

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 5929

IN THE MATTER OF:

Served July 11, 2000

DAV-EL TRANSPORTATION, INC., )  
Suspension and Investigation of )  
Revocation of Certificate No. 531 )

Case No. MP-2000-20

This proceeding is instituted pursuant to Title II, Article XI, Section 10, of the Compact for the purpose of determining whether Certificate of Authority No. 531 shall be revoked.

Article XI, Section 7(f), of the Compact directs each person holding a certificate of authority to comply with the Commission's insurance regulations. Commission Regulation No. 58-01 requires each carrier to maintain on file with the Commission an effective WMATC certificate of insurance showing the prescribed minimum liability coverage. In respondent's case the minimum liability coverage is \$5 million for any single incident. This proceeding concerns respondent's liability coverage for the first \$1 million in claims.

On March 28, 2000, respondent filed a certificate of insurance showing liability coverage for the first \$1 million in claims arising out of a single incident. The certificate was issued by Arthur J. Gallagher & Co. on behalf of United National Insurance Company.

On May 5, 2000, United National filed a replacement certificate of insurance showing liability coverage of only \$950,000 in excess of the first \$50,000 in claims -- not the entire \$1 million as originally represented by Arthur Gallagher. This leaves respondent without liability insurance for the first \$50,000 in claims arising out of a single incident. Consequently, respondent is in violation of Regulation No. 58-01.

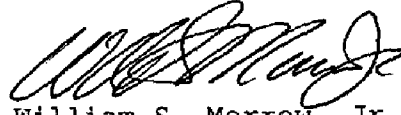
Under Article XI, Section 7(g), of the Compact and Regulation No. 58-02, respondent's certificate of authority is invalid and automatically suspended.

THEREFORE, IT IS ORDERED:

1. That respondent is made a party to this proceeding.
2. That respondent is directed to file within 30 days from the date of this order an appropriate certificate of insurance, or such other evidence, in writing and under oath, as respondent may deem pertinent to show cause why respondent's certificate of authority should not be revoked.
3. That respondent is hereby directed to cease and desist from conducting transportation subject to the Compact, unless and until otherwise ordered by the Commission.

4. That respondent may file within 15 days from the date of this order a request for oral hearing, containing reasonable grounds showing good cause to require such hearing, including the evidence to be adduced at oral hearing and the reason(s) why such evidence could not be adduced without oral hearing.

FOR THE COMMISSION:

A handwritten signature in black ink, appearing to read "W.S. Morrow, Jr.", written in a cursive style.

William S. Morrow, Jr.  
Acting Executive Director