

Maryland Insurance Administration

2010 Report on the Use of Territory As a Rating Factor in Establishing Private Passenger Automobile Insurance Rates



June, 2010

For further information concerning this document, please contact:

Tinna Quigley
Director of Government Relations and Policy Development
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, Maryland 21202
410-468-2202

This document is available in alternative format upon request from
a qualified individual with a disability.

TTY: 1-800-735-2258

Maryland Insurance Administration's website address is: www.mdinsurance.state.md.us

Maryland Insurance Administration

2010 Report on the Use of Territory as a Rating Factor in Establishing Private Passenger Automobile Insurance Rates

Table of Contents

Preface	Page 1
Private Passenger Automobile Market Overview	Page 1
Maryland Regulation COMAR 31.07.03	Page 2
Summary	Page 3
Exhibits	Page 4

Preface

Section 11-339 of the Insurance Article (Chapter 410, Laws of Maryland 2006) requires the Insurance Commissioner to submit a report to the General Assembly on or before July 1 of each year about the use of territory as a factor in establishing rates for private passenger automobile insurance by insurers and the Maryland Automobile Insurance Fund (“MAIF”).

For the purposes of this report, the MIA uses the NAIC definition of private passenger vehicle for premium purposes as there is no other source available. The NAIC definition includes not only regular automobiles (as defined by Maryland motor vehicle statutes and regulations), but also includes recreational vehicles (“RVs” a.k.a. motor homes), trailers (both travel and utility), motorcycles, scooters, all terrain vehicles (“ATVs”), antique and collector cars. Certain types of mobile homes, warranties and mechanical breakdown coverages may also be included. These types of vehicles will be described as specialty vehicles or coverages.

In addition, for the purposes of this report, private passenger automobile insurance will refer to regular automobile insurance as defined by statute; specifically, Section 11-135 of the Transportation Article.

This report contains information on (1) the number of insurers actively engaged in providing private passenger automobile liability insurance in the State; and (2) the number of those insurers that use territory as a factor in establishing automobile insurance rates.

Private Passenger Automobile Market Overview

For calendar year 2009, one hundred seventy one (171) insurers reported that they had direct premiums written for the private passenger lines of business. Those lines of business are: 19.1 – Private

passenger auto no-fault (personal injury protection); 19.2 – Other private passenger auto liability; and 21.1 – Private passenger auto physical damage. The premiums shown in Exhibit 2 also include specialty vehicles. For this report, 10 carriers are not included in this report (See Exhibit 1) as they have no written premium and are not writing new business.

With regard to regular automobile liability insurance, all carriers use territories for rating purposes. From a premium perspective, this represents approximately 99% of all private passenger automobile premiums in Maryland. For the remaining premium, territories are almost always used for RV's, motorcycles, and scooters. However, for coverages like antique and collector vehicles, ATV's and trailers (travel and utility), the use of territories depends on the particular insurer and type of product/program that it is offering.

As shown in Exhibit 1, 142 carriers representing 99.8% of the Maryland market write regular automobile liability insurance and all of these carriers use territory as a rating factor. This is not to say that the remaining carriers do not use territorial rating for specialty coverages; rather, the use of territory as a rating factor for that small segment will depend upon the product the insurer is offering.

Maryland Regulation COMAR 31.07.03

Chapter 410, Laws of Maryland 2006 (HB 1600), also resulted in the enactment of §11-216 and 11-319 of the Insurance Article, which requires any insurer using territories as a factor in establishing automobile insurance rates to submit a statement to the Insurance Commissioner certifying that (1) the territories used by the insurer have been reviewed within the previous three years and (2) the use of the territories is actuarially justified.

