

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

AT RICHMOND, April 19, 2007
ADMINISTRATIVE ORDER NO. 11761

ORDER EXEMPTING RATES, SUPPLEMENTARY RATE INFORMATION, AND LOSS COSTS USED IN WRITING SURETY INSURANCE, AS DEFINED IN § 38.2-121 OF THE CODE OF VIRGINIA, FROM THE FILING REQUIREMENTS OF § 38.2-1906 OF THE CODE OF VIRGINIA PURSUANT TO THE PROVISIONS OF § 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 Surety Insurance 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, specialized, and often credit-related nature of the coverage provided requires some flexibility in rating for insurers; and that policy forms used in writing Surety Insurance are exempted from filing requirements by § 38.2-317 A of the Code of Virginia;

IT IS, THEREFORE, ORDERED that the requirements for filing rates, supplementary rate information, and loss costs for use in writing Surety Insurance are hereby suspended pursuant to the provisions of § 38.2-1903 of the Code of Virginia by entry of this order until further order of the Commissioner.

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 that 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 rate information, or loss costs affected by this suspension may be, or may become, excessive, inadequate, or unfairly discriminatory. Statistical data related to Surety Insurance remains subject to the data reporting requirements of § 38.2-1919 of the Code of Virginia.

AN ATTESTED COPY HEREOF shall be sent to Mary M. Bannister, Deputy Commissioner of Insurance, and to all insurance companies and rate service organizations that are affected thereby.