

CHAPTER 17
AUTOMOBILE LIABILITY INSURANCE

Article 1
Guam Automobile Assigned Risk Plan

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§17101. Legal Authority. Title 16 Guam Code Annotated §32101. The Guam Automobile Assigned Risk Plan consists of the rules and regulations contained in this article and is approved and issued by the Insurance Commissioner for the following purposes:

(a) To provide a means by which risks of applicants for automobile bodily injury and property damage liability insurance who are in good faith entitled to but are unable to procure such insurance through ordinary methods may obtain such coverage.

(b) To establish a reasonable plan for the assignment of eligible risks and for the equitable apportionment of these risks among insurers admitted to transact automobile liability insurance in Guam.

§17102. Terms Defined. Title 16 §23101. Unless the context otherwise requires, as used herein:

(a) *Applicant* means a person who is (1) the owner of a vehicle or (2) a licensed operator duly authorized to act for and in behalf of the owner or (3) a lessee of a leased vehicle registered in the Territory or lessee of a leased vehicle registered in another state.

(b) *Automobile, Vehicle or Motor Vehicle* means a self propelled vehicle as defined in the Vehicle Code.

(c) *Commissioner* means the Insurance Commissioner.

(d) *Conviction* means being adjudged as having violated any laws, rules and regulations of Guam or of any state or country relative to the registration, use and operation of a motor vehicle.

(e) *Direct Premiums Written* for the purposes of this Plan shall mean the automobile bodily injury and property damage liability premiums written during the previous calendar year ending December 31 less any premium from assignments under the Plan for the same period as shown in the Insurer's annual statement filed pursuant to 22 GCA §15316 and 15484 of the Government Code. Such premiums shall include gross direct premiums less return premiums without including reinsurance assumed and without deducting reinsurance ceded.

(f) *Eligible Risk* means an Applicant who is unable to procure automobile insurance coverage in the Voluntary Market but is entitled to procure mandatory automobile liability insurance coverage.

(g) *Fleet, Heavy Trucks, Taxicabs, U-Drive, Private Passenger Vehicles and Light Trucks* have the same meaning as they are defined in the current Motor Vehicle Tariff.

(h) *Insurer* means an insurer admitted to transact motor vehicle insurance and is required to participate in the plan.

(i) *Insured* means an Eligible Risk to whom an Insurer has issued a policy of insurance under the Plan.

(j) *Manager* means the person appointed by the Commissioner to administer the Plan.

(k) *Modified Vehicle* means any motor vehicle whose suspension system, including but not limited to springs, shock absorbers and steering linkage has been materially modified from the design specifications of the manufacturer.

(l) *Notice of Denial* means a written notice in the form approved by the Commissioner to be issued by an Insurer in informing an Applicant that an Insurer declines to offer Insurance to the Applicant under the Voluntary Market or under the Plan.

(m) *Registered, Registration, Operator's License and Chauffeur's License* have the same meanings as they have in the Vehicle Code.

(n) *Risk* means one or more vehicles for which an applicant is requesting any of the insurance coverage listed under 16 GCA §21102.

(o) *Territory* means the Territory of Guam.

(p) *Vehicle Code* means 16 GCA §1101 to 23550 of the Government Code.

(q) *Voluntary Market* means coverage for motor vehicle insurance provided by insurers in accordance with the current Motor Vehicle Tariff excluding policies written under the plan.

§17103. Admitted Liability Insurers Shall Participate. Legal Authority. 16 GCA §23101. All insurers admitted to transact automobile liability insurance in Guam shall participate in the Plan subject to the provisions of 16 GCA §23102.

§17104. Amount of Coverage. Legal Authority. 16 GCA §19104. (a) Every policy of automobile liability insurance issued pursuant to an assignment under the Plan shall provide the following minimum amount of coverage:

(1) \$20,000 liability insurance for damage to property of others as a result of any one accident; and

(2) \$25,000.00 third party liability insurance for bodily injury to or death of each person as a result of any one accident and \$50,000.00 in the aggregate for bodily injury to or death of all persons as a result of any one accident.

(b) Nothing contained herein shall prohibit an Insurer who accepts an assignment under this Plan from offering to any Insured any additional coverage which the Applicant may be willing to purchase, such as collision, comprehensive, medical payments and uninsured motorist coverage.