To ensure compliance with §11-216 and §11-319, the Insurance Commissioner adopted regulations in order to provide guidance to

insurers. Those regulations¹, in addition to providing guidance, contain a Certification Statement for use by MAIF, private insurance companies and rating organizations to certify that their territories have been reviewed in the past three years and that they are actuarially justified. The Maryland Insurance Administration (“MIA”) is tracking the submission of these Certifications for initial compliance with the regulation. After initial compliance has been verified, the MIA will be able to use this tracking database to monitor whether the Certifications are being re-filed² as required by law.

Summary

Calendar year 2010 mirrored the experience of calendar year 2009, with almost every insurer that writes regular automobile liability insurance in Maryland utilizing territory as a rating factor. Additionally, the Maryland Insurance Administration has not received any indication from insurers, MAIF, or any rating organization that the use of territory as a rating factor will be discontinued anytime in the near future.

In addition, please refer to the Maryland Insurance Administration rate guides for Private Passenger Automobiles, RV’s and ATV’s, and Motorcycles. These guides will show how territorial rating is being applied with actual scenarios by certain zip codes.

¹ COMAR 31.07.03, Review of Automobile Rating Territories. See Exhibit 3.

² The regulation requires re-filing of the Certification at least once every three years or whenever rate filings are submitted that modify any of the territorial rating factors.

Exhibits

- ❖ **Exhibit 1: 2009 Summary Exhibit showing Market Share for those insurers that write regular automobile insurance**
- ❖ **Exhibit 2: 2009 Listing of Private Passenger Automobile Insurers Showing Market Share and Use of Territory as a Rating Factor**
- ❖ **Exhibit 3: COMAR 31.07.03 Review of Automobile Rating Territories**

<u>Type of Insurer</u>	<u>Number of</u>	<u>Market Share</u>
Regular Auto Insurance*	142	99.83%
No Regular Auto Insurance**	19	0.17%
All Other***	10	0.00%
TOTAL	171	100.00%

*For Regular Auto Insurers, these carriers may also write some specialty coverages, like motorcycles, RV, antique autos, etc.....

**No Regular Auto Insurance Insurers include companies that write only specialty coverages.

*** Includes companies with negative premium (8), OR those where the premium deals with with various accounting issues (2).

