

## **Mutual Assessment Property and Casualty Insurance Companies 2014**

Section [38.2-2123](#) exempts mutual assessment property and casualty insurance companies from Chapter 21 of Title 38.2 of Code of Virginia. Chapter 21 applies to fire insurance and contains standards for coverage, cancellation and nonrenewal provisions, appraisal provisions and disclosure notices. Further [38.2-2517](#) states that, except for certain classes of insurance (e.g. workers compensation, motor vehicle, fidelity and surety) policy forms used by mutual assessment property and casualty insurers do not have to be approved by the Bureau; they simply have to be filed. If the insured has a business exposure covered under the homeowners' policy, the insurer would have to comply with cancellation and nonrenewal provisions ([38.2-231](#)) since the mutual assessment insurers are not exempt from Chapter 2. Even though they are exempt many of the mutual assessment companies use the ISO or AAIS forms which require more than 10 days cancellation notice. For example the AAIS form requires 45 days notice if the company cancels for any reason other than nonpayment of premium.

A suggestion from the Virginia Bureau of Insurance would be for insurance agencies to have in their office copies of each of the policies they sell and become familiar with their coverage, cancellation and nonrenewal provisions, appraisal provisions and disclosure notices. Agencies selling policies on behalf of mutual assessment property and casualty insurance companies may want to provide a disclosure that such policies are not subject to all of the code provisions to which other insurers must adhere.

Listing of Mutual Assessment Property and Casualty Companies (list may not be all-inclusive):

- Augusta Mutual Insurance Company
- Commonwealth Mutual Fire Insurance
- Dan Rivers Farmers Mutual Fire
- Farmers Mutual Fire Insurance Company of Scott, Lee and Russell County, Virginia
- Farmers Mutual Fire Insurance Company of Washington County, Virginia
- Floyd County Mutual Fire Insurance, Inc.
- Grayson-Carroll-Wythe Mutual Insurance Company
- Highland Mutual Fire Insurance
- Loudoun Mutual Insurance Company
- Mutual Assurance Society of Virginia
- Northern Neck Insurance Company
- Patrick County Farmers Mutual Insurance Company of Virginia, Inc
- Pulaski and Giles Mutual Insurance Company
- Rockbridge Mutual Fire Insurance
- Shenandoah Mutual Fire Insurance