

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

**September 8, 2004  
Administrative Order No. 11647**

ORDER CONTINUING THE SUSPENSION OF THE FILING REQUIREMENTS FOR RATES AND SUPPLEMENTARY RATE INFORMATION USED FOR WRITING EXCESS PERSONAL AND COMMERCIAL LIABILITY INSURANCE, INCLUDING EXCESS AUTOMOBILE LIABILITY INSURANCE, AND EXCESS LIABILITY CONTRACTS CLASSIFIED AS MISCELLANEOUS CASUALTY INSURANCE, AND AMENDING EXEMPTION ELIGIBILITY REQUIREMENTS, PURSUANT TO THE PROVISIONS OF § 38.2-1903 OF THE CODE OF VIRGINIA.

Pursuant to the provisions of § 38.2-1903 of the Code of Virginia, it appears to the Commissioner of Insurance that the suspension of the filing requirements for writing excess personal and commercial liability insurance, including excess automobile liability and excess liability contracts classified as miscellaneous casualty insurance, as provided by Administrative Order 10208 entered on January 22, 1993, is appropriate and should be continued, and that the eligibility requirements for the exemption should be amended;

IT IS, THEREFORE, ORDERED THAT:

- 1) The requirement to file rates and/or supplementary rate information for writing excess personal and commercial liability insurance, including excess automobile liability insurance, and excess liability contracts classified as miscellaneous casualty insurance, as provided in Chapter 19 of Title 38.2 of the Code of Virginia, is hereby suspended by the entry of this Order when such insurance meets the following requirements.
  - a) For commercial risks, the excess insurance must be written to apply above underlying insurance with at least the following limits:
    - i) Underlying automobile bodily injury liability insurance limits for owned autos of at least \$100,000 each person and \$300,000 each occurrence, and automobile property damage liability limits of at least \$50,000, or a combined single limit for automobile bodily injury and property damage liability of at least \$300,000 each occurrence;
    - ii) Underlying general liability insurance limits of at least \$300,000 each occurrence for bodily injury and property damage liability combined for premises/operations and products/completed operations exposures; and
    - iii) Underlying professional liability limits, if applicable, of at least \$300,000 each incident.
  - b) For excess workers' compensation insurance, a self-insured retention of at least \$150,000 each claim is required.
  - c) For personal risks, the excess insurance must be written to apply above underlying insurance with at least the following limits:

- i) Underlying automobile bodily injury liability insurance limits of at least \$100,000 each person and \$300,000 each occurrence, property damage liability limits of at least \$50,000, or combined single limits of bodily injury and property damage liability of at least \$300,000 each occurrence; and
  - ii) Underlying personal liability insurance limits as respects exposures related to residence premises (including farm property) and to owned watercraft of at least \$100,000 each occurrence.
- 2) For the purposes of this Order, personal liability insurance includes insurance covering business pursuits exposures for which underlying insurance is provided by a homeowners, farmowners, or comprehensive personal liability policy;
- 3) The rates affected by this Order and hereafter used by insurers shall not be excessive, inadequate, or unfairly discriminatory;
- 4) The Commissioner hereby reserves the right, either upon his own motion or upon complaint, to make such examination or investigation with respect thereto as he may deem advisable or necessary in order to determine whether any rates affected by this suspension of filing requirements may be, or may become, excessive, inadequate, or unfairly discriminatory; and
- 5) Administrative Order 10208, dated January 22, 1993, is replaced by entry of this Order.

AN ATTESTED COPY hereof shall be sent to all licensed property and casualty insurers and rate service organizations authorized to transact business in the Commonwealth, and to Mary M. Bannister, Deputy Commissioner of Insurance.