



Michigan Automobile Insurance Placement Facility

February 2, 2015

RE: BULLETIN NO. 172 TO ALL MEMBER COMPANIES

SECTION I – ELECTION OF BOARD OF GOVERNORS

The forty-fourth annual meeting of the Michigan Automobile Insurance Placement Facility and the election of a Board of Governors will be held in the offices of the Michigan Automobile Insurance Placement Facility, 17456 Laurel Park Drive N., Suite 130E, Livonia, MI 48152, at 9:30 A.M., on Tuesday, March 10, 2015.

The election of the Board of Governors will be based on the provisions of Section 3, Administration, of the Facility Plan of Operation, subject to the voting procedures outlined later in this bulletin. The Board shall consist of eleven Governors, seven of whom will be salaried employee representatives from participating member companies, at least three of which shall represent domestic insurers.

Annually, on a date fixed by the Board, participating members shall elect the seven company 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 after the annual determination of participation ratios for the current year and to be called by the Board upon at least twenty 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 a 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 (2013).

Vacancies on the Board shall be filled by vote of the remaining members of the Board. The four remaining Governors (two representing insurance agents and two representing the general public) are appointed by the Director of Insurance.

Voting Procedures:

1. The following member companies have been nominated for the 2015/2016 term:

| | |
|------------------------------------|------------------------------------------|
| Allstate Insurance Company | Citizens Insurance Company of America |
| Amerisure Mutual Insurance Company | Farm Bureau Mutual Insurance Company |
| Auto Club Insurance Association | State Farm Mutual Auto Insurance Company |
| Auto-Owners Insurance Company | |
2. Additional nominations, duly seconded, may be made during the meeting.
3. Companies may cast their weighted vote as directed below. Ballots must be received by **March 6, 2015** or you may present them during the meeting. If a member chooses to wait for additional nominees during the meeting, it may cast its vote in person during the meeting, or it may designate another member company to cast its vote by proxy during the meeting. The enclosed ballot form is also designed to be used as a proxy if a member chooses to vote in that manner.

Regardless of the method selected, a member company may not cast its total weighted ballot for more than one nominee. Members of a group are not required to vote as a group.

The agenda of the meeting will be:

- 1) Meeting called to order by the Executive Director.
- 2) Introduction of the present Board members.
- 3) Request for additional nominations for the Board of Governors' upcoming term.
- 4) Motion that nominations be closed.
- 5) Request that ballots be submitted for tabulation.
- 6) Reading of the minutes of the last annual meeting.
- 7) Comments from the Chairman of the Board.
- 8) Executive Director's report
- 9) Voting results announced.
- 10) Additional business.
- 11) Adjournment.

The new Board of Governors will meet immediately after the adjournment of the annual meeting.

The minutes of the meeting will not be mailed but will be available within 30 days after the meeting at www.maipf.org/bulletin172.pdf .

SECTION II – CHANGES TO PLAN OF OPERATIONS

The Michigan Automobile Insurance Placement Facility is proposing to amend its Plan of Operations to specify that five or more vehicles owned by a single family with no business use are not considered under the definition of a commercial fleet.

Section 7. Application for Placement (excerpt – change underlined)

"Fleet" means five or more vehicles insured under one policy. "All other" means a motor vehicle registered for highway use and not described as a private passenger nonfleet automobile. However, fleets of five or more vehicles owned by a family with no business use are classified as "private passenger nonfleet automobile".

The MAIPF Board of Governors has approved this amendment; however, all revisions to the Plan of Operation must be ratified by a majority vote of the membership. Therefore, we are requesting that you, as a member company, cast your ballot regarding the proposed amendment outlined above. A copy of the entire Plan section with the proposed language is available for your review at <http://www.maipf.org/Bulletins/Bulletin-172-Plan-of-Operations/2015-Revision.pdf>

Companies may cast their weighted vote at <http://www.maipf.org/Bulletin/ballot-172.aspx> or you may return your ballot to my attention by mail or fax.

Sincerely,

Terri A. Miller, CPCU

Executive Director

SECURITY KEY FOR VOTING ONLINE: board15