PRIVATE PASSENGER AUTOMOBILE

MACHINE LETTER

PAGES 3, 4, 6 AND 14 (12/31/01 ASSIGNED RISK RATES ADDED)

TEXAS PRIVATE PASSENGER AUTOMOBILE INSURANCE
SUMMARY OF APPROVED DECEMBER 31, 2001 RATE CHANGES
TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION

REQUIRED COVERAGES:	Latest Year Premiums at Present Rates	Approved Statewide Rate Change	TAIPA Rates Relative to Voluntary Benchmarks
Bodily Injury	$6,259,243	-7.1%	+82.5%
Property Damage	7,228,992	+24.7%	+38.6%
Total:	13,488,235	+9.9%	----
OPTIONAL COVERAGES:			
Personal Injury Protection	328,250	-7.7%	+217.5%
Uninsured Motorist BI/PD	317,874	-3.3%	+175.4%
Total:	646,124	-5.5%	----
Total - All Coverages:	$14,134,359	+9.2%	----

<u>TEXAS PRIVATE PASSENGER AUTOMOBILE LIABILITY INSURANCE</u>
UNINSURED/UNDERINSURED MOTORIST
(Texas Automobile Manual Page 113-114)

BASE PREMIUMS

TABLE A - BODILY INJURY	$38
TABLE B - PROPERTY DAMAGE	27
TABLE C - COMBINED LIMIT	91

PREMIUM DIFFERENTIALS
TABLE A - BODILY INJURY

LIMITS IN THOUSANDS	Territories 01,02,03,04,05, 06,07,12,21,22	ALL OTHER TERRITORIES
20/40 INVOLUNTARY	2.754	1.90
20/40	1.00	0.69
25/50	1.12	0.77
50/50	1.48	1.02
55/55	1.51	1.04
25/100	1.37	0.95
50/100	1.56	1.08
100/100	1.64	1.13
100/200	1.95	1.35
100/300	2.02	1.39
100/500	2.15	1.48
250/500	2.55	1.76
300/300	2.15	1.48
300/500	2.70	1.86
400/400	2.55	1.76
500/500	2.76	1.90
500/1,000	2.90	2.00
1,000/1,000	3.17	2.19
2,000/2,000	3.45	2.38
5,000/5,000	4.55	3.14

TEXAS PRIVATE PASSENGER AUTOMOBILE LIABILITY INSURANCE
UNINSURED/UNDERINSURED MOTORIST (CONT.)
(Texas Automobile Manual Page 113-114)

PREMIUM DIFFERENTIALS
TABLE B - PROPERTY DAMAGE

All Territories
(Per Motor Vehicle)

LIMIT IN THOUSANDS	DIFFERENTIAL	LIMIT IN THOUSANDS	DIFFERENTIAL	LIMIT IN THOUSANDS	DIFFERENTIAL
15	1.00	75	1.47	400	2.14
20	1.09	100	1.55	500	2.31
25	1.16	150	1.63	600	2.41
35	1.25	200	1.70	750	2.56
45	1.34	250	1.84	1,000 ...	2.81
50	1.39	300	1.97	2,000 ...	3.31
55	1.40	350	2.06	5,000 ...	4.81

	LIMIT IN THOUSANDS	DIFFERENTIAL
INVOLUNTARY	15	2.754

PREMIUM DIFFERENTIALS
TABLE C - COMBINED LIMIT

COMBINED LIMIT IN THOUSANDS	Territories 01,02,03,04,05, 06,07,12,21,22	ALL OTHER TERRITORIES
55	1.00	0.75
75	1.04	0.79
100	1.09	0.83
150	1.20	0.92
200	1.31	1.00
250	1.37	1.05
300	1.42	1.08
325	1.43	1.09
400	1.63	1.25
500	1.76	1.36
1,000	2.06	1.59
2,000	2.31	1.77
5,000	3.17	2.44

Additive rate for the first motor vehicle or dealer's plate for an individual or husband and wife and for each designated person (Tables A and C only): $1.00

TEXAS PRIVATE PASSENGER AUTOMOBILE LIABILITY INSURANCE
MEDICAL PAYMENTS AND PERSONAL INJURY PROTECTION
(Texas Automobile Manual Pages 115)

	Base Rates		
		Voluntary	Involuntary
Terr	MP	PIP	PIP ($2,500)
01	$9	$59	$187
02	10	65	206
03	9	56	178
04	8	50	159
05	9	50	159
06	8	52	165
07	10	68	216
10	8	47	149
11	7	42	133
12	9	50	159
13	8	48	152
14	7	45	143
16	7	45	143
20	8	45	143
21	9	58	184
22	8	47	149
23	8	49	156
24	8	45	143
27	8	51	162
28	8	45	143
31	8	48	152
32	8	47	149
34	8	48	152
37	8	47	149
38	9	59	187
39	9	56	178
40	8	47	149
41	8	50	159
42	9	59	187
43	9	56	178
44	9	56	178
45	9	53	168
46	8	47	149
47	8	48	152
48	8	50	159
49	9	51	162
51	7	45	143
52	8	47	149
53	8	47	149
54	9	50	159
55	9	59	187
56	9	56	178
57	11	68	216
58	9	55	175
59	9	52	165
60	8	45	143
61	8	47	149
62	8	45	143
63	7	43	137
64	7	42	133
65	6	39	124
66	8	47	149

