COMMONWEALTH AUTOMOBILE REINSURERS
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NATALIE A. HUBLEY
PRESIDENT

NOTICE OF MEETING

COMMERCIAL AUTOMOBILE COMMITTEE

A meeting of the Commercial Automobile Committee will be held virtually via Zoom video conferencing software on

FRIDAY, OCTOBER 2, 2026, AT 10:30 A.M.

If you plan to attend this meeting and are not a member of this Committee, please RSVP by completing the Visitor Security Form located in the Contact Us/Visitor Information section of CAR's website. CAR will then forward to you, via email, meeting access information. Please do not share access information provided by CAR, but refer others wishing to attend the meeting to CAR's Visitor Security Form.

MEMBERS OF THE COMMITTEE

Mr. Thomas DePaulo – Chair
Cabot Risk Strategies, LLC

Mr. Michael Brady	Pilgrim Insurance Company
Ms. Annmarie Castonguay	The Hanover Insurance Company
Ms. Sheila Doherty	Doherty Insurance Agency, Inc.
Mr. Andrew Lajzer	Safety Insurance Company
Ms. Sharon Murphy	Acadia Insurance Company
Mr. John Olivieri, Jr.	World Insurance Associates, LLC
Ms. Allison Ratliff	MAPFRE U.S.A. Corporation
Ms. Tricia Sabulis	Michaud Insurance Agency
Mr. David Zawilinski	Arbella Insurance Group

AGENDA

CAC
26.01 Records of Previous Meeting

The Records of the Commercial Automobile Committee meeting of August 27, 2026 should be read and approved.

CAC
26.03 CAR Conflict of Interest Policy

The Chair will read a statement relative to CAR's Conflict of Interest Policy

CAC
26.11 Consistency in Tow Truck Classifications

Questions have been raised about differences in how the Servicing Carriers determine classification and corresponding premium for tow trucks. CAR had requested that each Servicing Carrier provide its classification and rating procedures for tow trucks as well as any other pertinent information utilized in the underwriting process. Based on the responses from the Servicing Carriers and Committee discussion, CAR staff has drafted changes to Rule 52.E of CAR's Commercial Automobile Insurance Manual to clarify the classification procedures. To facilitate committee discussion, staff has also provided a summary of the issue and considerations underlying these proposed changes (Docket #CAC26.11, Exhibit #2).

CAC
26.12 Underwriting Frequency Requirements for Ceded Renewals

At its May 29, 2026 meeting, the Ad Hoc Producer Reassignment Committee observed an inconsistency among Servicing Carriers in their frequency of reevaluating ceded risks on renewal. The Committee recognized a continued need for heightened scrutiny of residual market risks and recommended that the Commercial Auto Committee consider a requirement for the frequency of underwriting evaluations, potentially either annually or biannually, along with guidelines for the review. Upon the Committee's recommendation to forward this discussion to the Commercial Auto Committee, committee members should be prepared to begin discussion of the Ad Hoc Committee's recommendation.

CAC
26.13 Clarification of Non-Owned Coverage – Individual Liability

In the process of implementing new policy coverage and endorsement forms, CAR adopted modifications to non-ownership liability which broadened the definition of volunteers and provided coverage for partners and LLCs by adopting the endorsements CA 05 24 - Non-Ownership Liability Coverage for Volunteers, and CA 05 25 – Partners or Members as Insured. One Servicing Carrier has opined that CA 05 24 and CA 05 25 include both non-owned coverage and individual liability coverage for volunteers and partners/LLC members, respectively. The Committee should discuss the Servicing Carrier's position to determine if Rule 27 – Non-Ownership liability should be modified to indicate that premium charges for both non-ownership liability coverage and the associated individual liability coverage would be applicable when the CA 05 24 and/or CA 05 25 endorsements are attached to a policy. The two endorsements and a summary description of the issue are attached for the Committee's consideration (Docket #CAC26.13, Exhibit #1).

Other Business

To transact any other business that may properly come before this Committee.

Executive Session

The Commercial Automobile Committee may convene in Executive Session in accordance with the provisions of G.L. c. 30A, § 21.

