

IN THE MATTER OF
CLAIMS MADE POLICIES
ENDORSEMENTS, RIDERS
OR BINDERS

* BEFORE THE INSURANCE DIVISION
* OF THE MARYLAND DEPARTMENT OF
* LICENSING AND REGULATION
*
* CASE NO: 13846-6/86
*
*

MEMORANDUM & ORDER

On July 15, 1986, the Insurance Commissioner conducted a hearing pursuant to a notice published in the Maryland Register, Vol. 13;13, p. 1531, to review existing and proposed filings and to determine whether all forms, specifically as respects time limitations and restrictions in the extended reporting period coverages are in accordance with the appropriate sections of Article 48A, Annotated Code of Maryland.

Testimony was received at the hearing from ISO, USF&G and Acceleration National Insurance Company. Written statements by any of the witnesses have been made a part of the official record of the hearing. The record was kept open until August 15, 1986 for the submission of any further written testimony and any other exhibits. Written comments were received by National Association of Independent Insurers, CNA Companies, Pollution Liability Insurance Association, and Meridian Insurance Company Limited.

Having considered the testimony presented at the hearing, as well as all written submission, it is ORDERED this 29th day of September, 1986 that:

Any policy issued on a claims made basis shall include, at the option of the insured, an offer to purchase an extended reporting period. Any limitation to this contractual right must be prior approved by the Maryland Insurance Division. In any event, the insurer shall include in all form filings for claims made policies the availability of an unlimited extended reporting period subject to the underwriting standards of the insurer. Filings already approved shall be amended to comply with the above direction.

It is further ORDERED that a copy of this Memorandum & Order be published in the Maryland Register.

Signature on file with original

Thomas P. Raimondi
Assistant Commissioner
Property & Casualty Bureau