



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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RECORDS OF MEETING

COMMERCIAL AUTOMOBILE COMMITTEE – APRIL 23, 2026

Members Present

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
Mr. David Zawilinski	Arbella Insurance Group

Not in Attendance:

Ms. Tricia Sabulis, Michaud Insurance Agency

26.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the Commercial Automobile Committee meeting of February 19, 2026. The Records have been distributed and are on file.

26.07 Primary & Noncontributory and Waiver of Subrogation Endorsements

Prior to the meeting, Mr. Michael Kovalev of Kovalev Insurance Agency requested that the Committee reconsider the appropriateness of CA 04 49 – Primary and Noncontributory – Other Insurance Condition and CA 04 43 – Waiver of Transfer of Rights of Recovery Against Others to Us for use in the commercial residual market. In 2019, the Committee discussed these endorsements in conjunction with coverage for Additional Insureds but did not adopt due to the negative impact to the residual market. However, it was indicated by the producer that contracts routinely stipulate that these endorsements be attached.

Ms. Wendy Browne opened the discussion with a brief review of the endorsements in question and their effects on the residual market before inviting the Committee to offer their opinions. Several committee members concurred with the producer's comments, agreeing that requirements for these endorsements have become more commonplace throughout the market. In response to a committee member's question regarding availability in the voluntary and excess lines markets, Mr. Kovalev indicated that insureds' options for these provisions are limited, particularly when the risk is otherwise unable to find coverage in the voluntary market. After discussion, committee members agreed that by not allowing these

endorsements in the residual market, the best interests of the motoring public may not be served. Accordingly, general consensus was widely expressed to adopt the Primary & Noncontributory and Waiver of Subrogation Endorsements. Further, members suggested staff consider an appropriate rating procedures review of how other states' residual markets address these provisions.

The Committee then discussed concerns raised in the meeting materials distributed with the Notice of Meeting. Specifically, Mr. Michael Brady noted that CAR will need to address conflicts created by the Primary & Noncontributory Endorsement, particularly in the case of mixed-use vehicles engaged in TNC activities. Ms. Hubley questioned whether introducing a schedule of contracts requiring the Primary and Noncontributory Endorsement would avoid the conflict if instructions for use exclude clients requesting TNC services.

The Committee then discussed whether the CA 04 44 Waiver of Subrogation Endorsement, which requires that stipulating contracts be listed, would be more appropriate for the residual market, as is required for Additional Insured coverage. Mr. Kovalev stated that a blanket waiver endorsement would be easier from an administrative perspective, and pointed out that the endorsement indicates that the provision applies only to stipulating contracts. Ms. Allison Ratliff noted that, while the blanket endorsement offers ease of processing, some insureds' contracts explicitly require they be listed. Additionally, Mr. Brady commented procedures for the Additional Insured Endorsement should be consistent with those selected by the Committee for the Waiver of Subrogation Endorsement. Other committee members concurred with both Ms. Ratliff and Mr. Brady's points, and further advised caution over adopting both waiver endorsements to avoid conflicts and inconsistent procedures among Servicing Carriers.

Mr. Thomas DePaulo asked if it would be possible to have the option of either a blanket or scheduled coverage form to allow flexibility on the producer's side. Ms. Browne indicated that staff would work with counsel to address the issues raised related to these endorsements.

After discussion, the Committee resolved to have staff and counsel further evaluate comments made and draft rules and forms as may be appropriate. The Chair Thomas DePaulo directed staff and counsel to also consider the question raised by Mr. Kovalev regarding the 30-day notice of cancellation endorsement for discussion at a future meeting.

26.08 Cost of Hire Coverage

Ms. Lynne Rosenberg informed the Committee that Servicing Carriers have raised questions pertaining to hired auto coverage for auto dealers and requesting clarification of cost of hire rating procedures. She reviewed an exhibit with policy year 2025 data including written premiums and losses by the various classification codes with reported Hired Auto coverage, as well as suggestions that had been raised in prior Servicing Carrier Annual reports. .

Specifically, carriers noted that both the Business Auto policy and the Auto Dealers pages enable the selection of primary and excess coverage for Hired Autos, whereas the Garages Declaration pages did not reflect this option. Ms. Rosenberg asked the Committee for input on the applicability of the Hired Auto coverage for Auto Dealer risks. Ms. Sheila Doherty indicated that some umbrella policies require non-owned coverage on the primary policy for commercial entities. Ms. Wendy Browne noted that Staff has identified some existing garage policies with reported Hired Auto coverage, and questioned whether some producers may recommend adding both Non-Owned and Hired Auto coverage together as a customary practice. With questions concerning requirements for coverage, Ms. Browne suggested CAR staff further research this issue by reaching out to some producers who write Garage policies to better understand the need for this coverage. Staff will return with their findings at a future meeting.

Ms. Browne also noted Servicing Carriers have had questions on the rating procedures of primary and excess coverage in light of differences on the DEC pages for Garage and Auto Dealers and explained that CAR's current rating procedures provide for both options but may need clarification to define procedures for all appropriate classifications. Ms. Allison Ratliff further commented that the Motor Carrier Endorsement includes a Cost of Hire coverage available separately for excess and primary; however, Rule 55 is silent as to which rating option is applicable. Ms. Browne noted that CAR Staff will further research this issue, and requested Servicing Carriers also review the DEC pages, Rule 28, and Rule 55, to determine if any changes are required.

