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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

AT RICHMOND, April 26, 2007
ADMINISTRATIVE ORDER NO. 11785

COMMERCIAL AUTOMOBILE INSURANCE

ESTABLISHMENT OF STANDARD FORMS OF POLICIES, RIDERS, ENDORSEMENTS, AND OTHER SPECIAL OR SUPPLEMENTAL AGREEMENTS AND PROVISIONS FOR USE BY ALL INSURANCE COMPANIES 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, PURSUANT TO THE PROVISIONS OF SECTIONS 38.2-2218 TO 38.2-2223, INCLUSIVE, OF THE CODE OF VIRGINIA.

WHEREAS, Pursuant to the provisions of Sections 38.2-2218 to 38.2-2223, inclusive, of the Code of Virginia, certain forms of policies, riders, endorsements, and other special or supplemental agreements and provisions for use by all insurance companies 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:

AND IT APPEARING to the Commissioner of Insurance that the use of certain other forms, policies, riders, endorsements, and other special or supplemental agreements and provisions for use in writing the type of insurance herein referred to is so extensive that a standard form thereof should be established;

IT IS, THEREFORE, ORDERED, that the following forms of endorsements for use in connection with the standard forms of policies be, and they hereby are, approved by the State Corporation Commission, Bureau of Insurance in its office at Richmond, Virginia:

CA 00 51 12 04	Changes in Coverage Forms – Mobile Equipment Subject to Motor Vehicle Insurance Laws
CA 01 54 11 07	Virginia Changes – Business Auto Physical Damage Coverage Form
CA 20 43 08 07	Virginia Mobile Equipment

IT IS FURTHER ORDERED, that, except as hereinafter provided, the proposed new forms of endorsements shall become the standard forms thereof for use by all insurance companies, applicable to all policies effective on or after November 1, 2007, and thereafter no insurance company shall use any form covering substantially the same agreement provided for by such form, unless it is in the precise language of the standard form.

IT IS FURTHER ORDERED, that an objection to the provisions of the new standard form must be filed in writing within twenty days from the day upon which this Order is entered. If written objection is filed, such form shall not become available as a standard form as provided herein and proceedings in reference thereto shall be instituted.

IT IS FURTHER ORDERED, That the Bureau of Insurance shall immediately notify all parties to whom attested copies of the Order are directed, in writing, upon receipt of an objection from any insurance company to the provisions of any proposed standard form of policies, riders, endorsements and other special or supplemental agreements and provisions.

IT IS FURTHER ORDERED, That there being, in the opinion of the State Corporation Commission, no further necessity for the continuance of the following forms of endorsements, they are withdrawn for use with policies effective on and after November 1, 2007:

- CA 01 54 11 02 Virginia Changes – Business Auto Physical
Damage Coverage Form
- CA 20 43 11 02 Virginia Mobile Equipment

IT IS FURTHER ORDERED, That attested copies of this Order be sent to all licensed rate service organizations, Mary M. Bannister, Deputy Commissioner of Insurance, and all companies which are affected thereby.

A True Copy
Teste:


Clerk of the
State Corporation Commission

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES IN COVERAGE FORMS – MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

A. The **Operations Exclusion** under **Section II – Liability Coverage** of all coverage forms, except the Business Auto Physical Damage Coverage Form, is replaced by the following:

9. Operations

"Bodily injury", "property damage" or "covered pollution cost or expense" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law where it is licensed or principally garaged.

B. The **Definitions** Section is amended as follows:

1. The definition of "Auto" is replaced by the following:

"Auto" means:

- a. Any land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

2. The following is added to the definition of "Mobile equipment" in all coverage forms, except the Business Auto Physical Damage Coverage Form:

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRGINIA CHANGES – BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM

For a covered "auto" licensed or principally garaged in Virginia, this endorsement modifies insurance provided under the following:

BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Section III – Business Auto Conditions is amended as follows:

1. Paragraph A.1. Appraisal Condition is replaced by the following:

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of the "loss". If they fail to agree, they will submit their differences to the umpire. An appraisal decision will not be binding on either party. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Paragraph A.4. of the Loss Payment Condition is replaced by the following:

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include:

- (1) The applicable sales and use tax for the damaged or stolen property;

- (2) Any applicable titling and license transfer fees incurred in obtaining a replacement vehicle in the event of a total "loss" to a covered "auto"; and

- (3) Any applicable general average, salvage or disposable charges.

3. Paragraph B.1. Bankruptcy Condition is replaced by the following:

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

4. Paragraph B.2. Concealment, Misrepresentation Or Fraud Condition is replaced by the following:

Coverage for your claim under this Coverage Form is void in any case of fraud by you at any time as it relates to the Coverage Form. It is also void if you, at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

5. Paragraph B.5.b. of the Other Insurance Condition is replaced by the following:

For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is deemed to be a covered "auto" you don't own.

B. Section IV – Definitions is amended as follows:

The following definition is added:

"Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
5. Vehicles not described in Paragraph 1., 2., 3., or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.

6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

a. Equipment designed primarily for:

- (1) Snow removal;
- (2) Road maintenance, but not construction or resurfacing; or
- (3) Street cleaning;

b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

POLICY NUMBER:

COMMERCIAL AUTO
CA 20 43 08 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRGINIA MOBILE EQUIPMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Coverages	Covered "Auto" Vehicle Numbers	Limit Of Insurance		Premium
Liability		\$	Each "Accident"	\$
Medical Expenses Benefits		\$	Each Person	\$
Income Loss Benefits		\$	Each Person	\$
Uninsured Motorists		\$	Each "Accident"	\$
Comprehensive		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus \$	Deductible For Each Covered "Auto", But No Deductible Applies To Loss Caused By Fire Or Lightning	\$
Collision		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus \$	Deductible For Each Covered "Auto"	\$

Specified Causes Of Loss		Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus	\$
		\$	Deductible For Each Covered "Auto" For Loss Caused By Mischief Or Vandalism

Vehicle Number	Description Of Vehicles That Are Covered "Autos"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. This endorsement provides only those coverages where a premium is shown in the Schedule. Each of these coverages applies only to the vehicles shown as covered "autos".
- B. The vehicles described in the Schedule will be considered covered "autos" and not "mobile equipment".

- C. Liability Coverage does not apply to "bodily injury" or "property damage" resulting from the operation of any machinery or equipment that is on, attached to or part of any of these vehicles.