§17105. Administration. Legal Authority. 16 GCA §23104. The Commissioner shall appoint and supervise a Manager who shall administer the Plan. The Manager shall serve at the pleasure of the Commissioner. In the event the Commissioner cannot hire the services of any Manager to administer the Plan for any given period, the Commissioner may at his discretion designate a classified employee to serve as acting Manager for the Plan.

§17106. Manager's Duties and Responsibilities. Legal Authority. 16 GCA §23104. The Manager shall make all assignments under the Plan and shall faithfully and impartially perform the functions and duties set forth in this Plan. He shall keep complete records and statistics and submit reports to the Commissioner as may be necessary for the efficient operation of the Plan. The Manager shall compile the quarterly reports filed by the Insurers for assigned risks written under the Plan as required under §17116 hereof. On or before September 1st following the calendar year the Manager shall submit a compilation of the Insurers' annual reports for risks covered under the Plan together with any recommendations for the efficient administration of the Plan, including but not limited to the adjustments of rates, penalty points, record keeping and compilation of statistics. Further, the Manager shall keep a summary of the quarterly reports submitted by the Insurers.

§17107. Applicant's Eligibility. Authority 16 GCA §23105. An Applicant is not eligible for insurance under the Plan:

- (a) During the time the Applicant does not have a valid operator's license.
- (b) During the time the Applicant does not have a valid registration certificate for every motor vehicle covered under the Plan.
- (c) If the Risk presented by an Applicant contains:
 - (1) Five or more vehicles; or.
 - (2) Any vehicle other than a Private Passenger Vehicle or a Light Truck as defined in the current Motor Vehicle Tariff.

Applicants deemed ineligible by the operation of this section may be afforded coverage under the provisions set forth under §17122 hereof.

Any Applicant who is determined to be an Eligible Risk shall be afforded coverage under the Plan as required by Mandatory Automobile Liability Insurance Law.

§17108. Rate Modifications. Accumulation of Penalty Points For Assignment under the Plan. Legal Authority 16 GCA §23105. All Risks shall be subject to the rules, rates and classifications specified in the current Motor Vehicle Tariff as supplemented by the premium modifications in this Section and under §§2122 and 2123 hereof. The driving record of any Applicant and any person who during the 36 previous months, normally and usually drove or drives the motor vehicle, shall be the determining factor in the applicability of the additional premium charges set forth in this section as they apply to any Risks. These amounts are modifications to the basis of premiums set forth in the current Motor Vehicle Tariff. These modifications shall be determined by the total number of penalty points accumulated by any owner or operator and any other person authorized by the Applicant to operate the motor vehicle. In accordance with the following rules, penalty points shall be assigned to a maximum of eighteen points per vehicle on the basis of motor vehicle convictions which occurred during the 36 months immediately preceding the effective date of coverage in connection with the original application for motor vehicle insurance coverage and for renewal, during the 36 months ending prior to the effective date of renewal.

(a) Six points shall be assigned for each of the following convictions, in addition to any points assignable for any one accident.

(1) Driving a motor vehicle under the influence of intoxicating liquor or narcotic drugs.

(2) Failing to stop and report when involved in an accident where injury to any person results therefrom.

(3) Homicide or assault arising out of the operation of a motor vehicle.

(b) Five points shall be assigned for each of the following convictions, in addition to any points assignable for any accident:

(1) Operating a motor vehicle without current automobile liability insurance, certificate of registration, and a valid driver's including during a period of revocation or suspension of motor vehicle registration or driver's license.

(2) Operating a motor vehicle without the permission of owner of the vehicle.

(3) Loaning a driver's license to an unlicensed operator.

(4) Making false statement in the application for motor vehicle registration or driver's license.

(5) Impersonating an applicant for motor vehicle registration or driver's license or procuring a motor vehicle registration or driver's license through impersonation whether for himself or another person.

(c) Four points shall be assigned for each of the following convictions in addition to any points assignable for any accident:

(1) Driving a motor vehicle in a reckless manner.

(2) Engaging in a speed contest.

(3) Permitting an unlicensed person to drive.

(4) Failing to stop and report when involved in an accident where injury to person does not result therefrom.

