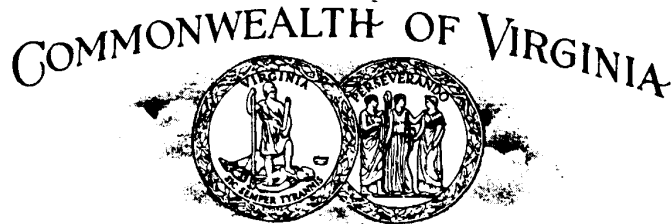


STEVEN T. FOSTER
COMMISSIONER OF INSURANCE



BOX 1157
RICHMOND, VIRGINIA 23209
TELEPHONE: (804) 371-9741
TDD/VOICE: (804) 371-9206

STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

February 17, 1994

Administrative Letter
1994-1

TO: All Insurers Licensed to Write Commercial Liability Insurance

RE: Supplemental Reports for Potentially Noncompetitive Lines and Subclassifications of Commercial Liability Insurance as Required by Virginia Code Section 38.2-1905.2
Due May 1, 1994

Virginia Code Section 38.2-1905.1 requires the State Corporation Commission (SCC) to designate lines and subclassifications of insurance where it believes competition may not be an effective regulator of rates. Virginia Code Section 38.2-1905.2 provides that all insurers licensed to write the classes of insurance defined in Sections 38.2-117 (personal injury liability), 38.2-118 (property damage liability), and 38.2-119 (workers' compensation and employers' liability) shall file a report showing their direct experience in the Commonwealth attributable to all lines and subclassifications of liability insurance designated by the SCC in accordance with subsection B of Section 38.2-1905.1.

The lines and subclassifications where the SCC has cause to believe that competition may not be an effective regulator of rates have been designated in the SCC's report, "The Level of Competition, Availability, and Affordability in the Commercial Liability Insurance Industry", submitted to the General Assembly in December of 1993. Copies of this report may be obtained by phoning the Property and Casualty Division of the Bureau of Insurance at (804) 371-9628. A listing of the designated lines and subclassifications is attached (See Exhibit 2). It should be noted that no subclassifications of workers' compensation and employer's liability insurance were designated as potentially noncompetitive in this report, **thus insurers should not include any workers' compensation and employer's liability experience in this data call.**

To collect the data required by Virginia Code Section 38.2-1905.2, the SCC has adopted the attached supplemental report form that each insurer is required to complete for the designated lines and subclassifications. The attached supplemental report form has not been changed substantially from the supplemental report forms adopted by the SCC in 1989, 1990 and 1992.

Pursuant to Virginia Code Section 38.2-1905.2.B, all supplemental reports should be submitted in machine readable format. A diskette reporting system has been developed to enable insurers to comply with this requirement. A diskette containing this system will be forwarded to you upon receipt of the Diskette Request Form contained in the attached instructions. Experience for 1992 and 1993 should be reported on one form for each market definition specified in Exhibit 2. The market definitions provided are to be used as a guide in defining specific lines and subclassifications which are required to be reported. Insurers

Administrative Letter 1994-1
February 17, 1994
Page 2

should also report the required information for policies written under any comparable classification in use by the individual insurer. **The information reported should include data for monoline policies, as well as package policies.**

Pursuant to the Commission's Order of February 9, 1994, a copy of which is attached, the reports are due, and must be received by, May 1, 1994. If some information is not available, insurers should estimate appropriate figures to complete the report. Items allocated from countrywide data must be allocated in the same manner as for the NAIC Annual Statement, pursuant to Section 38.2-1905.2.B of the Code of Virginia. Insurers with no written premiums in one or more of the lines or subclassifications for 1992 and/or 1993 must complete and return Exhibit 10A and Exhibit 10B. No insurer licensed to write the classes of insurance as defined in Virginia Code Sections 38.2-117, 38.2-118, and 38.2-119 is exempted from this data call, regardless of whether or not said insurer wrote business in Virginia during the experience period.

If you have any questions regarding this data call, please contact:

Eric Lowe
Insurance Market Examiner
Bureau of Insurance
P. O. Box 1157
Richmond, VA 23209
Telephone: (804) 371-9628

Virginia Code Section 38.2-218 provides that any person who knowingly or willfully violates any provision of the insurance laws shall be punished for each violation by a penalty of not more than \$5,000. Failure to file this report in a substantially complete and accurate manner by the due date may be considered a willful violation and may subject the insurer to an appropriate penalty.

Attached is a sheet of additional instructions (See Exhibit 1) to facilitate accurate completion of the supplemental reports.

Sincerely,


Steven T. Foster
Commissioner of Insurance

STF:ecl

Attachments

STATE CORPORATION COMMISSION

DOCUMENT CONTROL

AT RICHMOND, FEBRUARY 9, 1994

RECORDED - 9 PM 3:28

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

CASE NO. INS9400014

Ex Parte in re: Adoption of supplemental
report form pursuant to Virginia Code
§ 38.2-1905.2.

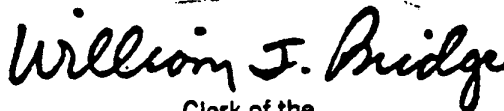
ORDER ADOPTING SUPPLEMENTAL REPORT FORM

PURSUANT to Virginia Code § 38.2-1905.2.A and B.,

IT IS ORDERED that the supplemental report form, which is attached hereto and made
a part hereof, be, and it is hereby, ADOPTED; and

IT IS FURTHER ORDERED that licensed insurers file with the Commission their
supplemental reports in the form adopted herein on or before May 1, 1994 as established in the
Commission's December, 1993 Report to the Legislature pursuant to Virginia Code § 38.2-
1905.1.A.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to
Mary M. Bannister, Deputy Commissioner, Bureau of Insurance, who shall cause a copy of
this order to be sent to every insurer licensed to transact the business of property and casualty
insurance in the Commonwealth of Virginia.

