDERS that:

(1) The coverage forms and endorsements identified as:

VA-MB-1a (4-89) New Car Mechanical Breakdown Insurance Policy
VA-MB-2a (4-89) Used Car Mechanical Breakdown Insurance Policy
VA-MB-3 (5-86) Towing Endorsement
VA-MB-4 (5-86) Used Car Rental Reimbursement Endorsement

are hereby withdrawn as standard forms effective on and after July 1, 2018.

(2) The Bureau shall promptly give notice of this Order to all insurers licensed by the Commission to write motor vehicle insurance in the Commonwealth of Virginia, all rate service organizations and to Rebecca Nichols, Deputy Commissioner of Insurance.

A True Copy
Teste:



Clerk of the
State Corporation Commission