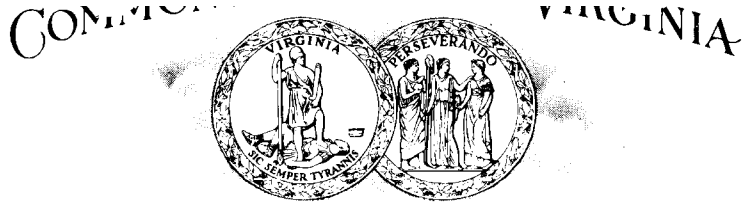
JOHN G. DAY
COMMISSIONER OF INSURANCE

JAMES W. NEWMAN
DEPUTY COMMISSIONER OF INSURANCE



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STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

February 16, 1978

1978-1

TO: ALL COMPANIES LICENSED TO WRITE MOTOR VEHICLE LIABILITY INSURANCE IN VIRGINIA

RE: Use of Standard Automobile Insurance Forms Adopted by the State Corporation Commission

By Administrative Order No. 7137, entered on January 25, 1978, the State Corporation Commission adopted Amendment Endorsement - Punitive or Exemplary Damages Exclusion - No. IL 00 01 (Ed. 11-77), and Amendment of Punitive or Exemplary Damages Exclusion - Virginia - No. IL 00 13 (Ed. 12-77), as standard automobile forms to become effective March 1, 1978.

Apparently some confusion has arisen as to the use of said forms, particularly as to <u>whether</u> such forms must be used in Virginia.

Section 38.1-384 of the Code of Virginia provides that the precise language of a standard form adopted by the State Corporation Commission must be used whenever a company proposes to use any form covering substantially the same provisions as covered by the standard form adopted by the Commission.

Accordingly, form Nos. IL 00 01 and IL 00 13 are <u>not</u> mandatory forms in the sense that they must be attached to every Automobile Liability Insurance policy issued or delivered in Virginia. Instead, they must be used only if a company wishes to exclude punitive damages.

Very truly yours,

John G. Day
Commissioner of Insurance

JGD:sgs