



COMMONWEALTH AUTOMOBILE REINSURERS

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RALPH A. IANNACO
PRESIDENT

RECORDS OF MEETING

GOVERNING COMMITTEE REVIEW PANEL – JULY 28, 2010

Members Present

Mr. Andrew J. Carpentier – Chairman	Quincy Mutual Fire Insurance Company
Mr. Robert P. Suglia	Amica Mutual Insurance Company
Mr. Joseph A. Vargas	Vargas & Vargas Insurance

Substituted for:

N/A

Not in Attendance:

N/A

09.01 Records of Previous Meeting

The Panel unanimously voted to approve the Records of the Governing Committee Review Panel meeting of April 22, 2009.

10.04 Limited Assignment Distribution Agreement – Pilgrim Insurance Company/Chartis Property Casualty Company

President Ralph Iannaco informed the Panel that as of August 1, 2010, Chartis Property Casualty Company, a subsidiary of AIG, is eligible for appointment as an Assigned Risk Company and therefore required to accept assignment of business placed through the MAIP. Correspondence has been received from Pilgrim Insurance Company advising of its intent to enter into a LAD agreement with Chartis Property Casualty Company. Following review of the applicable Rules, staff determined that the current volume limitation imposed by Rule 36.C is 21%, with Pilgrim writing 7% of MAIP assignments as a result of existing LAD agreements. The Chartis quota share is estimated to be 0.03% having no material impact on Pilgrim's volume limitation. Operational performance was reviewed with staff concluding that there are no impediments which would prevent Pilgrim from entering into a LAD agreement with Chartis.

CAR's counsel Lee MacPhee advised that pursuant to Rules 30 and 36, on February 25, 2008, the Commissioner of Insurance had approved Pilgrim Insurance Company as eligible to enter into LAD agreements. The Chartis agreement is substantially the same as prior agreements and conforms to operative rules. Counsel suggested that the Panel approve the application of Pilgrim Insurance Company to enter into a LAD agreement with Chartis Property Casualty Company.

On a unanimous vote, the Panel approved the Limited Assignment Distribution Agreement between Pilgrim Insurance Company and Chartis Property Casualty Company.

PAMELA WALLACE
Vice President - Residual Market Services

Boston, Massachusetts
August 26, 2010

ATTACHMENT LISTING

Docket GCRP10.02, Exhibit #1

Attendance Listing