A True Copy
Teste:Clerk of the
State Corporation Commission

**SUPPLEMENTAL REPORT REQUIRED BY VIRGINIA CODE SECTION 38.2-1905.2
FOR CERTAIN LINES OR SUBCLASSIFICATIONS OF COMMERCIAL LIABILITY INSURANCE**

BY ORDER OF THE STATE CORPORATION COMMISSION THIS REPORT IS DUE ON OR BEFORE MAY 1, 1994, AT THE STATE CORPORATION COMMISSION BUREAU OF INSURANCE, MAILING ADDRESS: P. O. BOX 1157, RICHMOND, VIRGINIA 23209, OR STREET ADDRESS: 1300 E. MAIN STREET, RICHMOND, VIRGINIA 23219.

All insurers licensed to write the forms of insurance defined in Section 38.2-117 (Personal injury liability), 38.2-118 (Property damage liability), and 38.2-119 (Workers' compensation and employers' liability) shall file a report showing their direct experience in the Commonwealth attributable to the line or subclassification of liability insurance below.

For the market designated, provide the information requested:

A. Market Number and Name: _____

B. Insurer: _____ C. NAIC #: _____

D. Group Name: _____ E. Group NAIC #: _____

(Each insurer must report separately;
group reports are not permitted.)

NOTE:

1. All figures are to be reported in whole numbers or dollars. Do not include dollar signs, decimal points, or commas.
2. For Item 1, policies written for other than a 12 month term should be adjusted to an annual basis.
3. Losses exclude all loss adjustment expenses which are reported in item 8 B.
4. Loss adjustment expenses reported in item 8 B should include incurred but not reported loss adjustment expenses.

	Calendar Year (Except As Otherwise Specified)				
	1989	1990	1991	1992	1993
1. Number of policies written	_____	_____	_____	_____	_____
2. Direct premiums written	_____	_____	_____	_____	_____
3. A. Direct premiums earned	_____	_____	_____	_____	_____
B. Net premiums earned	_____	_____	_____	_____	_____
4. Direct losses incurred					
A. Direct losses paid during the calendar year:					
(1) for the current accident year	_____	_____	_____	_____	_____
(2) for prior accident years	_____	_____	_____	_____	_____
B. Reserves for reported losses at the end of the calendar year:					
(1) for the current accident year	_____	_____	_____	_____	_____
(2) for prior accident years	_____	_____	_____	_____	_____
C. Reserves for reported losses at the end of the previous calendar year	_____	_____	_____	_____	_____
D. Reserves for incurred but not reported losses at the end of the calendar year:					
(1) for the current accident year	_____	_____	_____	_____	_____
(2) for prior accident years	_____	_____	_____	_____	_____

E. Reserves for incurred but not reported losses at the end of the previous calendar year

F. Accident year incurred losses [A(1) + B(1) + D(1)]

G. Calendar year incurred losses [A(1) + A(2) + B(1) + B(2) - C + D(1) + D(2) - E]

5. Number of claims closed with payment during the calendar year

6. Number of open claims at the end of the calendar year

7. Net investment gain (loss) including realized capital gains generated by the line or subclass of business attributable to net premium, loss and loss expense reserves.

8. A. Direct underwriting expenses incurred in producing the written premium in line 2 (direct premiums written):

(1) commissions

(2) general expenses

(3) other acquisition expenses

(4) premium taxes, licenses and fees.

(5) Total (sum of all parts in question 8 A)

B. All direct loss adjustment expenses incurred on a calendar year basis:

9. Have you sought to write or obtain new business within this line or subclassification within the past year?

Yes _____ No _____

10. A. What percentage of reported 1993 premiums were written using:

An RSO Rate Filing? _____ %
An RSO Loss Costs Filing? _____ %
Independently Developed Rates? _____ %
Total (Must equal 100%) _____ %

B. Do you apply schedule, expense, experience, and/or package modifications to eligible risks?

1. Schedule Yes _____ No _____
2. Expense Yes _____ No _____
3. Experience Yes _____ No _____
4. Package Modification Yes _____ No _____

C. If any part of question 10.B was answered yes, indicate:

1. The maximum schedule credits and/or debits allowed
(-)____% to (+) ____%
2. The maximum expense credits allowed
(-)____%
3. The package modification factor ____*

*This factor should be expressed as a final rating factor, i.e. 1.15 or .85. Enter only one factor. If you have different factors for different categories, please give a weighted average for all subclasses within this line.

I hereby certify that the information contained in this report contains all applicable Virginia data as reported to the NAIC on page 14 of the Annual Statement, line 5.2 (Multiperil Liability), line 11 (Medical Malpractice), line 17 (Other Liability), and line 18 (Products Liability).

Signed: _____

Title: _____

Telephone: _____

Print Name: _____

Date: _____

EXHIBIT 1

Page 1

SUPPLEMENTAL REPORTS DATA CALL INSTRUCTIONS

The following should be utilized to assure the proper completion and submission of the supplemental reports, which must be received by the Commission on or before May 1, 1994.

