

October 27, 1995

TAIPA Bulletin No. 31

To All Member Companies:

**Underserved Market Credits and Quota Calculation
Effective 1/1/96**

Underserved market credits for voluntary writings will become a part of the quota calculation on January 1, 1996. Details of this process can be found in the Texas Automobile Insurance Plan Association Plan of Operation under Section 16.B.

Section 16.B.5. allows for the sale and purchase of these credits by Association member companies. If your company is interested in the sale or purchase of credits please advise the undersigned at the Texas Automobile Insurance Plan Association office by November 15, 1995.

The sale and purchase of credits will require an agreement between the interested member companies. The Texas Automobile Insurance Plan Association will only provide names of interested member companies upon request. The terms, conditions, and agreement itself must be negotiated by the interested member companies.

Any agreements negotiated must be completed and reported to the undersigned at the Texas Automobile Insurance Plan Association office by December 1, 1995, in order for the credits to be applied to the January 1, 1996, quota calculations. In addition any credit sale terms must be reported by the selling and buying member companies to the Texas Department of Insurance by December 1, 1995.

For additional information or questions, please contact the undersigned.

Sincerely,



Margaret Alsobrook
Operations Manager

TLM:dg