

September 6, 2013

Bulletin 201

To: TAIPA Member Companies and Producers

AMENDMENT TO TAIPA PLAN OF OPERATION

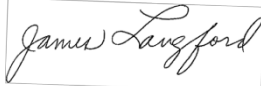
Effective May 18, 2013, the Texas Legislature enacted Senate Bill 698, which requires that insurers mail unearned premium for the cancellation or termination of a personal auto policy not later than 15 business days after the effective date of cancellation.

At its August 9, 2013 meeting, the TAIPA Governing Committee approved an amendment to Section 14 of the Plan of Operation to comply with the passage of Senate Bill 698.

Section 14 of the Plan of Operation will be amended to reflect the changes (see attached) once approved by the Texas Department of Insurance.

If you have any questions regarding this amendment, please contact TAIPA Customer Service toll-free at 866-321-9154 or by email at customer.service@taipa.org.

Sincerely,



James Langford, CPCU, AIM, ARP, ARe
Association Manager

CURRENT LANGUAGE IN TAIPA PLAN OF OPERATION

SEC. 14. PERFORMANCE STANDARDS FOR INSURERS WRITING ASSOCIATION PRIVATE PASSENGER BUSINESS

A. Performance Standards

7. Return Premium

Within 30 days of a receipt of a request for either cancellation or an endorsement resulting in return premium, the insurer must mail the return premium check.

PROPOSED LANGUAGE IN TAIPA PLAN OF OPERATION TO COMPLY WITH SENATE BILL 698

SEC. 14. PERFORMANCE STANDARDS FOR INSURERS WRITING ASSOCIATION PRIVATE PASSENGER BUSINESS

A. Performance Standards

7. Return Premium

The insurer must mail the check for the unearned premium for the cancellation or termination of the policy to the policyholder not later than 15 business days after the effective date of cancellation.

The insurer must mail the check for the unearned premium resulting from an endorsement to the policy to the policyholder within 30 days of the receipt of the request for the endorsement.