

ORIGINAL CONTROL

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

2008 AUG 14 A 9:06

AT RICHMOND, August 13, 2008  
ADMINISTRATIVE ORDER NO: 11821

ORDER EXEMPTING RATES, SUPPLEMENTARY RATE INFORMATION AND LOSS COSTS USED IN WRITING KIDNAP, RANSOM AND EXTORTION INSURANCE FOR COMMERCIAL BUSINESS ENTITIES, AS DEFINED IN § 38.2-113.3 OF THE CODE OF VIRGINIA FROM THE FILING REQUIREMENTS OF § 38.2-1906 OF THE CODE OF VIRGINIA PURSUANT TO THE PROVISIONS § 38.2-1903 OF THE CODE OF VIRGINIA.

WHEREAS, it appearing to the Commissioner of Insurance that the requirement of filing rates and supplementary rate information set forth in § 38.2-1906 A, and the requirement of filing loss costs set forth in § 38.2-1906 B, applicable to rates, supplementary rate information, and loss costs used in writing Kidnap, Ransom and Extortion Insurance for commercial business entities are not necessary to protect policyholders against the adverse effects of excessive, inadequate, or unfairly discriminatory rates or to ensure independent action and reasonable price competition among insurers; and that the unique and specialized nature of the coverage provided requires some flexibility in rating for insurers.

IT IS THEREFORE, ORDERED:

- (1) That Administrative Order 11728 is hereby withdrawn.
- (2) That the requirements of filing rates, supplementary rate information, and loss costs for use in writing Kidnap, Ransom and Extortion Insurance for commercial business entities are hereby suspended under the provisions of § 38.2-1903, by the entry of this order, until the further order of the Commissioner.

(3) IT IS FURTHER ORDERED, that the rates, supplementary rate information, and loss costs affected by this order and hereafter used by insurers shall not be excessive, inadequate or unfairly discriminatory, and the Commissioner hereby reserves the right to make

such examination or investigation with respect thereto as he may deem advisable or necessary in order to determine whether any rates, supplementary rating information or loss costs affected by this 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 to all insurance companies which are affected thereby.

A True Copy  
Teste:

  
Clerk of the  
State Corporation Commission