

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 5029

IN THE MATTER OF:

Served February 26, 1997

PETER PAN BUS LINES, INC., )  
Revocation of Certificate of )  
Insurance and Investigation of )  
Suspension and Revocation of )  
Certificate No. 232 )

Case No. MP-97-08

The Compact, Title II, Article XI, Section 7(f), directs each person holding a certificate of authority to comply with the Commission's insurance regulations. Article XI, Section 7(g) provides that a certificate of authority is not valid unless the holder is in compliance with the insurance requirements of the Commission. Article XI, Section 10, states that after notice and hearing, the Commission may suspend or revoke all or part of a carrier's certificate of authority for the carrier's willful failure to comply with an order, rule or regulation of the Commission. Commission Regulation No. 58-01 provides in pertinent part:

A carrier shall secure the public by means of an insurance policy or policies in such minimum amounts and subject to such conditions as the Commission may prescribe. Evidence of the existence of such insurance shall be filed with the Commission and shall be in a form approved by or acceptable to the Commission.

Regulation No. 58-02 provides in pertinent part: "Security for the protection of the public shall remain in effect at all times."

On January 31, 1997, Peter Pan Bus Lines, Inc., Carrier No. 232, filed a WMATC Certificate of Insurance and Policy Endorsement which certifies the existence of a \$5 million primary policy issued by United National Insurance Co., policy no. SXTP45559. The certificate of insurance is countersigned by First American Insurance Agency, Inc.

On February 24, 1997, Peter Pan tendered a replacement certificate. The replacement certificate is headed "CORRECTED REPLACEMENT" and indicates that policy no. SXTP45559 only covers Peter Pan for up to \$4.75 million per accident, and only in excess of an asserted "Self-Insured Retention" of \$250,000. The replacement was countersigned by United using a machine or rubber stamp.

Commission Regulation No. 58-08 provides that a certificate of insurance may be replaced by another certificate of insurance if the replacement is acceptable under the Commission's regulations. Regulation No. 58-05 requires the filing of an original WMATC certificate of insurance. A WMATC certificate of insurance signed with a machine or rubber stamp does not meet that requirement. Consequently, the certificate filed on February 24 is unacceptable. This accords with the Commission's long-standing practice of refusing to accept machine-stamped or rubber-stamped certificates.

With respect to the certificate of insurance filed on January 31, Regulation No. 58-09 provides that the Commission may, upon thirty (30) days' notice, revoke its approval of any certificate of insurance if, in the judgment of the Commission, such security does not comply with the Commission's regulations or for any reason fails to provide satisfactory or adequate protection for the public. The January 31 certificate of insurance of Peter Pan shall be revoked accordingly.

THEREFORE, IT IS ORDERED:

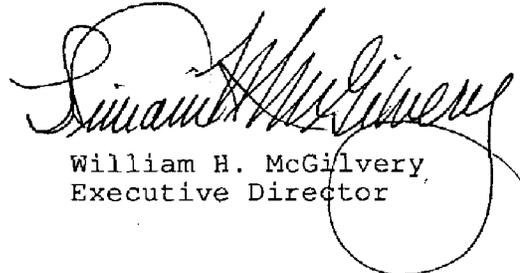
1. That the certificate of insurance of Peter Pan Bus Lines, Inc., is hereby revoked, effective thirty days after the date this order is served.

2. That Peter Pan Bus Lines, Inc., shall have thirty days from the date of this order to file one or more replacement certificates of insurance establishing \$5 million in coverage, whereupon this proceeding will be terminated.

3. That unless Peter Pan Bus Lines, Inc., complies with the requirements of this order within 30 days from the date it is served, Certificate of Authority No. 232 shall be invalid and shall stand automatically suspended pursuant to Article XI, Section 7(g) of the Compact and Regulation No. 58-02 and shall be subject to revocation without further proceedings.

4. That Peter Pan Bus Lines, Inc., may file within fifteen days from the date of this order a request for oral hearing, indicating the grounds for the request and describing the evidence to be adduced and explaining why such evidence cannot be adduced without an oral hearing.

FOR THE COMMISSION:



William H. McGilvery  
Executive Director