Exhibit 2

2009 Rank	2009 Group Code	NAIC Code	Company Name	2009 Written Premium	2009 Market Share	Cumulative Market Share	Writes Regular Auto	Uses Territories
1	176	25178	STATE FARM MUT AUTO INS CO	638,619,464	17.30%	17.30%	Y	Y
2	31	35882	GEICO GEN INS CO	328,332,956	8.89%	26.19%	Y	Y
3	31	22063	GOVERNMENT EMPLOYEES INS CO	267,984,940	7.26%	33.45%	Y	Y
4	8	19232	ALLSTATE INS CO	250,736,696	6.79%	40.25%	Y	Y
5	213	26271	ERIE INS EXCH	227,749,756	6.17%	46.42%	Y	Y
6	140	23787	NATIONWIDE MUT INS CO	179,295,735	4.86%	51.27%	Y	Y
7	200	25941	USAA	122,428,433	3.32%	54.59%	Y	Y
8	8	17230	ALLSTATE PROP & CAS INS CO	121,767,424	3.30%	57.89%	Y	Y
9	140	23760	NATIONWIDE GEN INS CO	109,442,348	2.96%	60.85%	Y	Y
10	0	34800	MAIF	98,268,674	2.66%	63.52%	Y	Y
11	31	22055	GEICO IND CO	98,256,930	2.66%	66.18%	Y	Y
12	155	11851	PROGRESSIVE ADVANCED INS CO	88,735,894	2.40%	68.58%	Y	Y
13	111	23035	LIBERTY MUT FIRE INS CO	84,926,291	2.30%	70.88%	Y	Y
14	176	25143	STATE FARM FIRE & CAS CO	80,450,923	2.18%	73.06%	Y	Y
15	200	25968	USAA CAS INS CO	79,714,688	2.16%	75.22%	Y	Y
16	140	23779	NATIONWIDE MUT FIRE INS CO	50,623,012	1.37%	76.59%	Y	Y
17	31	41491	GEICO CAS CO	42,939,835	1.16%	77.76%	Y	Y
18	155	32786	PROGRESSIVE SPECIALTY INS CO	40,922,479	1.11%	78.86%	Y	Y
19	8	19240	ALLSTATE IND CO	39,165,716	1.06%	79.93%	Y	Y
20	3548	27998	TRAVELERS HOME & MARINE INS CO	38,549,964	1.04%	80.97%	Y	Y
21	155	16322	PROGRESSIVE DIRECT INS CO	38,515,643	1.04%	82.01%	Y	Y
22	155	24252	PROGRESSIVE AMER INS CO	37,174,070	1.01%	83.02%	Y	Y
23	155	42994	PROGRESSIVE CLASSIC INS CO	28,691,625	0.78%	83.80%	Y	Y
24	8	11252	ENCOMPASS HOME & AUTO INS CO	24,520,967	0.66%	84.46%	Y	Y
25	8	10071	ENCOMPASS INS CO OF AMER	21,867,803	0.59%	85.05%	Y	Y
26	0	35173	AGENCY INS CO OF MD INC	18,767,901	0.51%	85.56%	Y	Y
27	175	25127	STATE AUTO PROP & CAS INS CO	17,467,021	0.47%	86.04%	Y	Y
28	140	13242	TITAN IND CO	16,518,181	0.45%	86.48%	Y	Y
29	250	14958	PENINSULA INS CO	15,449,667	0.42%	86.90%	Y	Y
30	8	15130	ENCOMPASS IND CO	15,076,516	0.41%	87.31%	Y	Y
31	0	13501	BRETHREN MUT INS CO	15,051,382	0.41%	87.72%	Y	Y
32	28	19976	AMICA MUT INS CO	14,811,185	0.40%	88.12%	Y	Y
33	111	24740	SAFECO INS CO OF AMER	14,058,256	0.38%	88.50%	Y	Y
34	771	11681	KEYSTONE INS CO	13,935,260	0.38%	88.88%	Y	Y

