

**WISCONSIN
AUTOMOBILE
INSURANCE
PLAN**

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PLAN LETTER 720—JANUARY 8, 2010

TO: Members of the Plan

Minutes of the Wisconsin Automobile Insurance Plan Governing Committee meeting held in the office of the Wisconsin Automobile Insurance Plan, 20700 Swenson Drive, Waukesha, WI 53186 on Tuesday, December 8, 2009. The meeting was called to order at 10:00 AM with the following members present:

ORGANIZATION

EMC Insurance Companies, Chair
General Casualty Company of WI
Travelers Indemnity Company
Wisconsin Automobile Insurance Plan

REPRESENTATIVE

Jim Pousha
Greg Loman
Vicki Danahey
Ralph Herrmann
Tad Cleveland
Cheryl Korth
Donna Knepper

Also Present by Teleconference:

American Family Mutual Insurance Company
Federated Mutual Insurance Company
General Casualty Company of WI
Liberty Mutual Insurance Company
National Continental Insurance Company
Sentry Insurance A Mutual Company, Chair
State Farm Insurance Company

Jim St. Vincent
Dan Powers
John Hagen
Craig Sanford
Mike Donovan
Jim Overturf
Mark Gustavson

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 712 SERVICING CARRIER AGREEMENT

The proposed amendments to the Servicing Carrier Agreement have been accepted. A new Agreement has been signed by both the WAIP and National Continental Insurance Company.

With all business complete, this item is removed from the agenda.

ITEM NUMBER 721 AIPSO PROPOSAL - LOSS PAYABLE CLAUSE – MAXIMUM LOSS PAYABLE

The Committee was furnished with a copy of a revised Loss Payable Clause endorsement. The endorsement clarifies the specific the maximum loss payable.

This item was approved for filing with the Office of the Commissioner of Insurance to be effective for private passenger business.

ITEM NUMBER 723 AIPSO PROPOSAL – EXPANSION OF PRIVATE PASSENGER PHYSICAL DAMAGE RATING SYMBOLS

The expanded private passenger physical damage rating symbols have been filed with and approved by the Office of the Commissioner of Insurance effective 1-1-10. This item is removed from the agenda.

ITEM NUMBER 724 AIPSO PROPOSAL – SRDP ACCOUNTING AND STATISTICAL REQUIREMENTS MANUAL PROPOSED AMENDMENTS TO EXHIBIT B-4

The amendment to the SRDP Accounting and Statistical Requirements Manual has been filed with and approved by the Office of the Commissioner of Insurance effective 11-1-09. This item is removed from the agenda.

ITEM NUMBER 726 2008 WISCONSIN SRDP FINANCIAL STATEMENTS

The WI SRDP Financial Statements have been filed with the Office of the Commissioner of Insurance on an informational basis. This item is removed from the agenda.

ITEM NUMBER 727 WAIP AUDITED FINANCIAL STATEMENTS

The WI Audited Financial Statements have been filed with the Office of the Commissioner of Insurance on an informational basis. This item is removed from the agenda.

ITEM NUMBER 728 COMMERCIAL RATE PROPOSAL

At the July 31, 2009 Governing Committee meeting, an overall commercial rate increase of 20.2% was adopted for filing with the Office of the Commissioner of Insurance. Subsequent to the meeting, the rate proposal was re-evaluated to incorporate the impact of the new mandatory insurance laws. The new indication was an overall commercial rate increase of 19.8% which was filed with and approved by the Office of the Commissioner of Insurance effective 1-1-10 for new business and 3-1-10 for renewal business.

ITEM NUMBER 729 2009 WISCONSIN ACT 28 – MANDATORY AUTOMOBILE INSURANCE

The manual rules and rates affected by the new mandatory automobile insurance law have been approved by the Office of the Commissioner of Insurance effective 11-1-09. The revisions to the applications were filed separately under Item Number 730.

This item is continued on the agenda to monitor future changes or amendments.

ITEM NUMBER 730 COMMERCIAL APPLICATIONS

The revisions to the Truckers and Business Auto applications have been approved by the Office of the Commissioner of Insurance effective 11-1-09.

NEW BUSINESS

ITEM NUMBER 731 WAIP 2010 BUDGET

(This item was assigned number 730 on the agenda. It has been changed to 731 due to the filing of the commercial applications)

The Committee accepted the proposed 2010 budget.

ITEM NUMBER 732 PRIVATE PASSENGER RATE REVIEW

By unanimous consent, this item was added to the agenda.

The current private passenger rates have been in effect since April 1, 1995. While there has been virtually no activity in the assigned risk private passenger area, a review of the current rates was appropriate. Recommended changes of +16.7% for liability, -25.0% for physical damage, and an overall decrease of 1.7% were adopted for filing with the Office of the Commissioner Insurance.

The next WAIP Governing Committee meeting is scheduled for July 30, 2010.

Donna Knepper