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NOTICE OF MEETING

COMMERCIAL CLASSIFICATION SUBCOMMITTEE

A meeting of the Commercial Classification Subcommittee will be held at the Automobile Insurers Bureau Conference Center at 101 Arch Street, 7th Floor, Boston, on

THURSDAY, DECEMBER 14, 2017 AT 10:00 A.M.

MEMBERS OF THE COMMITTEE

Mr. Glenn Hiltpold – Chair
Safety Insurance Company

Ms. Sarah Clemens
Ms. Lynellen Ramirez
Mr. Barry Tagen

MAPFRE U.S.A. Corporation
Arbella Insurance Group
Pilgrim Insurance Company

AGENDA

CCS

17.01 Records of Previous Meeting

The Records of the Commercial Classification Subcommittee of November 16, 2017 should be read and approved.

CCS

17.03 CAR Conflict of Interest Policy

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

CCS

17.04 Development of Commercial Classification Plan

The Commercial Classification Subcommittee should continue discussion of a revised Private Passenger Type classification plan. At its last meeting, the Subcommittee directed staff to study other filings in order to develop a list of recommended risk attributes. The members also agreed to review data availability within their own organizations in order to be prepared to advise staff with respect to the ability to respond to a data call for an initial filing. To that end, the Subcommittee should be prepared to discuss the following:

- Risk Attributes:

Staff recommends considering the adoption of the following risk attributes for an initial filing. The Subcommittee should be prepared to comment on the availability of the following exposure data to enable staff and its consulting actuaries to develop an initial filing. Further, the members should discuss effective date and market source (ceded vs. voluntary) parameters for the initial data collection.

- Driving Experience defined as the number of years licensed
- Driving History defined as a combination of:
 - Number of Major Incidents
 - Number of Minor Incidents
 - Number of Major Convictions
 - Number of Minor Convictions
- Verifiable Attributes defined as whether the Driving Experience and Driving History can be verified or not

- Premium Calculation Rules

The Subcommittee should also discuss anticipated premium calculation issues to enable staff to draft proposed manual rules including but not limited to:

- Driver assignment vs. “blended” rating
- Operator deferrals
- Other

- Other Issues

The Subcommittee should also comment on necessary modifications to forms, including impacts to:

- The Application
- The Policy and/or endorsements

Other Business

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

Executive Session

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

WENDY BROWNE
Vice President – Business Operations

Boston, Massachusetts
December 4, 2017