Exhibit 2

2009 Rank	2009 Group Code	NAIC Cocode	Company Name	2009 Written Premium	2009 Market Share	Cumulative Market Share	Writes Regular Auto	Uses Territories
35	111	37214	AMERICAN STATES PREFERRED INS CO	13,216,944	0.36%	89.24%	Y	Y
36	91	27120	TRUMBULL INS CO	12,933,058	0.35%	89.59%	Y	Y
37	215	16063	UNITRIN AUTO & HOME INS CO	12,659,567	0.34%	89.93%	Y	Y
38	175	25135	STATE AUTOMOBILE MUT INS CO	12,621,652	0.34%	90.27%	Y	Y
39	3548	25658	TRAVELERS IND CO	12,441,319	0.34%	90.61%	Y	Y
40	200	18600	USAA GEN IND CO	12,217,087	0.33%	90.94%	Y	Y
41	1129	25712	ESURANCE INS CO	11,989,891	0.32%	91.26%	Y	Y
42	111	14613	MONTGOMERY MUT INS CO	11,669,338	0.32%	91.58%	Y	Y
43	4	29068	IDS PROP CAS INS CO	11,540,202	0.31%	91.89%	Y	Y
44	91	34690	PROPERTY & CAS INS CO OF HARTFORD	11,398,798	0.31%	92.20%	Y	Y
45	241	34339	METROPOLITAN GRP PROP & CAS INS CO	10,950,744	0.30%	92.50%	Y	Y
46	91	11000	SENTINEL INS CO LTD	10,260,509	0.28%	92.78%	Y	Y
47	91	30104	HARTFORD UNDERWRITERS INS CO	9,977,775	0.27%	93.05%	Y	Y
48	271	14990	PENNSYLVANIA NATL MUT CAS INS CO	9,882,111	0.27%	93.31%	Y	Y
49	640	14664	MUTUAL BENEFIT INS CO	9,425,723	0.26%	93.57%	Y	Y
50	111	39012	SAFECO INS CO OF IL	8,663,640	0.23%	93.80%	Y	Y
51	111	33588	FIRST LIBERTY INS CORP	8,505,568	0.23%	94.03%	Y	Y
52	3548	36137	TRAVELERS COMMERCIAL INS CO	8,256,120	0.22%	94.26%	Y	Y
53	0	16128	PARAMOUNT INS CO	8,245,529	0.22%	94.48%	Y	Y
54	242	19259	SELECTIVE INS CO OF SC	7,944,110	0.22%	94.70%	Y	Y
55	212	10806	FARMERS NEW CENTURY INS CO	7,890,009	0.21%	94.91%	Y	Y
56	212	21709	TRUCK INS EXCH	7,846,520	0.21%	95.12%	Y	Y
57	111	24074	OHIO CAS INS CO	7,717,640	0.21%	95.33%	Y	Y
58	212	32220	AMERICAN INTL INS CO	7,430,084	0.20%	95.53%	Y	Y
59	0	33545	SEMINOLE CAS INS CO	7,086,316	0.19%	95.72%	Y	Y
60	200	21253	GARRISON PROP & CAS INS CO	6,932,003	0.19%	95.91%	Y	Y
61	140	25453	NATIONWIDE INS CO OF AMER	6,783,775	0.18%	96.10%	Y	Y
62	215	10914	KEMPER INDEPENDENCE INS CO	6,585,690	0.18%	96.27%	Y	Y
63	213	26263	ERIE INS CO	6,369,216	0.17%	96.45%	Y	Y
64	33	20117	CALIFORNIA CAS IND EXCH	6,186,865	0.17%	96.61%	Y	Y
65	761	21873	FIREMANS FUND INS CO	6,057,884	0.16%	96.78%	Y	Y
66	241	25321	METROPOLITAN DRT PROP & CAS INS CO	5,738,618	0.16%	96.93%	Y	Y
67	0	40720	INTERSTATE AUTO INS CO INC	5,682,401	0.15%	97.09%	Y	Y
68	3548	25666	TRAVELERS IND CO OF AMER	5,613,445	0.15%	97.24%	Y	Y

