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March 14, 2024

**BULLETIN NO. 1161**

Approval of Electric Insurance Company's Plan of Withdrawal from the  
Massachusetts Private Passenger Automobile Insurance Market

On February 8, 2024, the Division of Insurance notified CAR that the Electric Insurance Company was seeking to withdraw from the Massachusetts private passenger automobile insurance market. CAR Bulletin No. 1159, dated that same day, provided information on the filed withdrawal plan.

In a letter dated March 13, 2024 (see attached), the Commissioner of Insurance approved Electric's plan to withdraw.

WENDY BROWNE  
Vice President – Business Operations

Attachment



**COMMONWEALTH OF MASSACHUSETTS**  
**Office of Consumer Affairs and Business Regulation**  
**DIVISION OF INSURANCE**

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**GARY D. ANDERSON**  
COMMISSIONER OF INSURANCE

March 13, 2024

By Email

Nicholas L. Schulson  
President and Chief Executive Officer  
Electric Insurance Company  
75 Sam Fonzo Drive  
Beverly, MA 01915

RE: Electric Insurance Company Plan of Withdrawal

Dear Mr. Schulson:

Electric Insurance Company ("Electric") submitted a Plan of Withdrawal ("Plan") with the Division of Insurance ("Division") pursuant to CAR Rule of Operation 38 ("CAR Rule 38") on November 29, 2023 ("Plan"), detailing its intent to withdraw from the Massachusetts private passenger automobile insurance market.

According to the Plan, Electric has entered into a multi-state renewal rights transaction agreement with Plymouth Rock. The renewal rights agreement provides for 1) the nonrenewal of Electric's private passenger automobile insurance business in MA; and 2) the offer of Plymouth Rock private passenger automobile policies to eligible individuals. Plymouth Rock anticipates making offers to 90% of Electric's current automobile policyholders.

As required by CAR Rule 38, the Division formally notified Commonwealth Automobile Reinsurers ("CAR") of Electric's intent to withdraw from the Massachusetts private passenger automobile market on February 8, 2024. CAR Rule 38 grants certain parties the right to request a hearing at the Division on the Plan within 10 days of notice by the Division to CAR of the intent to withdraw. CAR notified its members by Bulletin No. 1159, on February 8, 2024, of the right to request a hearing. The Division has received no such request for a hearing.

Pursuant to CAR Rule 38, a plan of withdrawal shall include a "full settlement of all financial obligations to the MAIP (Massachusetts Automobile Insurance Plan), as well as provide that the member shall either continue to service its existing MAIP business until the expiration of the three-year period for each of its MAIP assignments or has made other arrangements for the

services of such assignments." Electric has a Limited Assignment Distribution Agreement with Pilgrim Insurance Company to handle its MAIP business. Pilgrim is a subsidiary of Plymouth Rock. Based on the representations in Electric's Plan I have determined that the requirements of CAR Rule 38 have been met and that Electric's withdrawal from the market will not have an adverse effect on the orderly and equitable conduct and operation of the Massachusetts private passenger automobile insurance market.

For reasons set forth above, and subject to the following three conditions, Electric's Plan is hereby approved.<sup>1</sup>

- 1) Electric will comply with all terms and conditions of the Plan filed with the Division.
- 2) Electric shall continue to be responsible for its share of the administrative expenses to the MAIP and to CAR.
- 3) Electric shall continue to be responsible for the continued furnishing to CAR on a timely basis of all statistical data and other information concerning or relating to the private passenger motor vehicle insurance business written by it prior to the date of withdrawal in such form and detail as CAR may require.

Sincerely,



Gary D. Anderson  
Commissioner of Insurance

cc: Natalie Hubley, CAR

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<sup>1</sup> Electric's Plan was submitted pursuant to CAR Rule 38 but also included references to M.G.L. c. 175, §§ 22E and 22H. While the Division's review focused on compliance with CAR Rule 38, we also find that Electric's Plan would comply with the provisions of those statutes to the extent they may be considered to apply in this case.