

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

AT RICHMOND, June 22, 2005
ADMINISTRATIVE ORDER NO. 11706

APPLICATION OF
VIRGINIA PROPERTY INSURANCE ASSOCIATION

For revisions to the Manual of Operations and the manual of rules, rates and supplementary rate information for use in writing Basic Property Insurance, as defined in § 38.2-2701 of the Code of Virginia, on qualified property in Virginia.

BY LETTER DATED June 1, 2005, on behalf of its member companies, the Virginia Property Insurance Association filed with and requested the approval of the Commissioner of Insurance the following revisions of the Manual of Operations and the manual of rule, rates and supplementary rate information for use in writing Basic Property Insurance, as defined in § 38.2-2701 of the Code of Virginia, on qualified property:

Manual of Operational Procedures

Section II. Qualified Property

- FP-2, Theft, Liability Insurance, and Contents Replacement Cost Coverage – Amended the grace period for no prior insurance from seven to thirty days; and
- Liability Coverage – Eliminated the following eligibility criteria:
 - “Have no business pursuits conducted on or from the residence premises;” and
 - “Have no permitted incidental occupancies.”

Section IX. Underwriting

- The section pertaining to reasonable underwriting standards was amended as follows:
 - Addition of the word “unsafe” in item 1; and
 - Eliminated the words “isolated or” in item 5.
- Liability Cancellations (Section D)
 - Eliminated the following underwriting standards or conditions:
 - “a. Any insured structure is used for business purposes;” and
 - “c. Any structure insured under this policy used to provide child care services.”

Manual of Rules, Rates and Supplementary Rate Information

Dwelling Liability Manual

- Amended Rule 3.6.2 Interests Not Permitted

AND IT APPEARING to the Commissioner from an examination made by the staff of the Bureau of Insurance, that a hearing should not be held thereon, that there is no objection otherwise, and that publication of the filing is not necessary.

NOW ON THIS DAY, the Commissioner, having considered the filing herein, is of the opinion, finds and orders;

- (1) That the proposed revisions to the Manual of Operations and the manual of rules, rates and supplementary rate information should be, and hereby is approved for use in this Commonwealth for new and renewal policies effective on and after June 1, 2005, until further order of the Commissioner, and
- (2) That an attested copy hereof shall be sent to Virginia Property Insurance Association, P. O. Box 6649, Richmond, Virginia 23230; and, to Mary M. Bannister, Deputy Commissioner of Insurance.