1. The report(s) must be submitted on diskette; however, insurers that cannot comply may submit the appropriate paper reports. A written request detailing why the reports cannot be submitted using the diskette reporting program must be submitted to Eric Lowe at the address on page 1 of this administrative letter. Once received, a written exemption will be issued to the requesting insurer if circumstances warrant the exception.
2. Please complete and return the diskette request form. The diskette will contain the supplemental report forms, previously reported data, the operating system, and detailed instructions. If you have any questions regarding the diskette filing procedure, please contact Eric Lowe at (804) 371-9628.
3. Insurers submitting data on the diskette will only be required to report 1992 and 1993 data, unless data from previous years is being amended. Insurers that submit **paper reports** must provide data for all five years (1989 through 1993) for all questions on the reporting form. Paper forms received without all five years of data will be considered substantially incomplete, invoking possible penalties as outlined on page 1 of this administrative letter. All paper reports must be typed. Handwritten reports will not be accepted.
4. Each supplemental report must contain the individual insurer's name, NAIC number, group name and group NAIC number. **REPORTS ARE TO BE FILED FOR INDIVIDUAL INSURERS (DO NOT SUBMIT AGGREGATED GROUP REPORTS).**
5. Submit only one supplemental report per market definition. For example, all contractors' subclassifications are considered one market and separate reports should not be submitted for the various subclassifications. (Do not combine markets.)
6. Exhibits 10A and 10B must both be completed for all insurers that are licensed but that have no written premiums in any of the listed market definitions for 1992 or 1993.
7. Use whole dollars or numbers. Do not include dollar signs, decimal points, or commas in completing the supplemental report. **DO NOT OMIT 000'S.** Do not use dashes, "N/A", or leave blanks within the report.

EXHIBIT 1

PAGE 2

8. Items 1, 2, 3, 5, 6, 7, and 8 of the supplemental reports shall be reported on a calendar year basis. The subparts of item 4 shall be reported on a calendar or accident year basis as required.
9. Items 4 B, and C do not include incurred but not reported losses (IBNR).
10. Losses exclude all loss adjustment expenses which are reported in item 8 B.
11. Loss adjustment expenses reported in item 8 B should include any incurred but not reported loss adjustment expenses.
12. For item 1, policies written for other than a 12 month term should be adjusted to an annual basis.
13. **Additional instructions to assist in the completion of the supplemental reports are attached (exhibits 2-9).**

EXHIBIT 1

PAGE 3

Additional Instructions for Completion of
the Supplemental Reports

<u>Company Description</u>	<u>Definition</u>
A. Market Number and Name.	Defined by Virginia AL 1994-1.
B. Insurer.	Exact verbal name of insurer.
C. NAIC Number.	NAIC Number for each insurer.
D. Group Name.	Exact verbal name of group.
E. Group NAIC Number.	Group NAIC Number.

<u>Questions</u>	<u>Definition</u>
NOTE: All accident year data should be evaluated as of the end of each calendar year being reported.	
1. Number of Policies Written.	A count of policies written in a calendar year within a Market Definition. The count should be annualized. Policy counts should be annualized (e.g. 6 months policies should be counted once in a given year and 3 year policies should be counted in each year).
2. Direct Premiums Written.	Standard definition.
3. A. Direct Premiums Earned.	Standard definition.
B. Net Premiums Earned.	Standard definition.
4. A.(1) Direct Losses Paid During the Calendar Year for the Current Accident Year.	Calendar year paid are divided between (1) paid where the accident year is the <u>same</u> as the calendar year and (2) other accident years. Where the calendar year and accident year are the <u>same</u> , this paid amount is reported under Question 4 A.(1). (Paid losses in this item exclude Loss Adjustment Expense.)
A.(2) Direct Losses Paid During the Calendar Year for Prior Accident Years.	Calendar year paid are divided between (1) paid where the accident year is the same as the calendar year and (2) other accident years. Where the calendar and accident year are NOT the same, this paid amount is reported under Question 4 A.(2). (Paid losses in this item exclude Loss Adjustment Expense.) The sum of Questions 4 A.(1) and 4 A.(2) equals the total calendar year paid.
B.(1) Reserves for Reported Losses at the End of the Calendar Year for the Current Accident Year.	Reserves for reported losses at the end of the calendar year are divided between (1) those in which the accident year is the <u>same</u> as the calendar year and (2) other accident years. Where the calendar and accident year are the <u>same</u> , this reserve amount should be reported under Question 4 B.(1). (Reserves in this item exclude Loss Adjustment Expense.)
B.(2) Reserves for Reported Losses at the End of the Calendar Year for Prior Accident Years.	Reserves for reported losses at the end of the calendar year are divided between (1) those in which the accident year is the same as the calendar year and (2) other accident years. Where the calendar year and accident year are NOT the same, this reserve amount should be reported under Question 4 B.(2). (Reserves in this item exclude Loss Adjustment Expense.) The sum of Questions 4 B.(1) and 4 B.(2) equals the total reserves at the end of the calendar year.
C. Reserves for Reported Losses at the End of the Previous Calendar Year.	Sum of Questions 4 B.(1) and 4 B.(2) for the prior year end.

