



COMMONWEALTH AUTOMOBILE REINSURERS

225 Franklin Street Boston, Massachusetts 02110

www.commauto.com

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RALPH A. IANNACO
PRESIDENT

December 13, 2007

BULLETIN NO. 858

Notice of Hearing – Division of Insurance

Attached is a copy of correspondence from Commissioner of Insurance Nonnie S. Burnes to Ralph A. Iannaco, President of CAR, dated December 13, 2007, in which the Commissioner disapproved amendments to CAR Rules of Operation 11, 12, 29, and 31. The Commissioner has also issued a Notice of Hearing to obtain additional information and afford all interested parties an opportunity to comment on the proposed amendments which CAR approved on November 14, 2007, and issued as Bulletin Nos. 854, 855, and 856 dated November 15, 2007.

Pursuant to this notice, a public hearing is to be held at the Division of Insurance at 10:00 a.m. on Thursday, December 27, 2007. Any person who wishes to present an oral statement at the public hearing is asked to submit a written notice of intent with the Division of Insurance on or before Wednesday, December 26, 2007. All others who wish to make an oral statement will be heard after those who submit such notice. Written statements may be submitted at any time prior to the conclusion of the hearing. All submissions relating to the hearing shall refer to Docket No. C-2007-04 and be addressed to the Docket Clerk, Hearings and Appeals, Division of Insurance, One South Station, Boston, Massachusetts 02110-2208.

JOSEPH J. MAHER, JR.
Vice President, General Counsel & Secretary

Attachments



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

One South Station • Boston, MA 02110-2208
(617) 521-7794 • FAX (617) 521-7475
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DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

DANIEL O'CONNELL
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

DANIEL C. CRANE
DIRECTOR

NONNIE S. BURNES
COMMISSIONER OF INSURANCE

December 13, 2007

Ralph A. Iannaco, President
Commonwealth Automobile Reinsurers
225 Franklin Street
Boston, Massachusetts 02110

Re: Proposed Changes to CAR Rules 11 and 12 and Rules 22, 29 and 31 of the
Massachusetts Automobile Insurance Plan

Dear Mr. Iannaco:

On November 14, 2007, the Governing Committee of the Commonwealth Automobile Reinsurers ("CAR") voted to amend CAR Rules 11 and 12 and Rules 22, 29 and 31 of the Massachusetts Automobile Insurance Plan ("MAIP"). On November 15, the proposed amendments were distributed to CAR members and sent to me for review. I have reviewed the proposed amendments and, pursuant to the authority granted to me under Article X of the CAR Plan of Operation, am approving the amendment to MAIP Rule 22, but disapproving at this time the amendments to Rules 11 and 12 and MAIP Rules 29 and 31. In order to obtain additional information on the amendments that have been disapproved, and to provide an opportunity for interested parties to comment on them, I have scheduled a public hearing. A notice of the hearing is enclosed.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Nonnie S. Burnes".

Nonnie S. Burnes
Commissioner of Insurance

Enclosure



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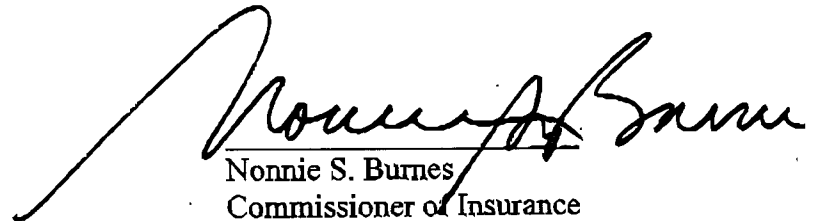
NOTICE OF HEARING

Pursuant to the provisions of Article X of the Plan of Operation of Commonwealth Automobile Reinsurers ("CAR"), a hearing will take place at 10:00 a.m. on December 27, 2007, at the offices of the Division of Insurance ("Division"), One South Station, Boston, MA to consider oral and written statements about proposed amendments to CAR Rules of Operation 11 and 12 and Rules 29 and 31 of the Massachusetts Automobile Insurance Plan ("MAIP").

The CAR Governing Committee voted to adopt the amendments on November 14, 2007. On December 13, 2007, I notified CAR that the amendments were disapproved. The amendments address, among other things, changes to the minimum allowable exposure provisions for policy year 2008 in CAR Rule 11; changes to the credit provisions in CAR Rule 12; changes to the calculation of the quota share for residual market assignments under MAIP Rule 29, and a change to the requirements for appointment as an assigned risk producer under MAIP Rule 31.

Any person who wishes to testify concerning the proposed amendments is requested to submit to the Division a Notice of Intent to Testify no later than December 26, 2007. All other interested persons will be heard after those who notify the Division in advance. All notices and submissions must be sent to the Docket Clerk, Hearings and Appeals, Division of Insurance, One South Station, Boston, Massachusetts 02110-2208, and shall refer to Docket No. C2007-04. Electronic copies of the proposed amendments are available at www.commauto.com/bulletins/bulletins/2007/bulletin_854_855_and_856.pdf. Paper copies are available for review at the Division.

December 13, 2007


 Nonnie S. Burnes
 Commissioner of Insurance