Exhibit 2

2009 Rank	2009 Group Code	NAIC Code	Company Name	2009 Written Premium	2009 Market Share	Cumulative Market Share	Writes Regular Auto	Uses Territories
69	215	10226	UNITRIN DIRECT INS CO	5,389,374	0.15%	97.39%	Y	Y
70	38	20303	GREAT NORTHERN INS CO	5,104,591	0.14%	97.52%	Y	Y
71	250	13692	DONEGAL MUT INS CO	4,802,144	0.13%	97.65%	Y	Y
72	3548	19070	STANDARD FIRE INS CO	4,652,004	0.13%	97.78%	Y	Y
73	79	42447	NATIONAL GEN ASSUR CO	4,280,141	0.12%	97.90%	Y	Y
74	242	39926	SELECTIVE INS CO OF THE SOUTHEAST	3,731,279	0.10%	98.00%	Y	Y
75	241	40169	METROPOLITAN CAS INS CO	3,146,402	0.09%	98.08%	Y	Y
76	253	14168	HARLEYSVILLE MUT INS CO	2,920,260	0.08%	98.16%	Y	Y
77	140	37877	NATIONWIDE PROP & CAS INS CO	2,681,107	0.07%	98.23%	Y	Y
78	212	11185	FOREMOST INS CO GRAND RAPIDS MI	2,470,286	0.07%	98.30%	Specialty	Y
79	111	44393	WEST AMER INS CO	2,457,523	0.07%	98.37%	Y	Y
80	111	42404	LIBERTY INS CORP	2,422,390	0.07%	98.43%	Y	Y
81	175	19530	STATE AUTO NATL INS CO	2,312,551	0.06%	98.50%	Y	Y
82	155	24260	PROGRESSIVE CAS INS CO	2,171,671	0.06%	98.56%	Y	Y
83	250	22586	ATLANTIC STATES INS CO	2,157,380	0.06%	98.61%	Y	Y
84	408	29963	UNITED FARM FAMILY INS CO	2,096,664	0.06%	98.67%	Y	Y
85	212	23795	AMERICAN INTL PACIFIC INS	2,060,929	0.06%	98.73%	Y	Y
86	0	21261	ELECTRIC INS CO	2,037,417	0.06%	98.78%	Y	Y
87	212	20796	AIG PREMIER INS CO	2,030,885	0.06%	98.84%	Y	Y
88	91	19682	HARTFORD FIRE IN CO	1,971,911	0.05%	98.89%	Y	Y
89	771	10675	AAA MID ATLANTIC INS CO	1,926,380	0.05%	98.94%	Y	Y
90	169	21164	DAIRYLAND INS CO	1,901,811	0.05%	98.99%	Y	Y
91	626	18279	BANKERS STANDARD INS CO	1,859,405	0.05%	99.04%	Y	Y
92	215	26085	WARNER INS CO	1,725,560	0.05%	99.09%	Y	Y
93	300	22683	TEACHERS INS CO	1,670,248	0.05%	99.14%	Y	Y
94	38	20281	FEDERAL INS CO	1,496,102	0.04%	99.18%	Y	Y
95	761	21849	AMERICAN AUTOMOBILE INS CO	1,456,095	0.04%	99.22%	Y	Y
96	54	10448	CUMBERLAND INS CO INC	1,444,205	0.04%	99.26%	Y	Y
97	12	19399	AIU INS CO	1,415,599	0.04%	99.29%	Y	Y
98	311	14788	NGM INS CO	1,312,603	0.04%	99.33%	Y	Y
99	300	22756	HORACE MANN PROP & CAS INS CO	1,281,393	0.03%	99.36%	Y	Y
100	677	18058	PHILADELPHIA IND INS CO	1,190,398	0.03%	99.40%	Y	Y
101	300	22578	HORACE MANN INS CO	1,153,490	0.03%	99.43%	Y	Y
102	241	40649	ECONOMY PREMIER ASSUR CO	1,141,309	0.03%	99.46%	Y	Y