EXHIBIT 1

PAGE 4

- | | |
|--|--|
| D.(1) Reserves for Incurred But Not Reported Losses at the End of the Calendar Year for the Current Accident Year. | IBNR reserves at the end of the calendar year are divided between (1) those in which the accident year is the <u>same</u> as the calendar year and (2) other accident years. Where the calendar year and accident year are the <u>same</u> , this IBNR amount should be reported under Question 4 D.(1). (This figure should exclude Loss Adjustment Expense.) |
| D.(2) Reserves for Incurred But Not Reported Losses at the End of the Calendar Year for Prior Accident Years. | IBNR reserves at the end of the calendar year are divided between (1) those in which the accident year is the same as the calendar year and (2) other accident years. Where the calendar year and accident year are NOT the same, this reserve amount should be reported under Question 4 D.(2). (This figure should exclude Loss Adjustment Expense.) |
| | The sum of Questions 4 D.(1) and 4 D.(2) equals the total IBNR reserves at the end of the calendar year. |
| E. Reserves for Incurred But Not Reported Losses at the End of the Previous Calendar Year. | Sum of Questions 4 D.(1) and 4 D.(2) for the prior year end. |
| F. Accident Year Incurred Losses. | Sum of questions 4 A.(1), 4 B.(1) and 4 D.(1). |
| G. Calendar Year Incurred Losses. | Sum of questions 4 A.(1), 4 A.(2), 4 B.(1), 4 B.(2), 4 D.(1), and 4 D.(2), minus 4 C. and 4 E. |
| 5. Number of Claims Closed With Payment During the Calendar Year. | A count of claims with indemnity and/or medical payments only. |
| 6. Number of Open Claims at the End of the Calendar Year. | Self defining. |
| 7. Net Investment Gain (Loss). | Self defining. |
| 8. A. Direct Underwriting Expenses Incurred. | Self defining. |
| B. All Direct Loss Adjustment Expenses Incurred During Each Calendar Year. | Self defining. |
| 9. Seeking to write new business? | This question applies to experience year 1993 only. |
| 10. Rating Information Questions | These questions apply to experience year 1993 only. |

EXHIBIT 2

PAGE 1

SUPPLEMENTAL REPORT FOR CERTAIN LINES OR SUBCLASSIFICATIONS OF
LIABILITY INSURANCE AS REQUIRED BY VIRGINIA CODE §38.2-1905.2

Market Number and Name	Market Definitions Commercial Statistical Plan (CSP) Classes
87001 Architects and Engineers Professional Liability	73908, 73909, 73910 (Subline 317)
87006 Insurance Agents Professional Liability	73123 (Subline 317)
87008 Lawyers Professional Liability	See Exhibit 5
87010 Medical Professional Liability 230 and 240 classes	All subline 210, 220,
87013 Products and Completed Operations Liability	All subline 316 and 336 classes
87015 Real Estate Agents Professional Liability	73127 (Subline 317)
88022 Landfill Liability	All Classes*
88030 Volunteer Fire Departments and Rescue Squads Liability	See Exhibit 8
88031 Water Treatment Plants Liability	See Exhibit 9
91001 Commercial Contractors Liability including Asbestos Abatement Contractors Liability	See Exhibit 3
91002 Environmental Impairment Liability including Underground Storage Tank Liability	See Exhibit 4
91003 Municipal Liability including: Law Enforcement Agencies Liability-- Public Housing Liability Public Officials Errors and Omissions Liability-- School Board Errors and Omissions Liability-- Sewage Treatment Plant Liability	See Exhibit 6 CSP Code 73132 CSP Code 73131 All Classes* See Exhibit 6

EXHIBIT 2

Page 2

**SUPPLEMENTAL REPORT FOR CERTAIN LINES OR SUBCLASSIFICATIONS OF
LIABILITY INSURANCE AS REQUIRED BY VIRGINIA CODE §38.2-1905.2**

93001 Day Care Liability

See Exhibit 7

The above market definitions are to be used as a guide in defining specific markets which are required to be reported. Companies should also report the required information for policies written under any comparable classification in use by the individual company.

* **NOTE:** The ISO CSP does not have specific classes for this market.

EXHIBIT 3

Page 1

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	17140*		Air Conditioning, Heating, or Refrigeration Systems or Combined Heating and Air Conditioning Systems - installation, servicing and repair - including shop and retail stores or display rooms * Code 17140 includes "Gas Appliances or Equipment - household type - installation, servicing or repair"
334		91111	Air Conditioning Systems or Equipment - Dealers or distributors and installation, servicing or repair
334		95647	Heating or Combined Heating and Air Conditioning System or Equipment - dealers or distributors and installation, servicing or repair - no liquefied petroleum gas (LPG) equipment sales or work
334		95648	Heating or Combined Heating and Air Conditioning Systems or Equipment - dealers or distributors and installation, servicing or repair - Not Otherwise Classified
313	16135		Airport Runway or Warming Apron Construction, Paving or Repaving
334		91125	Airport Runway or Warming Apron - paving or repaving, surfacing, resurfacing or scraping
334		95630	Asbestos Abatement Contractors
313	76992		Boiler Inspecting or Scaling

EXHIBIT 3

Page 2

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	17145*		Boiler Installation or repair - steam * Code 17145 also includes "Tank Erection or Repair - metal - within buildings exclusively"
334		91250	Boiler Inspection, Installation, Cleaning or Repair
334		99572	Tank Construction, Installation, Erection or Repair - metal - not pressurized - within buildings exclusively
334		99573	Tank Construction, Installation, Erection or Repair - metal - pressurized - within buildings exclusively
313	16275*		Bridge or Elevated Highway Construction * Code 16275 also includes "Iron or Steel Erection - bridges"
334		91265	Bridge or Elevated Highway Construction - iron or steel
334		91266	Bridge or Elevated Highway Construction - concrete
313	17835		Building Equipment Installation, Erection, Servicing or Repair - Not Otherwise Classified
313	17885*		Building or Structure Raising, Moving or Underpinning - including incidental shoring * Code 17885 includes "Salvage Operations" and "Underpinning Buildings or Structures"

