

CURRENT PLAN LANGUAGE Section 47 D Current

Sec. 47. GENERAL PROVISIONS

D. Insurers Discontinuing Writing

If a member discontinues writing automobile liability insurance in this state but retains its license to write such business, it must continue to pay assessments and receive assignments until its quota established by its writings prior to discontinuance of business has been filled. If the automobile liability business of a member discontinuing the writing of automobile liability insurance in this state is purchased by, transferred to, or assumed by another member, the latter is to receive the assignments and assessments of the former until the quota of the former as established by its writings prior to such transfer has been filled, unless another member has agreed, in a manner satisfactory to the Governing Committee, to assume such obligation.

PROPOSED PLAN LANGUAGE Section 47 D

D. Insurers Discontinuing Writing

If a member discontinues writing automobile liability insurance in this state but retains its license to write such business, it must continue to pay assessments and receive assignments until its quota established by its writings prior to discontinuance of business has been filled unless one of the following alternatives applies.

If the automobile liability business of a member discontinuing the writing of automobile liability insurance in this state is purchased by, transferred to, or assumed by another member, including by grouping with another member under the same ownership, the latter is to receive the assignments and assessments of the former until the quota of the former as established by its writings prior to such transfer has been filled, unless another member has agreed, in a manner satisfactory to the Governing Committee, to assume such obligation.

A member that discontinues writing may also satisfy its obligation by:

Entering into a LAD/CLAD agreement (refer to Section 41.E for private passenger coverage or Section 42.E for other than private passenger coverage).