(d) One point shall be assigned for one conviction and two points shall be assigned for each additional conviction, in the case of convictions for moving traffic violations other than those set forth above, unless the conviction resulted from an accident for which points are assignable, in which case only the points for the accident shall be assigned.

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Exception: Convictions for which the Motor Vehicle Code assigns zero points against the driver's record, such as the following shall not be considered as moving traffic violations:

(1) Any motor vehicle equipment requirement of motor vehicle and traffic laws except brake and failure to use seat belts and child restraint devices.

(2) Failure to display proper motor vehicle license plates provided such plates are in existence.

(3) Failure to have in possession a driver's license provided there is a valid driver's license in existence.

(4) Failure to have a valid driver's license or valid vehicle registration certificate, provided there is such license or registration in existence which has not been renewed for a period not in excess of ninety days.

(e) Two points shall be assigned for each automobile accident resulting in a bodily injury or death to any person or in damage to property in excess of \$250.00.

Exception: Points shall not be assigned under this subsection if the accident occurred under the following circumstances:

(1) The motor vehicle, owned or operated by the applicant or other person who usually drives the applicant's motor vehicle, was legally stopped at a traffic control or was lawfully parked (an automobile rolling from a parked position shall not be construed as lawfully parked, but shall be considered as the operation of the last operator).

(2) The motor vehicle, owned or operated by the applicant or other person who usually drives the applicant's motor vehicle, was struck in the rear by another vehicle, and the applicant or other person who usually drives the applicant's motor vehicle, was not convicted of a moving traffic violation in connection with the accident.

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(3) The motor vehicle, owned or operated by the applicant or other person who usually drives the applicant's motor vehicle, was damaged as a result of contact with a "hit-and-run" driver, and the applicant or such other person reported the accident to the proper authorities within 24 hours.

(4) The Applicant (owner or operator) or other person who usually drives the applicant's motor vehicle was not convicted of a moving traffic violation, and the owner or operator of another motor vehicle was so convicted in connection with that accident.

(5) The Applicant (owner or operator) or another person who usually drives the applicant's motor vehicle has obtained a judgment against, or a settlement from or on behalf of, the owner or operator of another vehicle involved in the accident (provided the judgment or settlement was obtained prior to the date of application to the Plan, or, in the case of renewal, prior to the effective date of the renewal policy; and provided that as a result of such accident, no judgement was obtained against, nor was any amount paid in settlement by or on behalf of, the applicant or other person who usually drives the applicant's motor vehicle).

(6) Injury or damage was caused by the contact with animals, fowl, flying gravel or falling objects.

(7) The accident occurred as a result of operating a motor vehicle in response to an emergency and, at the time of the accident, the applicant, or other person who usually drives the applicant's motor vehicle, was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad, or any law enforcement agency.

(f) Penalty Point Values and Additional Premium Charges

Zero Penalty Point	\$ 0
1 Penalty Point	\$ 30
2 Penalty Points	\$ 50

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3	Penalty Points	\$ 80
4	Penalty Points	\$130
5	Penalty Points	\$200
6	Penalty Points	\$300
7	Penalty Points	\$400
8	Penalty Points	\$500
9	Penalty Points	\$525
10	Penalty Points	\$550
11	Penalty Points	\$575
12	Penalty Points	\$600
	Over 12 Points	\$600 plus \$50 for every point in excess of 12 points

NOTE: Where any automobile policy insures more than one motor vehicle, the applicable accumulated points shall be applied first to the highest rated motor vehicle up to a maximum of eighteen points per vehicle. Any accumulated points in excess of eighteen shall be applied to the next highest rated motor vehicle or vehicle in succession, up to a maximum of eighteen points per vehicle.

§17109. Application for Coverage. Legal Authority 16 GCA §23105. An Application for automobile insurance coverage shall be filed by the Applicant or any anyone designated by him to act on his behalf.

In the event an insurer shall deny automobile liability insurance coverage to an Applicant, the Insurer, or the general agent or any duly authorized agent of the Insurer shall provide an Applicant in triplicate copies of the following documents:

- (a) Application for automobile insurance signed by Applicant or his agent.
- (b) Notice of Denial of insurance coverage stating the reasons for the refusal to issue or renew the coverage.

