

**WISCONSIN  
AUTOMOBILE  
INSURANCE  
PLAN**

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PLAN LETTER 682 – AUGUST 13, 2004

TO: Members of the Plan

Minutes of Wisconsin Automobile Insurance Plan Governing Committee meeting held in the premises of Cherry Hills Lodge, 5905 Dunn Road, Sturgeon Bay, WI 54235, on Friday, July 30, 2004. The meeting was called to order immediately upon adjournment of the Annual Meeting.

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 Mutual Insurance Company  
State Farm Insurance Company  
Wisconsin Automobile Insurance Plan

REPRESENTATIVE

Bob Lindstedt  
John Richardson  
Greg Loman  
Bob Cascioli  
John Hagen  
Judy Semancik-Dodds  
Joe Capobianco  
Vicki Danahey  
Larry Bothwell  
Ralph Herrmann  
Donna Knepper  
Cheryl Korth

Member Absent or Excused:

Hartford Fire Insurance Company

Also Present:

Liberty Mutual Insurance Company

Charlie Echols

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 644 OFFICE OF THE COMMISSIONER OF INSURANCE MARKET  
CONDUCT EXAMINATION

The Committee was advised that compliance of the Market Conduct Examination has been completed. This item is removed from the agenda.

ITEM NUMBER 653 SERVICING CARRIER AUDIT

Completed summaries for the servicing carrier self-audits have not been received. WAIP has been in contact with the servicing carriers and will forward the audit information to AIPSO when complete.

WAIP will develop a servicing carrier audit handbook, including audit forms, for placement on WAIP Web site.

This item is continued.

ITEM NUMBER 662 AIPSO SERVICE CENTERS

The feedback on utilizing the services of an AIPSO Service Center has been less than positive. The Committee agreed that there is no need for this service in WI at this time. This item is removed from the agenda.

As a side note, the Committee was advised that AIPSO's board has changed the quota assignment procedure for carriers writing only commercial business.

ITEM NUMBER 669 ELECTRONIC FILING OF RATES, RULES & FORMS

WAIP reported that they had been in touch with Sircon to investigate electronic filing of WAIP rates, rules and forms. Sircon was in the process of making changes to their current system and was unable to accommodate the Plan's need to file on behalf of all member companies.

WAIP staff was directed to follow up with Sircon. This item is continued on the agenda.

ITEM NUMBER 671 AIPSO PROPOSAL – JUNE 1998 PERSONAL AUTOMOBILE  
POLICY

The Committee adopted the Personal Subcommittee's recommendation to file the proposed June 1998 Personal Automobile Policy with the Office of the Commissioner of Insurance for approval. This item is continued.

NEW BUSINESS

ITEM NUMBER 673 NAI – ALLIANCE MERGER

The National Association of Independent Insurers (NAII) and the Alliance of American Insurers (AAI) recently merged and formed a new trade association known as Property Casualty Insurers Association of America (PCI). As a result of the merger, it is proposed that the WAIP Governing Committee be comprised of two representatives each from the PCI, AIA, and the non-affiliated companies. Once the original six members are selected, the members will select two “at large” carriers to be elected to fill the remaining positions on the Governing Committee.

This amendment will be filed with the OCI for approval.

This item is removed from the agenda.

ITEM NUMBER 674 COMMERCIAL MANUAL RULE 25. PREMIUM DEVELOPMENT  
ZONE RATED AUTOS

The Committee adopted the recommendation of the Commercial Subcommittee and voted to file a change to Rule 25 B. 1. with the Office of the Commissioner of Insurance:

Subsequent to the meeting, additional information was received. This information will be forwarded to the Commercial Subcommittee for review. If the Subcommittee withdraws its recommendation, WAIP will conduct an e-mail vote to determine if the proposed change should be filed.

ITEM NUMBER 675 2003 WISCONSIN SRDP FINANCIAL STATEMENTS

The Committee accepted the Statutory Financial Statements August 31, 2003 and 2002 and Statements of Cash Receipts and Disbursements Accounted for by the Central Processor Years Ended August 31, 2003 and 2002 as prepared by KPMG. This report will be filed with the OCI and is removed from the agenda.

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

ITEM NUMBER 676 WAIP AUDITED FINANCIAL STATEMENTS – YEARS ENDED  
DECEMBER 31, 2003 AND 2002

The Committee accepted the Audited Financial Statements Year Ended December 31, 2003 and 2002 as prepared by the accounting firm of Reilly, Penner & Benton. This report will be filed with the OCI and is removed from the agenda.

Donna Knepper  
Executive Secretary