EXHIBIT 3

Page 3

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>		
<u>Subline</u>	<u>Old</u>	<u>New</u>
334		91280 Building Structure - raising or moving
334		98698 Salvage Operations - Not Otherwise Classified
334		99803 Underpinning Buildings or Structures
313	17314	Cable Installation in Conduits or Subways
334		91302 Cable Installation in Conduits or Subways
334		91324 Caisson or Cofferdam Work - Foundations for buildings
334	16235*	Caisson Work - not foundations for buildings
		* Code 16235 also includes "Cofferdam Work," "Shaft Sinking" and "Tunneling"
334		91325 Caisson or Cofferdam work - not foundations for buildings
334		98871 Shaft Sinking
334		99798 Tunneling
313	17535*	Carpentry - Not Otherwise Classified
		* Code 17535 also includes "Ceiling or Wall Installation - not plastering", "Modular Units -building erection", "Prefabricated Building Erection"

EXHIBIT 3

Page 4

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
334		91342	Carpentry - Not Otherwise Classified
334		98502	Prefabricated Building Erection
313	17621		Ceiling or Wall Installation - metal
334		91436	Ceiling or Wall Installation - metal
313	17745*		Cement, Concrete or Granolithic Floor Construction, Finishing or Surfacing
			* Code 17745 also includes Construction - Not Otherwise Classified"
334		91560	Concrete Construction
313	17425*		Chimney Construction
			* Code 17425 also includes "Masonry - Not Otherwise Classified"
334		91481	Chimney Cleaning
334		97447	Masonry
313	17965		Cleaning or Renovating - outside Surfaces of Buildings
334		91522	Cleaning or Renovating - outside Surfaces of Buildings
313	17741		Concrete Block Construction - buildings

EXHIBIT 3

Page 5

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	16285		Conduit Construction
334		91577	Conduit Construction for Cables or Wires
313	42264		Contractors Permanent yards - maintenance or storage of equipment or material
334		91590	Contractors Permanent Yards - maintenance or storage of equipment or material
313	17755*		Core Drilling - Not Otherwise classified
			* Code 17755 also includes: "Drilling - Not Otherwise classified"
334		92101	Drilling - Not Otherwise classified
334		92102	Drilling - Water
313	16232		Dam or Reservoir Construction
334		91618	Dam or Reservoir Construction
313	16295*		Dike or Revetment Construction - river work only
			* Code 16295 also includes: "Jetty or Breakwater and "Levee Construction"
334		91641	Dike, Levee or Revetment Construction
334		96872	Jetty or Breakwater Construction
313	17511		Door, Window or Assembled Millwork Erection - metal or metal covered

EXHIBIT 3

Page 6

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
334		91746	Door, Window or Assembled Millwork - installation - metal
313	16293		Dredging - except gold dredging
334		92055	Dredging - Not Otherwise Classified
313	16144		Driveway, Parking Area or Sidewalk Construction, Paving or Repaving
334		92215	Driveway, Parking Area or Sidewalk - paving or repaving
313	17946		Dry Wall or Wallboard Installation
334		92338	Dry Wall or Wallboard Installation
313	16242		Electric Light or Power Line Construction - Rural Electrification Administration Projects only
334		92447	Electric Light or Power Line Construction - Rural Electrification Administration Projects only
313	16245*		Electric Light or Power Line Construction - Not Otherwise Classified
			* Code 16245 also includes: "Telephone, Telegraph or Fire Alarm Line Construction"
334		92446	Electric Light or Power Line Construction - Not Otherwise Classified
334		99613	Telephone, Telegraph or Cable Television Line Construction

EXHIBIT 3

Page 7

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	17315		Electrical Wiring - within buildings - including installation or repair of fixtures or appliances
334		91127	Alarm and Alarm Systems - installation, servicing or repair
334		92451	Electrical Apparatus - installation, servicing or repair - Not Otherwise Classified
334		92478	Electrical Work - within building
313	17845		Elevator, Escalator or moving Sidewalk Installation, Service or Repair
334		92593	Elevator or Escalator Inspecting, Installation, Servicing or Repair
313	15111		Excavation - Not Otherwise Classified
334		94007	Excavation
313	17985		Fence Erection - metal
334		94276	Fence Erection Contractors
313	15161*		Fireproofing - structures
			* Code 15161 also includes "Insulation Work - installation or application of acoustical or thermal insulating materials in buildings or within building walls - Not Otherwise Classified"
334		94404	Fireproofing - structures

EXHIBIT 3

Page 8

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
334		96408	Insulation Work - plastic - Not Otherwise Classified
334		96409	Insulation Work - organic or plastic in solid state
334		96410	Insulation Work - mineral
313	49531*		Garbage, Ashes or Refuse Collecting
			* Code 49531 also includes: "Street Cleaning - including snow removal from street and highways"
334		95233	Garbage, Ash or Refuse Collecting
334		99303	Street Cleaning
313	16225		Gas, Sewer, Steam or Water Mains or Connections Construction - including tunneling at street crossings
334		95310	Gas Mains or Connections Construction
334		98820	Sewer Mains or Connections Construction
334		99163	Steam Mains or Connections Construction
334		99946	Water Main or Connections Construction
313	07313		Grading of Land - Not Otherwise Classified
334		95410	Grading of Land

