

AR COMMONWEALTH AUTOMOBILE REINSURERS

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RALPH A. IANNACO President 017 000 10

March 30, 2009

BULLETIN NO. 896

DECISION

PROPOSED CHANGES TO RULES OF OPERATION

Rule 14 – Representative Producer and Exclusive Representative Producer Requirements Rule 31 – Assigned Risk Producer Requirements

Proposed changes to the Rules of Operation amending Rule 14 – Representative Producer and Exclusive Representative Producer Requirements and Rule 31 – Assigned Risk Producer Requirements were filed with the Commissioner of Insurance on February 25, 2009. The proposed changes were furnished to all Members and interested parties as Bulletin No. 894, dated February 25, 2009.

The amendments to Rule 14.H. and Rule 31.D. effect the termination or decertification of all residual market automobile appointments or certifications should the producer be terminated for any violation(s) of CAR Rules in any one line of Motor Vehicle Insurance, with the exception of a termination for failure to maintain production requirements.

The proposed amendment to Rule 31.B. clarifies the obligation of an Assigned Risk Producer to timely return commissions owed an Assigned Risk Company.

Under the provisions of Article X of the Plan of Operation, a proposed Rule of Operation becomes effective either upon approval by the Commissioner of Insurance, or upon expiration of 30 days from the time of submission, provided that no public hearing was requested within 5 days by an interested party and the Commissioner has not otherwise disapproved the Rule change within the 30-day period.

Inasmuch as no public hearing was requested by any interested party within 5 days of the Rules being submitted and the proposed Rules have not been disapproved by the Commissioner of Insurance within 30 days of this submission, the amended Rules are deemed effective March 27, 2009, as provided in Article X of the Plan of Operation.

Please bring these changes to the attention of all interested parties. The Rules of Operation, including all approved changes, are available on CAR's website.

RALPH A. IANNACO President