Exhibit 2

2009 Rank	2009 Group Code	NAIC Cocode	Company Name	2009 Written Premium	2009 Market Share	Cumulative Market Share	Writes Regular Auto	Uses Territories
103	3548	28188	TRAVCO INS CO	1,054,468	0.03%	99.49%	Y	Y
104	361	23469	AMERICAN MODERN HOME INS CO	1,005,525	0.03%	99.51%	Specialty	Y
105	212	36587	AIG NATL INS CO INC	954,351	0.03%	99.54%	Y	Y
106	311	40231	OLD DOMINION INS CO	913,665	0.02%	99.56%	Y	Y
107	155	38628	PROGRESSIVE NORTHERN INS CO	903,497	0.02%	99.59%	Y	Y
108	250	39900	PENINSULA IND CO	835,676	0.02%	99.61%	Y	Y
109	311	29939	MAIN ST AMER ASSUR CO	824,409	0.02%	99.63%	Y	Y
110	3678	13455	BANKERS INDEPENDENT INS CO	772,098	0.02%	99.66%	Y	Y
111	19	10111	AMERICAN BANKERS INS CO OF FL	760,856	0.02%	99.68%	Y	Y
112	241	26298	METROPOLITAN PROP & CAS INS CO	744,362	0.02%	99.70%	Y	Y
113	91	29459	TWIN CITY FIRE INS CO CO	743,989	0.02%	99.72%	Y	Y
114	38	20397	VIGILANT INS CO	709,353	0.02%	99.74%	Y	Y
115	140	42889	VICTORIA FIRE & CAS CO	705,580	0.02%	99.75%	Y	Y
116	140	10723	NATIONWIDE ASSUR CO	693,001	0.02%	99.77%	Y	Y
117	215	43044	RESPONSE INS CO	661,139	0.02%	99.79%	Y	Y
118	38	20346	PACIFIC IND CO	524,927	0.01%	99.81%	Y	Y
119	1129	37915	ESSENTIA INS CO	496,865	0.01%	99.82%	Specialty	Y
120	215	31968	MERASTAR INS CO	469,650	0.01%	99.83%	Y	Y
121	0	44229	TRUSTSTAR INS CO	424,414	0.01%	99.84%	Specialty	Y
122	4254	40827	VIRGINIA SURETY CO INC	423,557	0.01%	99.85%	Specialty	Y
123	253	35696	* HARLEYSVILLE PREFERRED INS CO	378,203	0.01%	99.86%	Y	Y
124	215	10915	UNITRIN DIRECT PROP & CAS CO	362,298	0.01%	99.87%	Y	Y
125	361	23450	AMERICAN FAMILY HOME INS CO	343,094	0.01%	99.88%	Specialty	Y
126	3495	22268	INFINITY INS CO	338,931	0.01%	99.89%	Specialty	Y
127	140	19100	AMCO INS CO	324,282	0.01%	99.90%	Y	Y
128	0	41459	ARMED FORCES INS EXCH	317,305	0.01%	99.91%	Y	Y
129	244	10677	CINCINNATI INS CO	296,303	0.01%	99.92%	Y	Y
130	91	22357	HARTFORD ACCIDENT & IND CO	292,923	0.01%	99.93%	Y	Y
131	212	43974	AIG IND INS CO	290,343	0.01%	99.93%	Y	Y
132	12	19402	CHARTIS PROP CAS CO	286,151	0.01%	99.94%	Y	Y
133	88	22292	HANOVER INS CO	239,583	0.01%	99.95%	Y	Y
134	111	24724	FIRST NATL INS CO OF AMER	232,770	0.01%	99.95%	Y	Y
135	785	28932	MARKEL AMER INS CO	227,747	0.01%	99.96%	Specialty	Y
136	1281	24821	MERITPLAN INS CO	215,257	0.01%	99.97%	Y	Y