EXHIBIT 3

Page 9

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	17765		Iron or Steel Erection - frame structures, iron work on outside of buildings including erecting or repairing balconies, fire escapes, railings, staircases, coal chutes or fireproof shutters
334		97651	Metal erection - frame structures - iron work on outside of buildings
313	15121		Iron or Steel Erection in the construction of dwellings not exceeding two stories in height
334		97652	Metal Erection - in the construction of dwellings not exceeding two stories in height
313	15122		Iron or Steel Erection - steel lock gates, gas holders, standpipes, water towers, smoke stacks, tanks, silos, prison cells or fire or burglar proof vaults
334		97654	Metal Erection - steel lock gates gas holders, standpipes, water tower, smokestacks, tanks, silos, prison cells, fire or burglar proof vaults
313	15125		Iron or Steel Erection - Not Otherwise Classified
334		97655	Metal Erection - structural - Not Otherwise Classified
313	16255		Irrigation or Drainage System Construction - including pile driving or dredging
334		96702	Irrigation or Drainage System Construction

EXHIBIT 3

Page 10

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	15142		Military Reservation Construction - Carpentry
313	17762		Military Reservation Construction - iron or steel erection - not over two stories in height
313	16365*		Oil or Gas Pipe Construction - including pile driving and dredging * Code 16365 also includes "Pipe Line Construction - including pile driving or dredging"
334		98423	Pipeline Construction - gas
334		98424	Pipeline Construction - Not Otherwise Classified
334		98425	Pipeline Construction - Oil
334		98426	Pipeline Construction - slurry - nonflammable mixtures
313	17235*		Painting - oil or gasoline tanks - including shop operations * Code 17235 also includes "Painting, Decorating or Paper Hanging - Not Otherwise Classified- including shop operations", "Paperhanging" and "Sign Painting or Lettering - on buildings or structures - including operations"
334		98304	Painting - exterior - buildings Classified or structures - three stories or less
334		98305	Painting - interior buildings or structures

EXHIBIT 3

Page 11

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
334		98306	Painting - Oil or gasoline tanks
334		98344	Paperhanging
334		99004	Sign Painting or Lettering on Buildings or Structures
313	17215		Painting - ship hulls
334		98307	Painting - ship hulls
313	17225		Painting - steel structures or bridges
334		98303	Painting - exterior - buildings or structures - exceeding three stories in height - Not Otherwise Classified
313	17805		Pile Driving - building foundations only
334		98413	Pile Driving - building foundations only
313	16296		Pile Driving - sonic method
334		98415	Pile Driving - sonic method
313	16294		Pile Driving - including timber wharf building - Not Otherwise Classified
334		98414	Pile Driving - Not Otherwise Classified
313	17185		Plumbing - Not Otherwise Classified
334		98482	Plumbing commercial and industrial
334		98483	Plumbing - residential or domestic
334		99080	Solar Energy Contractors

EXHIBIT 3

Page 12

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
334		99948	Water Softening Equipment - installation, servicing or repair
334		98636	Refrigeration Systems or Equipment - dealers and distributors and installation, servicing or repair - commercial
313	17625		Roofing - all kinds - including yard employees
334		98677	Roofing - commercial
334		98678	Roofing - residential
334		98705	Sandblasting
313	17615*		Sheet Metal Work Erection Installation or Repair - Not Otherwise Classified * Code 17615 also includes "Siding Installation - not wood"
313	73122		Sign Erection or Repair - not outdoor advertising companies - including shop operations
334		98884	Sheet Metal Work - shop and outside
334		98967	Siding Installation
334		98993	Sign Erection, Installation or Repair
313	17141		Steam Pipe or Boiler Insulation
334		99165	Steam Pipe or Boiler Insulation
313	16115		Street or Road Construction or Reconstruction
334		99315	Street or Road Construction or Reconstruction

EXHIBIT 3

Page 13

COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	16125		Street or Road Paving or Repaving, Surfacing or Resurfacing or Scraping
334		99321	Street or Road Paving or Repaving, Surfacing or Resurfacing or Scraping
313	16205		Subway Construction
334		99445	Subway Construction
313	17802		Swimming Pools - below ground - installation, service or repair
334		99507	Swimming Pools - installation, servicing or repair - below ground
313	17906		Swimming Pools - above ground - installation, service or repair
334		99506	Swimming Pools - above ground - installation, service or repair
334		99570	Tank Construction, Installation, Erection or Repair - metal - not pressurized - Not Otherwise Classified
334		99571	Tank Construction, Installation, Erection or Repair - metal - pressurized - Not Otherwise Classified
313	17821		Wrecking - marine- including salvage operations
334		99988	Wrecking - marine
313	17822		Wrecking Buildings or Structures - not marine - Not Otherwise Classified
334		99986	Wrecking - buildings or structures - Not Otherwise Classified

EXHIBIT 4

Page 1

MUNICIPAL LIABILITY

GOVERNMENTAL SUBDIVISION - NOT STATE OR FEDERAL

Municipalities (including boroughs, cities, towns, townships, etc.)