RICHARD HEATH
Actuarial/Statistical Analyst

Attachments

Boston, Massachusetts
September 18, 2026

Commercial Automobile Committee

Consistency in Tow Truck Classification

At the last meeting, the Committee began discussing the determination of classification and corresponding premium for tow trucks. After reviewing information provided by the Servicing Carriers, it was noted that application of the secondary classification code seemed to be the source of inconsistencies among the carriers' underwriting procedures. Based on the information from the Servicing Carriers and the Committee discussion, Staff was directed to draft language to clarify the classification procedures to facilitate further discussion. To that end, Staff has drafted the amendments to Rule 52.E of CAR's Commercial Automobile Insurance Manual to add special provisions for tow truck operations. Key considerations for the proposed changes are:

- Since the Commercial Automobile Insurance Manual does not contain any references to tow trucks outside of on-hook coverage, a definition was added.
- The requirement to carry the MCS-90 – Endorsement for Motor Carrier includes an obligation to insure against public harm and thus increases the risk's exposure. Accordingly, it is appropriate that tow trucks with this requirement be treated as Truckers, with the additional premium charge, seemingly superseding the 80-20 rule.
- The number of concerns that a tow truck risk may contract with does not appear to have a material impact to the risk's operation (outside of the impact to radius).
- Whether the tow truck risk is towing its own vehicles or vehicles of others also does not appear to have a material impact to the risk's operation.
- While the Committee has suggested the need for specific secondary classification codes for tow trucks, Staff recommends addressing this change at a later date when other topics with the potential statistical coding changes will also be addressed.

accordance with Sections D.2.b.1) and D.2.c.2) of this Rule, the proper zone combination is 03 (the zone in which the automobile is principally garaged is a metropolitan zone) and 47 (the zone of the terminal included in the automobile's operations that is farthest from the automobile's principal garaging).

To determine the zone combination code, refer to the Zone Rating Table (Zone of Principal Garaging is in a Metropolitan Zone). According to this table and based upon the established zone combination, the zone combination code to be used for statistical reporting purposes is 247.

E. Special Provisions for Certain Risks

1. Truckers. If the business of the insured involves transporting materials or commodities for another, Rule 55 – Premium Development Options for Truckers also applies.

2. Transporters of Liquid Products. A policy that covers an automobile used for the bulk transportation of liquid products must exclude accidents resulting from the erroneous delivery of one liquid product for another, or the delivery of any liquid product into the wrong receptacle if the accident occurs after the operations have been completed. Use Wrong Delivery of Liquid Products Endorsement CA 23 05.

3. Amusement Devices. A policy written to cover a commercial automobile, trailer or semitrailer on which an amusement device has been mounted does not provide coverage for the operation of the amusement device. Refer to the General Liability Manual for operations coverage. Use Commercial Automobiles Equipped with Amusement Devices Endorsement MM 23 03.

4. Transporters of Explosives. A policy that covers an automobile used for transporting explosives must exclude coverage for the explosion hazard. Use Explosives Endorsement MM 23 04.

5. Rolling Stores. A policy that covers automobiles including canteens, display rooms and automobiles used for selling products must exclude product liability. Use Rolling Stores Endorsement CA 23 04.

6. Trailers or Semitrailers Used as Showrooms (Class Code 04520)

   a. To provide liability coverage for trailers or semitrailers used as showrooms or salesrooms, multiply the trailer or semitrailer rating factor by 2.00. The minimum premium per trailer or semitrailer is $36 for $25,000 per person, $50,000 per accident bodily injury and $9 for $30,000 property damage. The policy must exclude product liability.

   b. For medical payments coverage, multiply the private passenger type Medical Payments premium for the territory in which the risk is located by 3.00.

   c. For physical damage coverages, use the physical damage rates for the trailers or semitrailers respectively.

   d. Use Rolling Stores Endorsement CA 23 04.

7. Trucks, Trailers and Semitrailers Used in Dumping Operations

   a. Rate automobiles used in dumping operations including ready-mix and mix-in transit cement trucks at the Vehicles Used in Dumping Operations Collision rates from the Trucks, Tractors and Trailers physical damage rate pages in the Rate Section.

   b. Use those rates regardless of the secondary classification used. The Dump and Transit Mix Trucks and Trailers rating classification applies to hopper-type transporters of dry commodities, which unload through the bottom by gravity and is only used when no other secondary classification applies.

