

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 3623

IN THE MATTER OF:

Served March 8, 1991

Adoption of RULES OF PRACTICE AND)
PROCEDURE AND REGULATIONS)

Case No. MP-91-05

NOTICE: THIS ORDER REVISES THE CERTIFICATE OF INSURANCE FORM
AND THE NOTICE OF CANCELLATION OF INSURANCE FORM.

By Order No. 3600, served January 17, 1991, the Commission published new rules and regulations to be effective February 19, 1991. Appended to the regulations were certain forms, including one for a certificate of insurance. As a result of informal inquiries and written comments, the Commission will adopt changes in the Certificate of Insurance form prescribed by Commission Regulation 58.

The revised form provides for the filing of layered primary and excess liability insurance coverage. Some regulatory agencies do not accept layered coverage, an approach which necessitates that a single insurance company underwrite the entire risk. Unquestionably, this simplifies the record keeping process and thereby reduces the opportunity for administrative error. These are important agency benefits in an area as important as liability insurance. On the other hand, the one-insurance-carrier approach may limit the ability of the passenger carrier to shop for the best value in an area as expensive as liability insurance. This limitation may become more acute in securing the \$5 million coverage required of many passenger carriers. In this regard it is noted that this Commission's minimum insurance requirements for certificated carriers are the same as those required by the Interstate Commerce Commission, whose certificate of insurance form does accommodate layered primary and excess coverage.

Certain language has been added to the form to clarify that it pertains only to operations that require the issuance of operating authority and not to operations that are exempt from that requirement, such as taxicabs and other vehicles that perform a bona fide taxicab service. Other changes have been made for purposes of clarification.

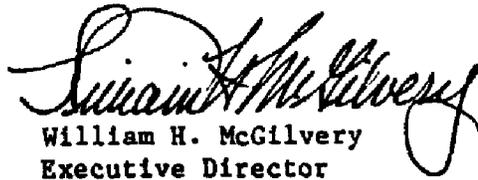
The Commission has determined that the form prescribed by Regulation No. 58 for notice of cancellation of insurance should be revised to include a signature block.

Upon consideration of these matters, the Commission hereby reopens Case No. MP-91-05 and amends the certificate of insurance form and the notice of cancellation of insurance form published January 17, 1991, to the forms appended to this order. For any carrier holding WMATC operating authority on the date this order is issued, these forms will become effective upon (1) the first expiration date of any

certificate of auto liability insurance such carrier now has on file with the Commission, (2) such earlier date as all or any part of such carrier's auto liability insurance is cancelled or terminated for any reason prior to the expiration date, or (3) such earlier date as the carrier requires insurance to receive expanded operating authority.

IT IS SO ORDERED.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS WORTHY, SCHIFTER AND SHANNON:


William H. McGilvery
Executive Director

C E R T I F I C A T E O F I N S U R A N C E

Filed with Washington Metropolitan Area Transit Commission

And an ENDORSEMENT to the insurance policy for which this
Certificate is issued.

This is to certify that

_____ (Name of Insurance Company)

_____ (hereinafter called the company) of

_____ (Address of Home Office of Insurance Company)

has issued its Policy No. _____ to

_____ of

_____ (Motor Carrier Name)

_____ (Motor Carrier Address)

as a passenger carrier. This policy, by his endorsement which is incorporated therein, is amended to conform to the following terms and conditions:

1. The policy of insurance for which this certificate and endorsement is issued is extended to cover any motor vehicle owned or operated by the named insured in the transportation of passengers for compensation pursuant to operating authority issued or required pursuant to the Washington Metropolitan Area Transit Regulation Compact, whether or not such motor vehicle is specifically named, numbered, or designated in the policy.

2. CHECK ONE AS APPROPRIATE:

() This insurance is primary, and the company shall not be liable for amounts in excess of \$ _____ for each accident.

() This insurance is excess, and the company shall not be liable for amounts in excess of \$ _____ for each accident in excess of the underlying limit of \$ _____ for each accident.

Insurance represented by this Certificate shall be considered as in effect and affording continuous coverage (1) until the expiration date specified below, or (2) until cancelled or terminated by written notice received by the Commission not less than thirty (30) days prior to cancellation or termination, or (3) until termination by replacement with another certificate of insurance filed with and accepted by the Commission.

(OVER)

If by virtue of any requirement of this endorsement and certificate the company should pay any loss under this policy which has resulted directly or indirectly from violation by the insured of any policy terms or conditions, the insured, at whose request this certificate and endorsement is issued and filed, agrees to reimburse the company to the full extent of such loss.

The company hereby agrees to furnish the Commission a copy of the policy indicated on this certificate upon request from the Commission.

Effective date of Certificate _____, 19____.
12:01 a.m. Eastern Standard Time

Termination date of Certificate _____, 19____.
12:01 a.m. Eastern Standard Time

Countersigned at _____,
(Business Name of Authorized Company Agent)

(Complete Business Address of Authorized Company Agent)

this ____ day of _____, 19____ by _____,
Name of Authorized Company Agent

Signature

MINIMUM LIABILITY INSURANCE REQUIRED BY WMATC REGULATION NO. 58

Carriers with operating authority
unrestricted as to vehicle seating
capacity. \$5,000,000 Combined Single Limit

Carriers with operating authority
restricted to vehicles seating 15
persons or less, including the
driver. \$1,500,000 Combined Single Limit

FILE THIS FORM WITH:
Washington Metropolitan
Area Transit Commission
1828 L Street, N.W., Suite 703
Washington, DC 20036-5104

NOTICE OF CANCELLATION OF INSURANCE

Filed with the Washington Metropolitan Area Transit Commission
(hereinafter called Commission).

This is to advise that Policy No. _____ issued to
_____ of
(Name of Motor Carrier)

_____ by
(Address of Motor Carrier)

_____,
(Name of Insurance Company)

_____,
(Address of Home Office of Insurance Company)
including any and all endorsements forming a part thereof or certificates
issued in connection therewith, is hereby cancelled, effective as of the
_____ day of _____, 19____, 12:01 a.m., Eastern Standard Time or
30 days after receipt of this notice by the Commission, whichever is
later.

This Notice of Cancellation issued this _____ day of _____, 19____,

by _____,
(Business Name of Authorized Company Agent)

_____ by
(Complete Business Address of Authorized Company Agent)

(Name of Authorized Company Agent)

(Signature)

NOTE: Form of Reinstatement of Insurance. A reinstatement of insurance
which has been cancelled shall be accomplished by the filing of a
new certificate of insurance in the form prescribed by the
Commission.

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Washington Metropolitan
Area Transit Commission
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Washington, DC 20036-5104