<u>Subline*</u>	<u>Class Code</u>		<u>Population</u>
	<u>Old</u>	<u>New</u>	
	91250	44100	Under 2,500
	91251	44101	2,501 - 10,000
	91252	44102	10,001 - 25,000
	91253	44103	25,001 - 50,000
	91254	44104	50,001 - 100,000
	91255	44105	100,001 - 250,000
	91256	44106	Over 250,000
	91263	Included	Personal Injury Coverage

Counties or Parishes

	91257	44108	Under 10,000
	91258	44109	10,001 - 25,000
	91259	44110	25,001 - 50,000
	91260	44111	50,001 - 100,000
	91261	44112	100,001 - 250,000
	91262	44113	Over 250,000
	91263	Included	Personal Injury Coverage
#93050	93050		Governmental Composite Rated Risks

Class Code

<u>Old</u>	<u>New</u>	<u>Description</u>
93111		Government Employees - municipal, township, county or state
		This classification includes employees engaged in laboratory work, inspectors of the Board of Health, electrical inspectors, building inspectors and similar occupations. Workmen, mechanics or others engaged in manual labor or supervisors of construction work to be separately rated.

EXHIBIT 4

ENVIRONMENTAL IMPAIRMENT LIABILITY

<u>Subline</u>	<u>Class Code</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
325		90000		Pollution Liability
350			90100	Pollution Liability Form - Including Clean-up Costs Coverage
350			90105	Pollution Liability Form - Excluding Clean-up Costs Coverage
350			90110	CGL Coverage Form - Pollution Extension Endorsement (Excludes Clean-up Costs Coverage)
				Underground Storage Tanks (all classes and types)

EXHIBIT 5

LAWYERS PROFESSIONAL LIABILITY

<u>Subline</u>	<u>Class Code</u>	<u>Description</u>
317	81220	Lawyers - not members or employees of a partnership
317	81113	Additional Charge: Employed Lawyers not named as insureds and employed law clerks, investigators and abstracters - not employees of a partnership.
317	81330	Lawyers - members or employees of a partnership
317	81114	Additional Charge: Employed Lawyers not named as insureds and employed law clerks, investigators and abstracters - employees of a partnership.
317	81400	Lawyers
317	81420	Employed law clerks, Investigators, Abstracters and Paralegals

EXHIBIT 6

Page 1

MUNICIPAL LIABILITY

GOVERNMENTAL SUBDIVISION - NOT STATE OR FEDERAL

Municipalities (including boroughs, cities, towns, townships, etc.)

<u>Subline*</u>	<u>Class Code</u>		<u>Population</u>
	<u>Old</u>	<u>New</u>	
	91250	44100	Under 2,500
	91251	44101	2,501 - 10,000
	91252	44102	10,001 - 25,000
	91253	44103	25,001 - 50,000
	91254	44104	50,001 - 100,000
	91255	44105	100,001 - 250,000
	91256	44106	Over 250,000
	91263	Included	Personal Injury Coverage

Counties or Parishes

	91257	44108	Under 10,000
	91258	44109	10,001 - 25,000
	91259	44110	25,001 - 50,000
	91260	44111	50,001 - 100,000
	91261	44112	100,001 - 250,000
	91262	44113	Over 250,000
	91263	Included	Personal Injury Coverage
#93050	93050		Governmental Composite Rated Risks

Class Code

<u>Old</u>	<u>New</u>	<u>Description</u>
93111		Government Employees - municipal, township, county or state
		This classification includes employees engaged in laboratory work, inspectors of the Board of Health, electrical inspectors, building inspectors and similar occupations. Workmen, mechanics or others engaged in manual labor or supervisors of construction work to be separately rated.

EXHIBIT 6

Page 2

MUNICIPAL LIABILITY

GOVERNMENTAL SUBDIVISION - NOT STATE OR FEDERAL

Municipalities (including boroughs, cities, towns, townships, etc.)
Streets, Roads, Highways or Bridges

Class Code

<u>Old</u>	<u>New</u>	<u>Description</u>
93151		Streets, Roads or Highways - with or without sidewalks - including bridges and culverts but excluding toll bridges and drawbridges - existence hazard only (excluding New York)
	48727	Streets, Roads, Highways or Bridges - existence and maintenance hazard only

* NOTE: Except for Governmental Composite Rated Risks (class 93050),
all old classes are subline 314 - all new classes are
subline 334

NOTE: Sublines 322, 323, 324, 342, 343, and 344

EXHIBIT 6

Page 3

MUNICIPAL LIABILITY

LAW ENFORCEMENT AGENCIES LIABILITY SUBCLASS

All classes, including, but not limited to the following:

Agencies whose employees deal directly with the public and exercise general powers of arrest such as:

- (a) County Sheriff/Police Chief
- (b) Peace Officers

Agencies whose employees do not deal directly with the public and exercise limited power of arrest such as:

- (a) Jailers
- (b) Matrons
- (c) County Security
- (d) Civil Process Officers

Agencies who do not exercise power of arrest and whose duties are administrative such as:

- (a) County Commissioners
- (b) City Council
- (c) Mayors or City Managers
- (d) Auxiliary or Reserve Police
- (e) Coroner
- (f) School Crossing Guards, Humane Officers, Crime Prevention Officers

Agencies whose employees whose ordinary duties are only indirectly related to enforcement of criminal laws such as:

- (a) Clerical Staff/Fingerprinting/License Examination
- (b) Stenographic Personnel/Food Service/Photographic
- (c) Dispatcher/Record Keeping