(c) Request For Review Forms which states the procedure by which an applicant may appeal the denial of automobile liability insurance coverage to the Commissioner.

Upon receipt of an application properly completed and executed and a determination that the Applicant is an Eligible Risk for assignment, the Manager shall designate an Insurer in accordance with §17113 hereof and assign the Eligible Risk to such Insurer.

In the assignment of an Eligible Risk to an Insurer, the Manager shall issue to the Applicant for submission and filing with the assigned Insurer or its resident general agent:

(a) An Assignment of Risk Form;

(b) The original application;

(c) The driving record and the accident record of the Applicant and any person who, during the 36 previous months, normally and usually drove or drives the motor vehicle(s) included in a Risk if this information is not readily available to the insurer or its resident general agent. The Manager shall require the Applicant to submit the above stated documents in the event the same are not readily available to the Manager.

§17110. Insurer's Duty to Accept or Reject. Legal Authority 16 GCA §23105. Within five (5) days from receipt of the required documentation stated in §17109 hereof, the designated insurer shall either:

(a) Accept the assignment by the Manager in which event it shall,

(1) Issue a policy required by this Plan or a Temporary Binder of Coverage which shall be effective not later than 12:01 A.M. of the fifth (5th) day following the receipt of such required documentation specified under §17109 hereof. In the event there is in force a policy terminating at a date later than the date which would be fixed pursuant to

this section and the Applicant indicates such date in his Application then the Insurer shall fix the date when the policy or binder becomes effective as of 12:01 A.M. on the stated termination date of such policy. In case a Temporary Binder of Coverage was issued, the policy to replace such binder shall be issued no later than thirty (30) days from the date of inception; and

(2) Collect from the Insured, the Full Annual Premium or Deposit Premium as required in §17111 hereof. If a partial deposit has been paid to the Insurer, the Insurer shall notify the Insured of the payment cancellation terms as stated in §17111 hereof; and

(3) File with the proper public agencies such required certificates or forms as are applicable to this Insured; and

(4) Notify the Manager that it has completed the assignment, and of the policy number, effective date and the gross premium.

(b) Notify the Manager and the Applicant that it believes that the Applicant is not an Eligible Risk under the Plan and the reasons underlying such belief. Such notice shall serve to notify the Manager that no policy of Insurance or Temporary Binder of Coverage shall issue to the Applicant.

§17111. Installment Premium Payment Option. Legal Authority. 16 GCA §23105. (a) Any and all premiums of \$300.00 or less must be paid in advance of the issuance of a policy or a Temporary Binder of Coverage under this Plan. In the event that an annual premium exceeds \$300.00, an Applicant may procure Insurance by paying a Deposit Premium of 30% of the entire annual premium or \$300.00, whichever is greater. The remainder must be paid within 60 days of the issuance of the premium in two equal monthly installments. An insurer may require the payment of full annual premium if an applicant has within the twelve months prior to the date of

application to the Plan, has had insurance coverage cancelled due the non-payment of premium.

(b) During any one assignment period (up to three years,) if payment is not received within the time required under this section, an Insurer shall have the right to cancel the policy by mailing or delivering to the Insured, a Notice of Cancellation for non-payment of premium. Such notice shall state:

(1) The date, not less than fifteen days from the date of mailing or delivery when a policy is to be cancelled unless payment is made, and

(2) The amount required in order for coverage to continue under the Plan. If the insured fails to meet the payment required by the date stated on such notice, the Insurer may cancel the policy; in all such cases the Insurer shall have filed with the Manager, in writing, a notice of such cancellation.

(c) During any one assignment period (up to three years), if payment is not received within the time required under this section and an Insurer mails or delivers a Notice of Cancellation for non-payment of premium, and the Insured tenders payment before the effective date of cancellation of the policy, the Insurer may require from the Insured, the full payment of the balance of the premium for the current annual policy and may require the payment of the full annual premium on any subsequent renewals for such assignment under the Plan.

(d) The obligation of a designated Insurer with regards to an assignment under the Plan ends and the Insurer is not obligated to reinstate the policy or issue a new policy under the Plan if:

(1) An insurer has canceled a policy due to the non-payment of premium; or

(2) If the Insured has failed to tender the required renewal or deposit premium in the time stated under §17117.