CLASS DIFFERENTIALS		
	PIP	MP
1A	1.00	1.00
1B	1.36	1.26
1C	1.16	1.09
2A-1	1.49	1.39
2A-2	1.42	1.35
2C-1	1.55	1.45
2C-2	1.37	1.26
2D	1.55	1.45
3	1.10	1.17
3A	1.00	1.05
6A	0.85	0.85
6B	1.12	1.04
6C	1.16	1.09
7	1.12	1.05
8	1.00	1.07
8A	1.07	1.05
1AF	0.85	0.85
2AF-1	1.18	1.11
2AF-2	1.10	1.05
2CF-1	1.12	1.05
2CF-2	1.11	1.05
2DF	1.10	1.05
6AF	0.85	0.85

Increased Limits Factors

Table A	PIP	MP
$500		1.00
$1,000		1.29
$2,500	1.00	1.59
$5,000	1.09	1.76
$10,000	1.38	2.29
$25,000	1.98	2.94
$50,000	2.21	3.35
$75,000	2.33	3.41
$100,000	2.41	3.47

Increased Limits Factors

Table B	PIP	MP
$500		1.00
$1,000		1.38
$2,500	1.00	1.69
$5,000	1.10	2.00
$10,000	1.55	2.46
$25,000	2.22	3.15
$50,000	2.47	3.54
$75,000	2.61	3.85
$100,000	2.69	4.08

	PIP	MP
Table B	0.85	0.76

Method of Calculation:

Voluntary

Table A.

(1) Multiply the base rate by the class differential, rounding to the nearest dollar.

(2) Multiply the result by the Table A increased limits factor, rounding to the nearest dollar.

Table B.

(1) Multiply the base rate by the class differential and the Table B factor (0.85 for PIP, 0.76 for MP), rounding to the nearest dollar.

(2) Multiply the result by the Table B increased limits factor, rounding to the nearest dollar.

Involuntary

Table A.

(1) Multiply the Involuntary Base Rate by the class diferential, rounding to the nearest dollar.

Table B.

(1) Multiply the Involuntary Base Rate by the class diferential and the Table B factor (0.85 for PIP), rounding to the nearest dollar.

TEXAS PRIVATE PASSENGER AUTOMOBILE LIABILITY INSURANCE
BODILY INJURY AND PROPERTY DAMAGE
(Texas Automobile Manual Pages 150-157)

BASE PREMIUMS
$20,000/$40,000 Bodily Injury
$15,000 Property Damage
$55,000 Single Limit

	Voluntary Risks			Assigned Risks	
Terr	B.I.	P.D.	CSL	B.I.	P.D.
01	$129	$202	$368	$235	$280
02	118	227	382	215	315
03	120	181	335	219	251
04	96	190	317	175	263
05	119	144	294	217	200
06	100	191	322	183	265
07	151	160	350	276	222
10	70	180	276	128	249
11	58	171	252	106	237
12	78	149	251	142	207
13	72	149	245	131	207
14	60	185	269	110	256
16	62	149	233	113	207
20	58	151	230	106	209
21	97	199	328	177	276
22	99	190	320	181	263
23	84	213	328	153	295
24	64	161	248	117	223
27	91	213	336	166	295
28	89	225	346	162	312
31	85	170	282	155	236
32	72	160	256	131	222
34	79	170	275	144	236
37	86	170	283	157	236
38	132	201	370	241	279
39	112	182	327	204	252
40	90	183	302	164	254
41	72	154	250	131	213
42	84	192	305	153	266
43	90	172	290	164	238
44	81	167	274	148	231
45	99	194	324	181	269
46	73	164	262	133	227
47	82	167	276	150	231
48	92	159	279	168	220
49	100	175	305	183	243
51	61	157	240	111	218
52	73	187	287	133	259
53	79	164	269	144	227
54	86	158	270	157	219
55	116	135	281	212	187
56	118	132	281	215	183
57	134	144	313	245	200
58	84	109	215	153	151
59	83	164	273	151	227
60	64	149	235	117	207
61	59	125	203	108	173
62	46	128	192	84	177
63	69	149	241	126	207
64	71	133	226	130	184
65	46	122	185	84	169
66	70	165	259	128	229

CLASS DIFFERENTIALS
All Territories

1A	1.00
1B	1.13
1C	0.97
2A-1	2.88
2A-2	1.66
2C-1	3.76
2C-2	2.07
2D	2.92
3	1.16
3A	1.43
6A	1.00
6B	1.13
6C	0.97
7	1.00
8	1.40
8A	1.41
1AF	0.85
2AF-1	2.60
2AF-2	1.80
2CF-1	2.75
2CF-2	2.10
2DF	1.68
6AF	0.85

METHOD OF CALCULATION - CLASS PREMIUMS

For the desired territory, multiply the base premium by class differential and round to nearest dollar.

EXAMPLE: 20/40 B.I., class 2A-1, territory 01, voluntary risk.
$129 x 2.88 = $372

METHOD OF CALCULATION - HIRED CAR

(1) Determine class 3 rate as above.
(2) Multiply result in (1) by 0.02 and round to nearest 5 cents.

EXAMPLE: Hired Car, 20/40 B.I., territory 01, voluntary risk.
(1) $129 x 1.16 = $150
(2) $150 x 0.02 = $3.00