EXHIBIT 6

Page 4

MUNICIPAL LIABILITY

PUBLIC HOUSING LIABILITY SUBCLASS

<u>Subline</u>	<u>Class Code</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
314	93181			Housing Projects - Federal, State, Local - Apartment Houses - not three or four family dwellings
314	93182			Housing Projects - Federal, State, Local - Dwellings - four family
314	93183			Housing Projects - Federal, State, Local - Dwellings - three family
314	93184			Housing Project - Federal, State, Local - Dwellings - two family
314	93185			Housing Projects - Federal, State, Local - Private Residences
334			64500	Housing Projects - Federal, State, Local

EXHIBIT 6

Page 5

MUNICIPAL LIABILITY

SEWAGE TREATMENT PLANTS LIABILITY SUBCLASS

Class Code

<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	49521		Sewage Disposal - plant operation
334		98810	Sewage Treatment Plants

EXHIBIT 7

DAY CARE LIABILITY

<u>Subline</u>	<u>Class Code</u>		<u>Description</u>
	<u>Old</u>	<u>New</u>	
313	82115		Day Nurseries
334		41716	Day Care Centers Not-for-profit
334		41715	Day Care Centers Other Than Not-for-profit

EXHIBIT 8

VOLUNTEER FIRE DEPARTMENTS AND RESCUE SQUADS LIABILITY

<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
314	93131		Firehouses
314	89970		Volunteer First Aid and Rescue Squads
334		43551*	Fire Departments - volunteer
334		40030	Ambulance Service, First Aid or Rescue Squads

* Including Volunteer Rescue Squads operated in connection
with Fire Departments.

EXHIBIT 9

WATER TREATMENT PLANTS LIABILITY

<u>Subline</u>	<u>Class Code</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
334			99943	Water Companies
313		49411		Water Works - including outside salesmen, collectors and meter readers

EXHIBIT 10A
1992 Zero Report

INSURER _____ **NAIC #** _____

Enter a zero beside the lines and/or subclassifications of liability insurance where you have no written premium in 1992.

87001	Architects and Engineers Professional Liability	_____
87006	Insurance Agents Professional Liability	_____
87008	Lawyers Professional Liability	_____
87010	Medical Professional Liability	_____
87013	Products and Completed Operations Liability	_____
87015	Real Estate Agents Professional Liability	_____
88022	Landfill Liability	_____
88030	Volunteer Fire Departments and Rescue Squads Liability	_____
88031	Water Treatment Plants Liability	_____
91001	Commercial Contractors Liability including Asbestos Abatement Contractors	_____
91002	Environmental Impairment Liability including Underground Storage Tank Liability	_____
91003	Municipal Liability including: Law Enforcement Agencies Liability Public Housing Liability Public Officials Errors and Omissions Liability School Board Errors and Omissions Liability Sewage Treatment Plants Liability	_____
93001	Day Care Center Liability	_____

I hereby certify that the information contained in this report contains all applicable Virginia data as reported to the NAIC on page 14 of the Annual Statement, line 5.2 (Multiperil Liability), line 11 (Medical Malpractice), line 17 (Other Liability), and line 18 (Products Liability).

Signed: _____

Print Name: _____

Title: _____

Telephone: _____

Date: _____

EXHIBIT 10B
1993 Zero Report

INSURER _____ NAIC # _____

Enter a zero beside the lines and/or subclassifications of liability insurance where you have no written premium in 1993.

- 87001 Architects and Engineers Professional Liability _____
- 87006 Insurance Agents Professional Liability _____
- 87008 Lawyers Professional Liability _____
- 87010 Medical Professional Liability _____
- 87013 Products and Completed Operations Liability _____
- 87015 Real Estate Agents Professional Liability _____
- 88022 Landfill Liability _____
- 88030 Volunteer Fire Departments and Rescue Squads Liability _____
- 88031 Water Treatment Plants Liability _____
- 91001 Commercial Contractors Liability including Asbestos Abatement Contractors _____
- 91002 Environmental Impairment Liability including Underground Storage Tank Liability _____
- 91003 Municipal Liability including:
 - Law Enforcement Agencies Liability _____
 - Public Housing Liability _____
 - Public Officials Errors and Omissions Liability _____
 - School Board Errors and Omissions Liability _____
 - Sewage Treatment Plants Liability _____
- 93001 Day Care Centers Liability _____

I hereby certify that the information contained in this report contains all applicable Virginia data as reported to the NAIC on page 14 of the Annual Statement, line 5.2 (Multiperil Liability), line 11 (Medical Malpractice), line 17 (Other Liability), and line 18 (Products Liability).

Signed: _____

Print Name: _____

Title: _____

Telephone: _____

Date: _____

DISKETTE REQUEST FORM

Mr. Eric C. Lowe
Insurance Market Examiner
Bureau of Insurance
Post Office Box 1157
Richmond, Virginia 23209

RE: Administrative Letter 1994-1 Supplemental Report
Diskette Request Form

Dear Mr. Lowe:

- Our computer system can use both 3 1/2" high density (1.4M) and 5 1/4" low density (360K) diskettes.
Yes _____ No _____
- Our computer system requires that we use only:
3 1/2" high density (1.4M) _____
5 1/4" low density (360K) _____

Please forward the diskette program for the following company(s):
NOTE #1: All Companies licensed in Virginia for liability must be included on this list regardless of written premium size and even if the Company had no written premium for 1992 or 1993.

NAIC	Company
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

MAIL DISKETTE TO: _____
 (Please Type or Print) Name

_____ Title

_____ Address

_____ Phone Number _____ Date