The next question came from the Servicing Carrier responses in prior Annual Reports. Truckers Cost of Hire rating is not mandatory in the residual market, and a Servicing Carrier questioned whether it should be made mandatory in the instance where the owner-operator is not maintained on the policy for at least six months. Mr. Mike Brady felt that there are no issues with the current approach, and noted the difficulty in Servicing Carriers confirming and validating the policy as suggested. The Committee consensus was that the current Truckers Cost of Hire rating is appropriate and agreed no further action was needed.

The final question for Committee Consideration related to a servicing carrier suggestion to review Rule 55 of the Commercial Automobile Manual to clarify the rating procedure for the Cost of Hire on a Non-Owned risk that has no vehicles. Mr. Mike Brady said this is specific to Truckers Cost of Hire, and in scenarios with no actual vehicles listed on the policy, then the rating procedures instruct that the minimum premium rule would apply. The Committee consensus was that the current rule and rating procedures are appropriate, and no further action is required.

24.07 Proposed Amendments to CAR Rules and Manuals for New Coverage Forms

Mr. Timothy Galligan provided a status report on CAR's Rule/Rate/Form filing submitted on March 31st, 2026 relating to the 1/1/2027 implementation of the new forms and endorsements. The filing supplements the original filing made in 2024 by adopting the latest versions of 9 existing forms and endorsements to their latest versions and adds 5 new forms that were not included in the original filing. The Commercial Automobile Manual Rules were updated to align with these changes, and new rates were introduced in association with the Auto Dealers Coverage program. Mr. Galligan noted that the complete list of proposed changes is detailed in Commercial Lines Notice #171, available on CAR's website. The updated Rate and Rule Manual are available on request.

In discussion at the last meeting related to Servicing Carrier Responsibilities in the Manual of Administrative Procedures, a question was raised regarding the ability for Servicing Carriers to use a declarations page with their own logos in conjunction with the new requirements to use all forms adopted by CAR for residual market business. Ms. Wendy Browne informed the Committee that Staff had obtained the DEC pages of the Servicing Carriers and compared them to the ISO DEC page currently adopted for use in the residual market. Ms. Browne noted that some company DEC pages had only formatting differences in addition to the company's logos, while other companies had added questions and other additional information not included on CAR's.

Based on this information, Staff contacted the Division of Insurance (DOI) to gain a better understanding of their requirements for usage of adopted forms. Ms. Browne informed the Committee that the DOI allows the use of any DEC page that has been previously approved, and did not have a concern with Servicing Carriers using their own. She noted that the DOI has a requirement that the issuing company be easily identified on the DEC page.

With no issues that would prohibit Servicing Carriers to use their own DEC pages, Staff suggested that CAR maintain the current DEC page in the list of forms and endorsement, while adding a footnote that

indicates that companies can use their own DEC pages, as long as they don't substantially differ from the form that CAR has adopted.

The Committee briefly discussed this approach, with one member noting the benefits from an Information Technology perspective. The Committee agreed with Staff's approach relative to DEC pages.

TIMOTHY GALLIGAN
Actuarial and Statistical Services Director

Boston, Massachusetts
May 12, 2026

ATTACHMENT LISTING

Docket #CAC26.02, Exhibit #2

Attendance Listing

**COMMERCIAL AUTOMOBILE COMMITTEE MEETING
MEETING ATTENDEES
APRIL 23, 2026**

Individual's Name

Company / Agency

PLEASE PRINT

Thomas DePaulo	Cabot Risk Strategies, LLC
Michael Brady	Pilgrim Insurance Company
Annmarie Castonguay	The Hanover Insurance Company
Sheila Doherty	Doherty Insurance Agency, Inc.
Andrew Lajzer	Safety Insurance Company
Sharon Murphy	Acadia Insurance Company
John Olivieri, Jr.	World Insurance Associates, LLC
Allison Ratliff	MAPFRE U.S.A. Corporation
David Zawilinski	Arbella Insurance Group
Peter Barton	Safety Insurance Company
John Magadieu	Arbella Insurance Group
Alexander Choder	Arbella Insurance Group
Matthew Devine	Arbella Insurance Group
Jennifer Costa	Arbella Insurance Group
Monique Miller	AIB
Kylee Morfitt	MAPFRE U.S.A. Corporation
Paul Drennan	MAPFRE U.S.A. Corporation
Linda Zarella	Arbella Insurance Group
Benjamin Hincks	TSH & D – CAR Counsel
Steven Torres	TSH & D – CAR Counsel
Mikhail Kovalev	Kovalev Insurance Agency
Mark Alves	CAR Staff
Wendy Browne	CAR Staff
Shannon Chiu	CAR Staff
Richard Dalton	CAR Staff

**COMMERCIAL AUTOMOBILE COMMITTEE MEETING
MEETING ATTENDEES
APRIL 23, 2026**

Individual's Name

Company / Agency

PLEASE PRINT

Adrienne Donovan	CAR Staff
Richard Heath	CAR Staff
Timothy Galligan	CAR Staff
Steven Gautieri	CAR Staff
Matthew Hirsh	CAR Staff
Natalie Hubley	CAR Staff
Tiffany Manning	CAR Staff
Katy Proctor	CAR Staff
James Robery	CAR Staff
Evan Ross	CAR Staff
Lynne Rosenberg	CAR Staff
Evan Ross	CAR Staff
Alison Ruggiero	CAR Staff
Robin Tigges	CAR Staff