

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

AT RICHMOND, January 22, 1993

ADMINISTRATIVE ORDER NO. 10210

**ORDER SUSPENDING THE REQUIREMENT OF FILING CERTAIN
RATES FOR PROVIDING AUTOMOBILE LIABILITY INSURANCE,
AUTOMOBILE PHYSICAL DAMAGE INSURANCE, AND GENERAL
LIABILITY INSURANCE PURSUANT TO THE PROVISIONS OF
SECTION 38.2-1903 OF THE CODE OF VIRGINIA.**

WHEREAS, It appearing to the Commissioner of Insurance that manuals of classifications, rules and rates, and rating plans which have been filed for use by insurers for writing Automobile Liability Insurance, Automobile Physical Damage Insurance, and General Liability Insurance in this Commonwealth are not appropriate for insuring large risks which, due to their inherently diverse natures, involve substantial areas of exposure for which pre-filed rates cannot be established; and that the provisions of Administrative Order No. 6846 and Administrative Order No. 8210, dated April 25, 1974 and September 16, 1983, respectively, do not address current statutes.

IT IS, THEREFORE, ORDERED:

- (1) That Administrative Orders 6846 and 8210 are hereby withdrawn;
- (2) That, for risks that develop \$150,000 or more in annual basic limits premiums calculated by the insurer utilizing the manuals which have been filed for its use for rating Automobile Liability Insurance and Automobile Physical Damage Insurance and which are to be written by a single insurer, the requirement that insurers adhere to such manuals be, and it hereby is, suspended under the provisions of Section 38.2-1903 of the Code of Virginia by entry of this order;
- (3) That, for risks that develop \$150,000 or more in annual basic limits premiums calculated by the insurer utilizing the manuals which have been filed for its use for rating General Liability Insurance, and which are to be written by a single insurer, the requirement that insurers adhere to such manuals be, and it hereby is, suspended under the provisions of Section 38.2-1903 of the Code of Virginia by entry of this order;
- (4) That, until further order of the Commissioner, such suspension is applicable notwithstanding any present or future finding of the Commission pursuant to section 38.2-1905.1 of the a of Virginia that competition is not an effective regulator of rates for a particular line or subclassification of insurance; and
- (5) That the rates affected by this order and hereafter used by insurers shall not be excessive, inadequate, or unfairly discriminatory; and the Commission hereby reserves the right, either upon its own motion or upon complaint, to make such examination or investigation with respect thereto as it may deem advisable or necessary in order to determine whether any rates affected by such suspension may be, or may become, excessive, inadequate, or unfairly discriminatory.

AN ATTESTED COPY hereof shall be sent to every licensed rate service organization; to every insurer licensed in this Commonwealth to write the lines of insurance affected by this order; and, to the Bureau of Insurance c/o Mary M. Bannister, Deputy Commissioner.

William J. Bridge
Clerk of the State Corporation
Commission