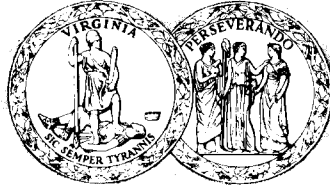


COMMONWEALTH OF VIRGINIA



BOX 1157
RICHMOND, VA. 2320
TELEPHONE (804) 786 -

JOHN G. DAY
COMMISSIONER OF INSURANCE

JAMES W. NEWMAN
DEPUTY COMMISSIONER OF INSURANCE

STATE CORPORATION COMMISSION BUREAU OF INSURANCE

1978-6

June 8, 1978

REPLY REQUIRED

TO THE PRESIDENT OF THE COMPANY ADDRESSED:

Re: Motor Vehicle Safety Responsibility Act
Financial Responsibility Requirements

The General Assembly of Virginia, in its 1978 Session, amended the Motor Vehicle Safety Responsibility Act, and the definition of "Financial Responsibility" set forth in Section 46.1-1(8), increasing the Property Damage Liability Insurance limit, with respect to each motor vehicle, from an amount of \$5,000. to an amount of \$10,000., effective January 1, 1979. The Bodily Injury Liability Insurance limits of \$25,000./\$50,000. were not amended.

All Virginia Automobile Liability Insurance policies with expiration dates of January 1, 1979, and subsequent, must carry a Property Damage Liability limit of not less than \$10,000., to meet the new Financial Responsibility Requirements.

Those insurers that either will issue or that have issued Automobile Liability Insurance policies with a Property Damage Liability limit less than \$10,000., and who do not desire to endorse such policies to the new limit, except at the request of the insured, should advise this office that each such policy with an expiration date of January 1, 1979, or subsequent, will be construed by the Company as written to meet the new Financial Responsibility limits.

Further, pursuant to Section 38.1-381(b), the minimum limits for Protection Against Uninsured Motorists Insurance are also increased to \$25,000./\$50,000./\$10,000., effective January 1, 1979, and will also be construed as above, as regards those insurers indicated in the immediately preceding paragraph that advise that policies will not be endorsed.

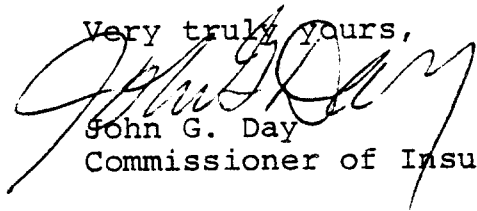
In addition, those insurers that either will issue or that have issued Automobile Liability Insurance policies with a Property Damage Liability limit less than \$10,000. that will endorse all Automobile Liability Insurance policies, including the Uninsured Motorists Coverage portion thereof, to not less than the new Finan-

cial Responsibility Requirements, such endorsement to become effective January 1, 1979, should also advise this office thereof.

To facilitate receipt of advice from this Company concerning the foregoing, a duplicate copy of this letter is enclosed for appropriate completion and return to this office. Checking the box for Option No. 1 below (relative to the third and fourth paragraphs hereof) will indicate that each such policy will be construed by the Company as written to meet the new Financial Responsibility limits. Checking the box for Option No. 2 below (relative to the immediately preceding paragraph) will indicate that all such policies will be endorsed by the Company to not less than the new Financial Responsibility limits.

Completion and return of the duplicate copy of this letter on or before August 1, 1978, will enable this office to appropriately inform the Virginia Division of Motor Vehicles concerning the status of the automobile policyholders of this Company, as such will apply effective January 1, 1979, and subsequent.

Very truly yours,



John G. Day
Commissioner of Insurance

JGD:mra

Enclosure

Company _____

By _____

Title _____

Date _____

Option No. 1.

Option No. 2.