

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE**

**AT RICHMOND, NOVEMBER 21, 2003
ADMINISTRATIVE ORDER NO: 11616**

ORDER SUSPENDING THE REQUIREMENT OF FILING CERTAIN RULES AND RATES FOR COMMERCIAL EXCESS FIRE INSURANCE UNDER THE PROVISIONS OF § 38.2-1903 OF THE CODE OF VIRGINIA.

WHEREAS, it appearing to the Commissioner of Insurance that the requirement of filing rules and rates for writing Excess Fire Insurance as a simplified and readable policy, should be suspended, pursuant to the provisions of § 38.2-1903 of the Code of Virginia, because such rules and rates cannot practicably be filed before they are used by an insurer. For the purposes of this order, Commercial Excess Fire Insurance is defined as any commercial fire insurance contract that pays benefits only when coverage under a primary commercial fire insurance contract has been exhausted.

IT IS, THEREFORE, ORDERED, that the requirement of filing manuals of classifications, rules, rates, rating plans and rating schedules for writing Excess Commercial Fire Insurance in this state, as provided in Chapter 19 of Title 38.2 of the Code of Virginia, is hereby suspended under the provisions of § 38.2-1903, by the entry of this Order, until further notice of the Commissioner, for the reason that requirement to file manuals of classifications, rules, rates and rating plans is not appropriate for insuring these risks due to their inherently diverse nature and because they involve a substantial area of exposure for which pre-filed rates cannot practicably be established.

IT IS FUTHER ORDERED, that the rules and 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 all licensed rate service organizations, to Mary M. Bannister, Deputy Commissioner of Insurance, and all insurance companies which are affected thereby.