In the event of a cancellation or non-renewal, the Insured may file an application with the office of the Manager as a new Applicant.

§17112. Procedure for Cancellations. Legal Authority 16 GCA §23101. If after the issuance of a policy the Insurer finds that the Applicant is not eligible for Insurance the Insurer shall have the right to cancel the policy by mailing or delivering to the Insured, a Notice of Cancellation. Such notice shall state the date, not less than thirty days from the date of mailing or delivery when a policy is to be cancelled and the reasons underlying such cancellation. In all such cases the Insurer shall have filed with the Manager, in writing, prior to the effective date of cancellation, a notice of such cancellation and the reasons underlying such cancellation.

§17113. Use of Premiums to Decide Appointment of Assignments. Legal Authority. §23101. Assignments of Eligible Risks shall be equitably apportioned. The proportion of Eligible Risks assigned to an Insurer will be equal to the proportion of each Insurer's Direct Premiums Written to the total of all Insurers' Direct Premiums Written in the Territory. The Manager shall calculate the equitable apportionment of assignments to Insurers under the Plan and shall implement such calculation for assignments under the Plan upon the completion and release of the Commissioner's Annual Report as required under 16 GCA §21110.

(a) In the year that an Insurer transacts automobile liability insurance for the first time, the Insurer shall participate in the equitable apportionment of Eligible Risks and be assigned the same proportion of Eligible Risks assigned to the Insurer with the least direct premiums written but in no case less than one assignment.

(b) In the event of a merger or consolidation of Insurers, the total direct premiums written by all Insurers merged or consolidated shall be used to calculate the proportion of Eligible Risks assigned to the Insurer formed by the merger or consolidation.

(c) If after the proportion of Eligible Risks has been calculated and assignments made, a new Insurer commences transacting Insurance, the Manager shall equitably adjust the proportion for the assignment of Eligible Risks to the other Insurers.

§17114. Request for Voluntary Reassignment. Legal Authority 16 GCA §23105. An Eligible Risk who is dissatisfied with the designated Insurer or a designated insurer which is dissatisfied with an Applicant insured by it may file with the Manager, not less than 30 days prior to the expiration of policy, written request for assignment of such Eligible Risk upon expiration to another Insurer. Assignment to another Insurer shall be at the discretion of the Manager.

§17115. Assumption of Coverage by Another Carrier. Legal Authority 16 GCA §23105. The Insurer to which a risk is assigned shall, subject to the terms of this Plan, at all times be responsible for providing the Insurance required by the Plan and for the fulfillment of all contractual obligations in connection therewith to the Insured. An Insurer may discharge the responsibility through the instrumentality of another subscribing Insurer provided the written agreement with respect thereto is filed with and approved by the Commissioner. Under such agreement the policy form, coverage provided and rules, rates, minimum premiums, rating plans and classifications of the Insurer which will assume the risk shall not be less favorable to the Insured than those of the assigned Insurer and the Insured shall in all respects receive the rights and privileges extended to the Insured pursuant to the Plan.

§17116. Quarterly Reports and Annual Statements. Legal Authority. 16 GCA §§15316 and 15404. Any and all Insurers shall file annual statements as required by law and shall file quarterly reports of Direct Premiums Written, Direct Premiums Earned, Direct Losses Incurred, Direct Losses Paid, Underwriting and Investment Exhibits and Expenses under the Plan. The quarterly report shall be filed on or before the 20th day of the month following the end of the quarter.

In the event an Insurer shall fail to submit any quarterly report or annual statement in the time required herein the Commissioner shall have the discretion to assess a late filing fee of \$500.00 per report to such Insurer. In the event an Insurer shall fail to submit any required quarterly report or annual statement in excess of ninety days past the time stipulated, the Commissioner shall have the discretion to revoke the Certificate of Authority of such Insurer pursuant to 22 GCA §15106.

Should any Insurer shall fail to submit any annual statement for any given year, the Manager shall have the option of using the highest Direct Premiums Written by the such insurer for the last three previous years for the computation of the proportionate share of the Insurer in the Plan.

