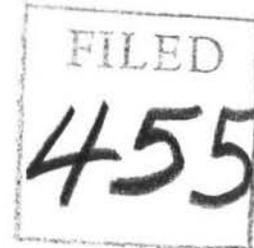


Opinion No. 455
Answered by Letter (Ashby)

December 27, 1967

Honorable Robert D. Scharz
Superintendent
Division of Insurance
Jefferson Building
Jefferson City, Missouri



Dear Mr. Scharz:

This letter is written to respond to your question, whether the contract entered into by the Nation-Wide Auto Coverage Corporation constitutes the engaging in the business of insurance.

This office, at an earlier date, wrote an opinion involving almost an identical policy as that issued by the Nation-Wide Auto Coverage Corporation. This opinion, No. 286, dated September 5, 1967, addressed to you, holds that such a policy which agrees for a specified annual payment to reimburse or furnish, wholly or partially, to its contract holders, financial responsibility bonds, accident travel expenses, legal expenses, emergency road service, towing, and tire-changing, arising from the operation of motor vehicle, is engaging in the insurance business. This opinion is attached.

Comparison of the policy issued by Nation-Wide Auto Coverage Corporation with that of the Allied Auto Acceptance Corporation, which is the subject of Opinion 286, establishes that these policies are virtually identical, word-for-word, paragraph-by-paragraph.

Utilizing the reasoning applied in Opinion 286, we conclude that the contract published by the Nation-Wide Auto Coverage Corporation is a contract of insurance and that such corporation is engaging in the insurance business.

Yours very truly,

NORMAN H. ANDERSON
Attorney General

Enclosure: Opinion 286, Scharz,
9/5/67.