

**WISCONSIN
AUTOMOBILE
INSURANCE
PLAN**

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PLAN LETTER 672 - DECEMBER 17, 2002

TO: Members of the Plan

Minutes of the Wisconsin Automobile Insurance Plan Governing Committee held in the premises of the Wisconsin Automobile Insurance Plan, 20700 Swenson Drive, Waukesha, WI 53186 on Thursday, December 12, 2002. The meeting was called to order at 8:30 AM with the following members present:

ORGANIZATION

Sentry Insurance A Mutual Company, Chair
American Family Insurance Company
Employers Insurance of Wausau, A Mutual Company
Employers Mutual Casualty Company
General Casualty Company
Granite State Insurance Company
St. Paul Fire & Marine Insurance Company
State Farm Insurance Company
Wisconsin Automobile Insurance Plan

REPRESENTATIVE

Bob Lindstedt
John Richardson
Greg Loman
Bob Cascioli
John Hagen
Ken McIntosh
Vicki Danahey
Chris Galvin
Ralph Herrmann
Nancy Kierzek
Donna Knepper
Cheryl Korth

Members Absent or Excused:

Hartford Fire Insurance Company

Also Present:

Liberty Mutual Insurance Company
Michael Best & Friedrich

Charlie Echols
Paul Riegel

The Chairperson read the following opening statement before convening the meeting:

“This Committee meeting has been called to discuss the items of mutual interest and concern to the members of the Wisconsin Automobile Insurance Plan. In accordance with both Federal and Wisconsin State Anti-trust Laws, this Committee is prohibited from any discussion or action which constitutes any form of boycott, coercion or intimidation.”

UNFINISHED BUSINESS

ITEM NUMBER 619 PROPOSED LAD PROGRAM

The WAIP has not found a carrier interested in becoming a LAD carrier. This item is removed and will be added when appropriate.

ITEM NUMBER 640 REVISED NEW PERSONAL ASSIGNMENT DISTRIBUTION PROCEDURE

The volume in the Plan for private passenger accounts does not dictate a change in current procedures. This item is removed.

ITEM NUMBER 642 2001 COMMERCIAL RATE REVIEW

With all business complete, this item is removed.

ITEM NUMBER 644 OFFICE OF THE COMMISSIONER OF INSURANCE MARKET CONDUCT EXAMINATION

The WAIP has objected to some of the recommendations in the Market Conduct Examination, and has requested a hearing. A teleconference to discuss the objections has been scheduled for December 18, 2002.

The Committee reviewed and adopted the responses to the examination report.

ITEM NUMBER 653 SERVICING CARRIER AUDIT

The servicing carrier self-audits showed some discrepancies. WAIP will meet with the carriers prior to the next self-audit to ensure consistency.

ITEM NUMBER 654 INCREASED LIMITS ISSUES

With all business complete, this item is removed.

ITEM NUMBER 655 PROPOSED ENDORSEMENT AIP 11 88 05 02 COVERAGE FOR DAMAGE TO YOUR AUTO EXCLUSION ENDORSEMENT

With all business complete, this item is removed.

NEW BUSINESS

ITEM NUMBER 657 PROPOSED ENDORSEMENT PP 04 28 12 02 UNDERINSURED MOTORISTS COVERAGE

The Committee adopted the proposed amendment to endorsement PP 04 28 12 02 for filing with the Office of the Commissioner of Insurance.

ITEM NUMBER 658 PROPOSED ENDORSEMENT CA 21 45 01 03 UNDERINSURED MOTORISTS COVERAGE

The Committee adopted the proposed amendment to endorsement CA 21 45 01 03 for filing with the Office of the Commissioner of Insurance.

ITEM NUMBER 659 2003 WAIP BUDGET

The Committee adopted the proposed WAIP budget for 2003.

ITEM NUMBER 660 TERRORISM ISSUES

By the unanimous consent of all members present, this item was added to the agenda.

Plan Manager Herrmann reported that several issues have been raised with regard to the Terrorism Risk Insurance Act of 2002 and are in process of being addressed. The WAIP will monitor action taken by the NAIC and in an effort to address all issues as consistently as possible with other jurisdictions. All changes will be communicated as soon as practicable via WAIP Plan Letter.

ITEM NUMBER 661 NOTICE OF ASSIGNMENT - COMMERCIAL

By the unanimous consent of all members present, this item was added to the agenda.

Issues were raised with regard to the effective date of an endorsement and policy effective date for new business.

This item was referred to the Commercial Subcommittee.

Donna Knepper
Executive Secretary