

JAMES W. NEWMAN, JR.  
COMMISSIONER OF INSURANCE

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FIRST DEPUTY COMMISSIONER



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STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE

March 12, 1979

1979-7

REPLY REQUESTED

TO: The President of the Insurer Addressed

RE: Protection Against Uninsured Motorists  
Insurance

By Administrative Order No. 7195, entered by the State Corporation Commission on December 15, 1978, revised rates were approved for use by all companies in the writing of Uninsured Motorists Insurance in conjunction with Automobile Liability Insurance on all policies effective on and after January 1, 1979.

The revised rates were based on the latest available experience data and were issued in conjunction with the new minimum Financial Responsibility Limits of \$25,000/\$50,000/\$10,000 that became effective January 1, 1979.

The Order would have been entered earlier by the Commission except that the last part of the filing was not received from Insurance Services Office until December 15, 1978. The Commission Order was entered the same day.

While I realize that two weeks is not long enough for you to adjust your system to the revised rates, it is still required that the new rates be used on all new and renewal motor vehicle liability insurance policies with an effective date on or after January 1, 1979. If you have used rates that are not the same as the rates approved by the Order, an appropriate adjustment must be made to bring the Uninsured Motorists Insurance rates into conformity with those approved by the Commission.

To the President of the Insurer Addressed

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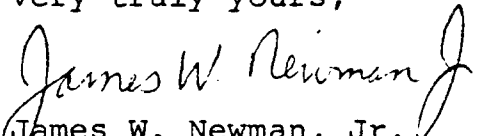
This means that each incorrectly rated policy must be endorsed to set forth therein the correct rates for the limits of Uninsured Motorists Insurance covered by the policy.

For policies that have been paid in full, an appropriate premium adjustment (refund or charge) should be made forthwith and should accompany the required correcting endorsement.

For policies that are being paid under a premium installment plan filed with the Bureau of Insurance, I prefer that an appropriate premium adjustment (refund or charge) and a correcting endorsement be sent to the insured at this time. However, it is permissible for you to make the appropriate premium adjustment for such policies on the insured's next installment payment and to issue the required correcting endorsement at that time.

In any event, you should advise me by return mail no later than April 1, 1979, as to which of the methods indicated above your company will utilize.

Very truly yours,

  
James W. Newman, Jr.  
Commissioner of Insurance

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