



COMMONWEALTH AUTOMOBILE REINSURERS

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January 8, 2026

COMMERCIAL LINES NOTICE NO. 168

Calendar Year 2026 Interim Commercial Expense Allowance

For policies effective January 1, 2026 – December 31, 2026, commercial Servicing Carriers will be provided an expense allowance of 24.72% of statistically reported written premium based on the following components:

Policy Year 2026 Ceding Expense Allowance

Expense Allowance	14.08%
Premium Tax	2.30%
Commission	<u>8.34%</u>
Total	24.72%

This expense reimbursement applies to all commercial vehicle types, including taxi, limousine, and car service vehicles.

Because CAR's Interim Ceding Expense payment system used in the Quarterly Settlement of Balances pays expense allowances on a Calander Year basis, policy years 2024 and 2025 reported in accounting year 2026 will also be provided the 24.72% payment. Therefore, calendar year expenses will be trued up after the close of the calendar year in accordance with the distribution of reported premium by policy effective year and the corresponding policy year expense allowances.

Questions may be directed to the undersigned at tgalligan@commauto.com.

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