

MARGARET ALSOBROOK OPERATIONS MANAGER

July 13, 1999

TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION

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TAIPA Bulletin No. 83

To Member Companies:

Plan of Operation Amendments Sections 16.A. & 16.B.

At its meeting of May 20, 1999, the Texas Auto Insurance Plan Association (TAIPA) Governing Committee adopted amendments to Sections 16.A. and 16.B. of the TAIPA Plan of Operation.

In accordance with the Plan of Operation, these amendments were submitted to the Commissioner of Insurance for his approval. That approval has been given under Board Order No. 99-0977 dated July 12, 1999. Attached is a copy of the Board Order and the Plan of Operation amendments.

If you have any questions, please contact the undersigned at the above telephone number or at datamda@taipa.org.

Sincerely,

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Margaret Alsobrook Operations Manager

MDA: dr

Enclosure -03

No. 99-0977

Official Order *Of the* Commissioner of Insurance *Of the* State of Texas Austin, Texas

Date: JUL 1 2 1999

Subject Considered:

TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION AMENDMENTS TO SECTION 16, SUBSECTIONS A AND B OF THE PLAN OF OPERATION

General remarks and official action taken:

On this day, under reference number A-0599-09, came on for consideration by the Commissioner of Insurance, amendments to Section 16, Subsections A and B, of the Plan of Operation of the Texas Automobile Insurance Plan Association (TAIPA) as proposed by TAIPA's governing committee. Pursuant to the Insurance Code, Article 21.81, Sec. 3, the governing committee may make and amend the Plan of Operation, subject to the approval of the Commissioner.

The amendments to Section 16, Subsections A (Private Passenger) and B (Other Than Private Passenger) specify the period of time in which member insurers may submit corrected data for computation of assigned risk quotas. The purpose of the amendments is to provide member insurers with standard guidelines for the filing of such data.

Upon consideration of the TAIPA governing committee's proposed amendments, the Commissioner finds that they should be approved.

IT IS THEREFORE ORDERED that the amendments to Section 16, Subsections A and B, TAIPA Plan of Operation, described above and attached hereto are hereby adopted.

JOSE MONTEMAYOR COMMISSIONER OF INSURANCE

Proposed Amendment to TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION PLAN OF OPERATION

Section 16. DETERMINATION AND FULFILLMENT OF QUOTAS

A. Private Passenger.

Add a new ending paragraph to Section 16.A.

Corrections and adjustments to voluntary base data will be accepted for a period of 17 months from the close of the quarter.

NOTE: For example, companies may submit corrections to 1st quarter 1998 voluntary data until August 31, 1999.

Corrections for TAIPA data will be accepted for 8 months following the close of the calendar year.

NOTE: For example, corrections for 4th quarter 1998 TAIPA data will be accepted until August 31, 1999.

B. Other Than Private Passenger

Add a new ending paragraph to Section 16.B.

Corrections and adjustments to voluntary base data will be accepted for a period of 30 months from the close of the calendar year.

NOTE: For example, companies may submit corrections to calendar year 1997 voluntary base data until June 30, 2000.

Corrections for TAIPA data will be accepted for 8 months following the close of the calendar year.

NOTE: For example, corrections for 4th quarter 1998 TAIPA data will be accepted until August 31, 1999.