§17117. Renewal and Refusal to Renew. Legal Authority. 16 GCA §23105. Every Insurer insuring a risk which has been insured for a period not exceeding 24 months by assignment under the Plan shall upon the expiration of the current policy:

(a) Issue a renewal policy under the Voluntary Market and not as an assignment under the Plan at the applicable rates set forth in the current Motor Vehicle Tariff; or

(b) Issue a renewal policy as an assignment under the Plan, unless relief is granted in accordance with §2114 hereof, if the required renewal premium or deposit as determined by the insurer is received or tendered to the Insurer or its general agent at least one working day before the inception dated of the renewal policy, it being understood that payment or tender of payment to any branch office of the general agent shall be considered a valid payment. Payment by mail shall be considered a valid payment only if the payment is received by the main or branch office of the general agent at least one working day before the expiration of the policy. Any Insured failing to tender

such payment in the time specified herein shall be subject to non-renewal of policy; or

(c) Refuse to issue a renewal policy as an assignment under the Plan solely on the basis that the Insured is not eligible for insurance under the Plan. Any Insurer who refuses to issue a renewal policy under the Plan must mail or deliver a notice of non-renewal to the Insured and to the Manager at least thirty days before the expiration of the current policy.

§17118. Renewal Notices. Legal Authority. 16 GCA §23105.

An Insurer may request current policy rating information from the insured by means of a renewal questionnaire filed with and approved by the Commissioner. The questionnaire shall be mailed to the Insured at the address shown on the policy, at least sixty days before the expiration date of the policy. Should the insured fail to respond or return the questionnaire, the Insurer may use the most recent application submitted by the Insured in the calculation of the annual premium.

In any case, the Insurer must send to the Insured at the address shown on the policy, a notice for the renewal of the policy, together with the required renewal premium or down payment in accordance with §2111 hereof. This notice to the Insured shall be mailed by the Insurer no less than thirty days before the expiration date of the current policy.

§17119. Maximum Term of Coverage Under the Plan.

Legal Authority. 16 GCA §23105. An Insurer shall not be required to insure a Risk as an assignment under the Plan for a period in excess of three consecutive years.

§17120. Options After Three Years of Participation Under Plan. Legal Authority. 16 GCA §23105. Every Insurer insuring an Eligible Risk which has been insured by such insurer for a period of three consecutive years by an assignment under the Plan, shall upon expiration of the current policy, either:

- (a) Issue a policy under the Voluntary Market; or
- (b) Refuse to renew the policy under the Plan.

At least thirty days before the expiration date of such policy, such Insurer shall notify the Manager and the Insurer of its intended action under this section.

§17121. Reapplication. Legal Authority 16 GCA §23105. If an Insurer serves notice to the Applicant and discloses an intent to refuse to issue a renewal policy as an assignment under the Plan pursuant to Section 10050 hereof and the Applicant is unable to Insurance in the Voluntary Market, reapplication may be made to the Plan. Such application and subsequent assignment shall be considered a new application and a new assignment to the designated insurer.

§17122. Coverage for Risks Not Mandated by Law. Legal Authority 16 GCA §23105. Application for automobile insurance coverage on Risks other than those mandated by the Mandatory Automobile Liability Insurance Law shall be afforded coverage at the voluntary will of an Insurer.

Should any Insurer be unwilling to provide automobile insurance coverage to any Applicant for Risks other than those mandated by Mandatory Automobile Liability Insurance Law at the rates set forth in the current Motor Vehicle Tariff such Insurer must furnish an Applicant a written quotation for automobile insurance rates which must contain the following information:

- (1) Name of Applicant
- (2) Number of vehicles in the application, model, year and make or a listing of Kelly Blue Book Auto used car values.
- (3) For non-fleet vehicles, the number of penalty points accumulated by each motor vehicle listed in the policy.
- (4) Loss Experience Rate computed on the Direct Losses Incurred by any and all vehicles listed in the policy over the

Direct Premiums Earned during the 36 months preceding the date of application for coverage.

(5) Any other factor that increases the risks.

An Applicant shall have the option to accept or to secure another quotation from another Insurer. Should any Applicant agree to the quotation for insurance rates the Applicant shall sign the quotation. The Insurer shall file this accepted quotation with the Commissioner for approval. The Commissioner shall approve or disapprove this filed quotation for insurance rates within twenty days from date of filing.