Exhibit 2

2009 Rank	2009 Group Code	NAIC Code	Company Name	2009 Written Premium	2009 Market Share	Cumulative Market Share	Writes Regular Auto	Uses Territories
137	38	10052	* CHUBB NATL INS CO	209,980	0.01%	99.97%	Y	Y
138	761	21881	* NATIONAL SURETY CORP	161,981	0.00%	99.98%	Y	Y
139	1281	24813	BALBOA INS CO	140,780	0.00%	99.98%	Y	Y
140	212	11800	FOREMOST PROP & CAS INS CO	127,507	0.00%	99.98%	Specialty	
141	79	23728	NATIONAL GEN INS CO	94,432	0.00%	99.99%	Y	Y
142	17	10051	LYNDON SOUTHERN INS CO	91,754	0.00%	99.99%	Specialty	
143	19	19615	AMERICAN RELIABLE INS CO	57,865	0.00%	99.99%	Specialty	
144	12	26220	YOSEMITE INS CO	46,048	0.00%	99.99%	Specialty	
145	0	27502	WESTERN GEN INS CO	45,510	0.00%	99.99%	Specialty	
146	212	43699	AMERICAN FEDERATION INS CO	43,405	0.00%	99.99%	Specialty	
147	169	24988	SENTRY INS A MUT CO	31,683	0.00%	100.00%	Y	Y
148	91	29424	* HARTFORD CAS INS CO	31,547	0.00%	100.00%	Y	Y
149	775	13714	PHARMACISTS MUT INS CO	29,575	0.00%	100.00%	Y	Y
150	140	42579	ALLIED PROP & CAS INS CO	23,352	0.00%	100.00%	Y	Y
151	84	32620	NATIONAL INTERSTATE INS CO	19,186	0.00%	100.00%	Specialty	
152	212	34789	AIG CENTENNIAL INS CO	16,038	0.00%	100.00%	Y	Y
153	1129	21970	ONEBEACON INS CO	12,346	0.00%	100.00%	n/a	n/a
154	140	42587	DEPOSITORS INS CO	11,310	0.00%	100.00%	Y	Y
155	3098	12904	TOKIO MARINE & NICHIDO FIRE INS CO	8,762	0.00%	100.00%	Y	Y
156	8	37907	DEERBROOK INS CO	8,646	0.00%	100.00%	Y	Y
157	626	22667	* ACE AMER INS CO	6,243	0.00%	100.00%	Specialty	
158	2898	37850	PACIFIC SPECIALTY INS CO	5,717	0.00%	100.00%	Specialty	
159	91	37478	* HARTFORD INS CO OF THE MIDWEST	4,707	0.00%	100.00%	Y	Y
160	313	33898	AEGIS SECURITY INS CO	3,716	0.00%	100.00%	Specialty	
161	212	19356	MARYLAND CAS CO	3,003	0.00%	100.00%	n/a	n/a
162	12	23841	* NEW HAMPSHIRE INS CO	2,034	0.00%	100.00%	n/a	n/a
163	84	41106	* TRIUMPH CAS CO	1,368	0.00%	100.00%	Specialty	
164	212	39306	FIDELITY & DEPOSIT CO OF MD	856	0.00%	100.00%	n/a	n/a
165	361	41998	AMERICAN SOUTHERN HOME INS CO	523	0.00%	100.00%	n/a	n/a
166	1129	21962	PENNSYLVANIA GEN INS CO	117	0.00%	100.00%	n/a	n/a
167	1129	20621	* ONEBEACON AMER INS CO	105	0.00%	100.00%	n/a	n/a
168	84	26344	GREAT AMER ASSUR CO	-99	0.00%	100.00%	n/a	n/a
169	458	35769	LYNDON PROP INS CO	-379	0.00%	100.00%	n/a	n/a
170	1129	20648	EMPLOYERS FIRE INS CO	-3,154	0.00%	100.00%	n/a	n/a

Exhibit 2

2009 Rank	2009 Group Code	NAIC Code	Company Name	2009 Written Premium	2009 Market Share	Cumulative Market Share	Writes Regular Auto	Uses Territories
171	0	31240	COMMONWEALTH MUT INS CO OF AMER	-6,694	0.00%	100.00%	n/a	n/a
INDUSTRY TOTAL				3,691,405,635				

* Indicates the company is new for 2009 in terms of premiums

Following companies are not on 2009 premium list, but were on the 2008 Territorial rating report list							
n/a	111	19704	AMERICAN STATES INS CO				Reason
n/a	24	19895	ATLANTIC MUT INS CO				No more Premium
n/a	24	19909	CENTENNIAL INS CO				Withdrawn
n/a	3678	39098	OMNI INS CO				Withdrawn
n/a	19	42978	AMERICAN SECURITY INS CO				No more Premium

Title 31 MARYLAND INSURANCE ADMINISTRATION

Subtitle 07 INSURANCE RATING LAW

Chapter 03 Review of Automobile Rating Territories

Authority: Insurance Article, §§2-109, 11-216, 11-319, and 11-339, Annotated Code of Maryland

.01 Purpose.

The purpose of this chapter is to ensure that all insurers that use territory as a factor in establishing automobile insurance rates in the State, including the Maryland Automobile Insurance Fund, file statements with the Commissioner that satisfy the requirements of Insurance Article, §§11-216 and 11-319, Annotated Code of Maryland.