8. Tow Truck Operations

   Tow Trucks are defined as trucks used for roadside assistance, accident recovery, clearing traffic and transporting broken down or impounded vehicles.

   a. Assign the All Other secondary classification code of 99 except,

   b. If the risk is required to carry the MCS-90 Endorsement for Motor Carrier, refer to the rate page for the appropriate Trucker secondary classification code for the tow truck(s).

9~~8~~. Operations coverage may not be afforded under the auto policy for special or mobile equipment. Refer to Rule 125 – Special or Mobile

Commercial Automobile Committee

Clarification of Non-Owned Coverage – Individual Liability

As part of the process to implement new policy coverage and endorsement forms, CAR adopted modifications to non-ownership liability which broadened the definition of volunteers and provided coverage for partners and LLCs. The amendments were consistent with AIB language and included the adoption of two endorsements – CA 05 24 – Non-Ownership Liability Coverage for Volunteers and CA 05 25 – Partners or Members as Insured (the endorsements are attached).

Carriers typically reflect the selection of non-owned coverage with symbol 9 on the DEC page. This coverage provides protection to the name insured when an accident occurs in which the employee, partner, LLC member, or member of their respective household is driving a vehicle not owned by the insured, but it does not provide coverage to that driver.

- In order to extend coverage to include the individual liability of the employee, CA 99 33 – Employees as Insureds endorsement must be added to the policy.
- In order to extend coverage to volunteers, CA 05 24 – Non-ownership Liability Coverage for Volunteers must be added to the policy.
- In order to extend coverage to the actual partners or LLC members, CA 05 25 – Partners or members as Insureds must be added to the policy.

In reviewing the changes related to the expansion of non-owned coverage, one Servicing Carrier has indicated that CA 05 24 and CA 05 25 include both non-owned coverage and individual liability coverage for volunteers and partners/LLC members, respectively. It should be noted that there are separate rating procedures for all the non-owned coverage components, but not separate endorsements for each component. Accordingly, if the Committee agrees with the Servicing Carrier's position, then Staff recommends clarification of Rule 27 – Non-Ownership Liability to indicate that premium charges for both non-ownership liability coverage and the associated individual liability coverage should be applied when the CA 05 24 and/or CA 05 25 endorsements are attached to a policy.

POLICY NUMBER:

COMMERCIAL AUTO
CA 05 24 11 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON-OWNERSHIP LIABILITY COVERAGE FOR VOLUNTEERS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured: **Endorsement Effective Date:**

SCHEDULE

Description Of Covered Volunteer Activity(ies):
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Changes In Covered Autos Liability Coverage

1. The following is added to **Who Is An Insured:**

Any "volunteer" is an "insured" while he or she is:

a. Engaged in the specified activity(ies) described in the Schedule; or

b. Acting on your behalf, if no activity is described in the Schedule;

and using a covered "auto" you don't own, hire or borrow. Anyone else who furnishes that "auto" to a "volunteer" is also an "insured", but only to the extent of liability arising out of the activities described in preceding Paragraphs **a.** and **b.**

2. The following exclusion is added:

This insurance does not apply to:

Volunteer Injury

"Bodily injury" to:

a. Any "volunteer" or any fellow "volunteer" of the "insured", if sustained while such "volunteer" is:

(1) Engaged in the specified activity(ies) described in the Schedule; or

(2) Acting on your behalf, if no activity is described in the Schedule.

b. The spouse, child, parent, brother or sister of that "volunteer" as a consequence of Paragraph **2.a.**

B. Additional Definitions

As used in this endorsement:

"Volunteer" means a person, who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PARTNERS OR MEMBERS AS INSUREDS

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The **Who Is An Insured** provision under Paragraph **A.1.** of **Section II – Covered Autos Liability Coverage** in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of **Section I – Covered Autos Coverages** of the Auto Dealers Coverage Form is amended to include as an "insured" a partner (if you are a partnership) or a member (if you are a limited liability company) while using a covered "auto" owned by him or her or a member of his or her household in your business affairs.