The Commissioner shall approve or disapprove the filed quotation for automobile insurance rates on the basis that the information stated in the quotation does not support the rates quoted therein taking into consideration the standards set forth in 22 GCA §18502.

In the event the Commissioner approves the filed quotation for insurance rates the Insurer may issue an automobile insurance policy using the rates stated in the quotation which was approved by the Commissioner.

Should the Commissioner disapprove the filed quotation for insurance rates, the Insurer and the Applicant shall have the option to submit a revised quotation and file the same for approval.

§17123. Relief Under Tariff. Legal Authority 22 GCA §§18501 and 18502. In the calculation of the applicable insurance premium on any Risk under the Plan or under the Voluntary Market an Insurer shall.

(a) Have the option to rate and charge an Applicant who has accumulated one up to six penalty points by using the corresponding amounts of penalty set forth in the Rate Modifications Section 10038 hereof in addition to the applicable rates set forth in the current Motor Vehicle Tariff.

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(b) Rate and charge an Applicant who has accumulated seven or more penalty points by applying the corresponding amounts of penalty set forth in the Rate Modifications Section 10038 hereof in addition to the applicable rates set forth in the current Motor Vehicle Tariff.

(c) Have the option to apply a surcharge up to 30% in addition to the applicable rates set forth in the current Motor Vehicle Tariff whenever an Applicant applies for an automobile insurance coverage for any Modified Vehicle.

§17124. Appeal. Legal Authority 16 GCA §§21108, 21109, 21110 and §23105. The following persons may file an appeal with the Commissioner under the following circumstances:

(a) Any Applicant who is denied motor vehicle insurance coverage in the Voluntary Market or automobile liability insurance under the Plan in violation of any law, rule or regulation.

(b) Any Insured whose motor vehicle insurance coverage in the Voluntary Market or automobile liability insurance under the Plan has been canceled or has been refused renewal in violation of any law, rule or regulation.

(c) Any Applicant, Insured or Insurer who is affected by any ruling, order or decision rendered by the Manager in violation of any law, rule or regulation.

§17125. Procedure for Appeal. Legal Authority. 16 GCA §§21108, 21109, and 21110. The Administrative Adjudication Law shall not apply on any appeal taken by an Applicant or an Insured or an Insurer on any grounds for appeal as set forth in §17124 hereof but instead shall be governed by the following procedural rules:

(a) Any Applicant or Insured who appeals any action or decision of an Insurer shall:

(1) Submit a copy of application for automobile liability insurance in triplicate.

(2) File two copies of Request For Review within ten (10) days from receipt of Notice of Denial or Notice of Cancellation. In the event the driving record of any Applicant is not readily available to the Manager, the Applicant shall be required to submit documents of driving experience from the Superior Court of Guam or Guam Police Department or both or from any state or jurisdiction where the Applicant had resided for the 36 months preceding the date of application.

(3) Furnish the Insurer a copy of the Request For Review that is filed with the Commissioner together with all documents attached thereto.

(4) Pay a filing fee of \$15.00.

(b) Any Applicant, Insured or Insurer under the Plan who appeals any ruling, order or decision rendered by the Manager shall:

(1) File an appeal within ten (10) days from receipt of the questioned ruling or order or decision together with a statement of facts and a citation of the law, rule or regulation in support of the appeal.

(2) Attach a copy of the questioned ruling, order or decision rendered by the Manager.

(3) Pay a filing fee of \$15.00.

§17126. Summary Decision. Legal Authority 16 GCA §21109 and §21110. The Commissioner or his designee shall render a summary decision on the appeal filed by an Applicant or an Insured or by an Insurer pursuant to the provisions of §17124 hereof. The summary decision shall be rendered within forty (40) days from receipt of the appeal.

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The Commissioner or his designee shall make a determination of the appeal and shall issue an appropriate order sustaining or reversing or modifying the appealed Notice of Denial or cancellation or non-renewal of automobile insurance coverage or an assignment of risk under the Plan.

§17127. Examination. Legal Authority. 22 GCA §15316, §15402 and §15505. At such times as the Commissioner shall deem necessary and proper he may cause an examination of any Insurer required to participate in the Plan.