.02 Triannual Review of Territories.

Each insurer that uses territory as a factor in establishing automobile insurance rates in the State, including the Maryland Automobile Insurance Fund, shall conduct a review of its territories every 3 years.

.03 Filing Requirements.

A. Each insurer that uses territory as a factor in establishing automobile insurance rates in the State, including the Maryland Automobile Insurance Fund, shall file with the Commissioner a certification statement.

B. The certification statement shall be on the form adopted by the Commissioner in Regulation .04 of this chapter.

C. The certification statement shall be filed:

- (1) On or before June 1, 2007;
- (2) Upon completion of each review required by the Commissioner pursuant to Regulation .02 of this chapter; and
- (3) Contemporaneously with each rate filing that indicates a modification of territorial rating factors.

.04 Certification Statement for Automobile Insurers.

A. Certification Statement for Insurers and Rating Organizations.

CERTIFICATION STATEMENT
REVIEW OF AUTOMOBILE RATING TERRITORIES

I, _____, a duly authorized representative of _____ (insurer or rating organization), NAIC # _____ (if applicable), do hereby certify that the following information is true to the best of my knowledge and belief.

1. The use of territories as a factor in rating by the above-named (insurer or rating organization) has been reviewed within the previous 3 years; and

2. Use of the territories on file, or as set forth in this filing, are actuarially justified. I understand that the Maryland Insurance Administration will rely on this certification, and if it is determined that this certification is materially false or incorrect, the insurer may be subject to administrative action, including appropriate penalties.

Date Signature of Authorized Representative

Name of Authorized Representative:

Title: _____

Address of Insurer: _____

Mail certification statement to: P & C Rate and Form Unit, Maryland Insurance Administration, 200 St. Paul Place, Baltimore, MD 21202.

B. Certification Statement for Insurers Adopting the Certification Statement of a Rating Organization.

CERTIFICATION STATEMENT
REVIEW OF AUTOMOBILE RATING TERRITORIES

I, _____, a duly authorized representative of _____ (insurer), NAIC # _____, do hereby certify that the following information is true to the best of my knowledge and belief.

1. #032; _____ (insurer) is a member of or subscriber to _____ (rating organization), a licensed rating organization, and has authorized the Commissioner to accept filings from _____ (rating organization) on its behalf or has filed to adopt _____ (rating organization's) filings.

2. #032; _____ (insurer) has filed no deviations relating to territory from the automobile rate filings submitted by _____ (rating organization).

3. #032; _____ (rating organization) has filed with the Commissioner the certification statement required by Insurance Article, §11-216 or 11-319, Annotated Code of Maryland, and COMAR 31.07.03.03.

4. #032; _____ (insurer) hereby adopts the statements made in the certification statement.

I understand that the Maryland Insurance Administration will rely on this certification, and if it is determined that this certification is materially false or incorrect, the insurer may be subject to administrative action, including appropriate penalties.

Date Signature of Authorized Representative

Name of Authorized Representative:

Title: _____

Address of Insurer: _____

Mail certification statement to: P&C Rate and Form Unit, Maryland Insurance Administration, 200 St. Paul Place, Baltimore, MD 21202.

.05 Filings Made By Rating Organizations.

A. A licensed rating organization that files on behalf of its members or subscribers automobile insurance rates that use territory as a factor in establishing automobile insurance rates in the State shall comply with the provisions of Regulations .02—.04 of this chapter.

B. An insurer that is required to file a certification statement may utilize the certification statement in Regulation .04B of this chapter if:

(1) The insurer is a member or subscriber of a licensed rating organization which has been authorized to make filings on the insurer's behalf or the insurer has filed to adopt the rating organization's filing; and

(2) The insurer has not filed with the Commissioner a deviation from the rates, loss costs, or both, filed by the rating organization relating to the use of territories.

Administrative History

Effective date: January 15, 2007 (34:1 Md. R. 33)