

MAIPF PLAN OF OPERATION

New; ~~Deleted~~

SECTION 3 - ADMINISTRATION

The Facility shall be administered by a Board of Governors (hereinafter referred to as "the Board").
The Board shall consist of eleven governors:

A. Seven salaried employee representatives from participating members, at least three of which shall represent domestic insurers. Not more than one representative from a group of companies under the same management shall serve on the Board at the same time.

Annually, on a date fixed by the Board, participating members shall elect the representatives to serve for a period of one year or until successors have been elected. Such election shall take place at an annual meeting to be held ~~within 45 days~~ after the annual determination of participation ratios for the current year and to be called by the Board upon at least 20 days' notice in writing to all members, which notice shall include a list of at least seven nominees proposed by the Board. Additional nominations, duly seconded, may be made at the annual meeting by the representatives of participating members in attendance. Each participating member shall be entitled to one vote on the weighted basis. Such membership vote shall be weighted, based on the total Michigan automobile insurance gross direct premiums written, including policy and membership fees, less return premiums, and premiums on policies not taken, without including reinsurance assumed and without deducting reinsurance ceded for the calendar year ending December 31 of the second prior year.

Vacancies on the Board shall be filled by vote of the remaining members of the Board.

B. Two representatives of insurance agents who shall be appointed by the Commissioner of the Office of Financial and Insurance ~~Services Regulation~~ (hereinafter the officer and office are referred to as the "Commissioner" and "OFIS~~R~~", respectively).

C. Two representatives of the general public who shall be appointed by the Commissioner.

D. Governors appointed by the Commissioner shall serve until the next annual meeting of the members and until a successor is appointed or until a resignation. Vacancies shall be filled by the Commissioner.

E. Reimbursement for expenses: Public and producer members appointed to the Board may be reimbursed, to the extent and in a manner approved by the Board, for their actual and necessary expenses incurred in participating in Board meetings and assigned committee meetings. These expenses would be reimbursed by a per diem allowance in an amount approved by the Board.

F. Members of the Board, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of conference telephone or other means of remote communication by virtue of which all persons participating in the meeting may hear or read the comments of each other, if all participants are advised of the means of remote communication in use and if the names of the participants in the meeting are divulged to all participants. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

G. Any action required or permitted at any meeting of the Board of Directors may be taken without a meeting, without prior notice and without a vote if all the members of the Board of Directors entitled to vote on the action consent to it in writing either before or after the action is taken. Such action shall be as valid a corporate action as though it had been authorized at a meeting of the Directors and the written consent shall be filed with the minutes of the proceedings of the Board of Directors.

OTHER RECOMMENDED CHANGES:

SECTION 4 - COST OF OPERATION AND ADMINISTRATION

Remove references to the Automobile Theft Prosecution Witness Reimbursement Program, as this program no longer exists.

SECTION 19 – PERFORMANCE STANDARDS FOR PRODUCERS OF RECORD

A.1.b. Change reference from "tax identification number" to "system identification number".

SECTIONS THROUGHOUT PLAN

- Amend references to "OFIS" to "OFIR".
- Amend references to "Electronic Application and Rating System" to "electronic application and rating system" to allow this more generic reference to apply to electronic rating for either private passenger or commercial applications.