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MISSISSIPPI DEPARTMENT OF INSURANCE
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PAYMENT OF SALES TAXES IN A TOTAL AUTO LOSS

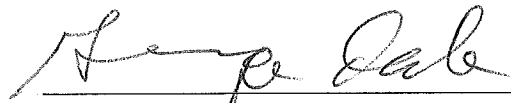
The Mississippi Insurance Department ("Department") has received numerous requests from policyholders concerning whether personal auto coverage includes sales tax, title fees or license fees for the damaged automobile in the recovery of a total loss claim.

Under current Mississippi law, there is no specific requirement for a personal auto coverage policy to contain a provision requiring the insurance company to pay sales tax, title fees or license fees in total loss situations. However, since at least May of 1994, industry standards, including The Fire Casualty & Surety Bulletins ("FC&S"), have recognized that paying a total loss claim includes making the policyholder "whole", which would include the payment of sales taxes, title fees or license fees.

Accordingly, unless the automobile insurance policy clearly and unambiguously excludes these fees, the failure of an insurance company to pay these fees would call into serious question whether the policyholder has been made whole under the insurance contract.

Therefore, unless an automobile insurance policy clearly and unambiguously excludes the recovery of sales taxes, title fees or license fees under a total loss claim, it is the position of this Department that those taxes and fees should be paid.

ISSUED this the 18th day of June, 2007.


GEORGE DALE
COMMISSIONER OF INSURANCE