

November 22, 2005

Bulletin # 138

TO MEMBER COMPANIES OF THE TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION:

TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION
ELECTION OF "AT LARGE" MEMBERS
OF THE GOVERNING COMMITTEE

The Texas Automobile Insurance Plan Association Annual Meeting is currently scheduled for Friday, February 17, 2006. Formal notice of the meeting will be sent to all member companies.

At its meeting on November 15, 2005, the Governing Committee instructed TAIPA staff to notify all member companies of the election to occur at the meeting, to explain the process and to give each of them an opportunity to express their interest in seeking election as an "at-large" member of the Governing Committee.

TAIPA has a Governing Committee of 15 members composed of eight company representatives, two agent representatives and five public members. Of the eight insurance company members, three are appointed by trade associations, one is elected by non-affiliated companies and four members are elected at the annual meeting. These four members are the "at large" members.

The Governing Committee has the responsibility for the administration of TAIPA through the Plan of Operation. The Plan of Operation can be seen on the TAIPA website. The website address is: www.taipa.org. The Governing Committee appoints a manager, budgets expenses, levies assessments, disburses funds and performs all duties essential to the proper administration of TAIPA. The Manager performs the duties under the supervision and control of the Governing Committee.

The Governing Committee is currently scheduled to meet four times in the year 2006. There is a possibility that other meetings will be called on an "as needed" basis.

At present the "at large" members include:

Farmers Insurance Companies
Liberty Mutual Insurance Company
Southern Farm Bureau Casualty Company
United Services Automobile Association

Each of these companies is expected to seek nomination and election for another term.

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Under the Plan of Operation the members of TAIPA elect company members to the Governing Committee. That company then designates one of its employees to act as the representative on the Governing Committee. To be eligible to serve on the Governing Committee as a representative of an insurance company, a person must be a full time employee of the elected company.

If any company in your group of companies is interested in serving as an "at large" member of the Governing Committee, please notify Bobby W. White, the Association Manager, of your company's interest no later than December 15. Also, please identify the person who would represent your company, if elected. Your company's representative should have knowledge about the operations of a residual market. Regular attendance at meetings is expected, but in the case of an emergency, another employee of your company can serve as an alternate.

All responses to this bulletin will be delivered to a nominating committee. No company is assured of nomination by the nominating committee.

Sincerely,

A handwritten signature in black ink that reads "Bobby W. White". The signature is written in a cursive, flowing style.

Bobby W. White
Association Manager