

MARGARET ALSOBROOK
OPERATIONS MANAGER

2028 E. BEN WHITE BLVD. • SUITE 400 • AUSTIN, TX 78741-7197
P.O. BOX 149144 • AUSTIN, TX 78714-9144
TELEPHONE 512/444-5999
FAX 512/444-4562

April 10, 1995

TAIPA Bulletin No. 18

To All Member Companies:

A-Affordable Insurance Agency, Dallas

In Bulletin Number 8 dated January 25, 1995, all member companies were notified that the A-Affordable agency had been placed in Chapter 7 Bankruptcy for termination and liquidation.

Recently, member companies were notified of a claim that Illinois Vehicle Insurance Agency had purchased from the bankruptcy trustee the right to be producer of record on all policies where Jeffrey M. Sacks d/b/a A-Affordable Insurance had been producer of record. Many companies have contacted the Association office raising questions about this claim.

The companies are directed to Section 10.A of the Plan of Operation. It provides in part:

Compensation shall be paid to the licensed producer designated by the insured in the application...

Proceedings have been instituted by the Texas Department of Insurance to revoke the agent's license of Mr. Jeffrey Sacks. To our knowledge this proceeding is not contested by Mr. Sacks. At present there are no rules governing procedures to be followed by companies in these circumstances. However, on May 1, 1995, the Producer Certification Program and its Rules of Operation become effective and will certainly govern policies renewing on and after May 1. Section N entitled "In Force Policies of Uncertified Producers" sets out the procedures for companies to follow. These procedures will become mandatory on May 1 and the companies may choose to follow them prior to that date in this matter.

Very truly yours,



(Ms.) Margaret Alsobrook
Operations Manager

MDA:rg

(Date)

TAIPA Bulletin No.

To All Member Companies:

A-Affordable Insurance Agency, Dallas

In Bulletin Number 8 dated January 25, 1995, all member companies were notified that the A-Affordable agency had been placed in Chapter 7 Bankruptcy for termination and liquidation.

Recently, member companies were notified of a claim that Illinois Vehicle Insurance Agency had purchased from the bankruptcy trustee the right to be producer of record on all policies where Jeffrey M. Sacks d/b/a A-Affordable Insurance had been producer of record. Many companies have contacted the Association office raising questions about this claim.

The companies are directed to Section 10.A of the Plan of Operation. It provides in part:

Compensation shall be paid to the licensed producer designated by the insured in the application . . .

Proceedings have been instituted by the Texas Department of Insurance to revoke the agent's license of Mr. Jeffrey Sacks. To our knowledge this proceeding is not contested by Mr. Sacks. At present there are no rules governing procedures to be followed by companies in these circumstances. However, on May 1, 1995, the Producer Certification Program and its Rules of Operation become effective and will certainly govern policies renewing on and after May 1. Section N entitled "In Force Policies of Uncertified Producers" sets out the procedures for companies to follow. These procedures will become mandatory on May 1 and the companies may choose to follow them prior to that date in this matter.

Very truly yours,

Margaret Alsobrook
Operations Manager

THOMPSON, COE, COUSINS & IRONS, L.L.P.

200 Crescent Court, 11th Floor

Dallas, Texas 75201-1840

Telephone (214) 871-8200

Austin Telephone (512) 480-8770

Telecopier: (214) 871-8209

*Gene is receiving*TO: MR. BOBBY W. WHITE

FAX NO:

512/444-7368

FROM:

MR. RICHARD S. GEIGER

DATE:

4/9/95

TIME

FILE NO.:

189-1

USER ID:

There are 2 pages being sent, including this page.PLEASE CALL JUDY BOHREN
having difficulty receiving this document.

at (214) 871-8200 if you are

MESSAGE:

CONFIDENTIALITY NOTE

This message is intended only for the use of the individual or entity to whom it is addressed and may contain information that is confidential and protected from disclosure by law. If the reader of this message is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any distribution or copying is prohibited. If you received this communication in error, please notify us immediately by telephone (collect), and return the original message to us at the above address via the U. S. Postal Service.
Thank you.

OK per 27
4-10-95
mu

(Date)

TAIPA Bulletin No. ____

To All Member Companies:

A-Affordable Insurance Agency, Dallas

In Bulletin Number 8 dated January 25, 1995, all member companies were notified that the A-Affordable agency had been placed in Chapter 7 Bankruptcy for termination and liquidation.

Recently, member companies were notified of a claim that Illinois Vehicle Insurance Agency had purchased from the bankruptcy trustee the right to be producer of record on all policies where Jeffrey M. Sacks d/b/a A-Affordable Insurance had been producer of record. Many companies have contacted the Association office raising questions about this claim.

The companies are directed to Section 10.A of the Plan of Operation. It provides in part:

Compensation shall be paid to the licensed producer designated by the insured in the application . . .

Proceedings have been instituted by the Texas Department of Insurance to revoke the agent's license of Mr. Jeffrey Sacks. To our knowledge this proceeding is not contested by Mr. Sacks. At present there are no rules governing procedures to be followed by companies in these circumstances. However, on May 1, 1995, the Producer Certification Program and its Rules of Operation become effective and will certainly govern policies renewing on and after May 1. Section N entitled "In Force Policies of Uncertified Producers" sets out the procedures for companies to follow. These procedures will become mandatory on May 1 and the companies may choose to follow them prior to that date in this matter.

Very truly yours,

Margaret Alsobrook
Operations Manager