



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

101 Arch Street, Suite 400 Boston, Massachusetts 02110
www.commauto.com 617-338-4000

NOTICE OF MEETING

GOVERNING COMMITTEE

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

TUESDAY, APRIL 9, 2024, AT 10:30 A.M.

MEMBERS OF THE COMMITTEE

Mr. John Olivieri, Jr. – Chair
J.K. Olivieri Insurance Agency, Inc.

Ms. Pamela Bodenstab-Krynicky
Ms. Sarah Clemens
Mr. Kevin Costigan
Mr. Thomas DePaulo
Mr. Thomas Harris
Mr. William Hughes
Ms. Ida Denard Jones
Ms. Nicole Martorana
Ms. Mary McConnell
Mr. Tiago Prado
Mr. Christopher Taylor
Ms. Meredith Woodcock

P.L. Krynicky Insurance Agency, Inc.
MAPFRE U.S.A. Corporation
GEICO
Cabot Risk Strategies, LLC
Quincy Mutual Group
Arbella Insurance Group
Denard Insurance Agency, Inc.
FBInsure, LLC
Safety Insurance Company
BRZ Insurance, LLC
The Hanover Insurance Company
Liberty Mutual Group

AGENDA

GC

24.01 Transcript of Previous Meeting

The Transcript of the Governing Committee meeting of February 14, 2024 should be read and approved.

GC

24.03 CAR Conflict of Interest Policy

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

GC

24.04 President's Report

Commonwealth Automobile Reinsurers' President will report on matters affecting CAR.

GC

24.05 Counsel's Report

Commonwealth Automobile Reinsurers' counsel will report on pending litigation, CAR Rule changes and any other matters relevant to legal issues at CAR.

GC

24.06 Commercial Automobile Committee

The Governing Committee will hear the report of the Commercial Automobile Committee meeting of March 28, 2024.

The Records of the Commercial Automobile Committee meeting of March 28, 2024 will be distributed as additional information prior to the meeting.

GC

24.11 Compliance and Operations Committee

The Governing Committee will hear the report of the Compliance and Operations Committee meeting of March 27, 2024.

The Records of the Compliance and Operations Committee meeting of March 27, 2024 will be distributed as additional information prior to the meeting.

GC

24.12 Loss Reserving Committee

The Governing Committee will hear the report of the Loss Reserving Committee meeting of March 6, 2024.

The Summary of the Loss Reserving Committee meeting of March 6, 2024 is attached (Docket #GC24.12, Exhibit #1).

The Records of the Loss Reserving Committee meeting of March 6, 2024 have been distributed and are on file.

GC

24.13 Legal Contract Review Committee

The Governing Committee will hear the report of the Legal Contract Review Committee meeting of March 13, 2024.

The Records of the Legal Contract Review Committee meeting of March 13, 2024 are attached (Docket #GC24.13, Exhibit #1).

The Records of the Legal Contract Review Committee meeting of March 13, 2024 have been distributed and are on file.

GC

24.14 MAIP Steering Committee

The Governing Committee will hear the report of the MAIP Steering Committee meeting of March 14, 2024.

The Records of the MAIP Steering Committee meeting of March 14, 2024 are attached (Docket #GC24.14, Exhibit #1).

The Records of the MAIP Steering Committee meeting of March 14, 2024 have been distributed and are on file.

Other Business

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

Executive Session

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

NATALIE HUBLEY
President

Attachments

Boston, Massachusetts
March 26, 2024



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

101 Arch Street, Suite 400 Boston, Massachusetts 02110

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617-338-4000

SUMMARY OF MEETING

LOSS RESERVING COMMITTEE – MARCH 6, 2024

Members Present

Ms. Melissa Vaughn – Chair
Ms. Satomi Miyanaga
Mr. Martin Murphy
Mr. Jacob Sechler
Mr. Gavin Traverso

Safety Insurance Company
Liberty Mutual Insurance Companies
Plymouth Rock Assurance Corporation
The Hanover Insurance Company
MAPFRE U.S.A. Corporation

23.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the Loss Reserving Committee meeting of December 6, 2023. The Records have been distributed and are on file.

24.04 Quality of Current Quarter Reporting

The Committee reviewed the current quarter's data quality and large loss reports. The Committee was advised that there were no data adjustments for missing data.

The Committee was informed that 14 Bodily Injury (BI) claims were referred this quarter to CAR's Compliance Audit Department for additional information and verification of the reported statistics. All of the policies carried a \$1.0 million combined single limit (CSL) coverage, and one policy was reviewed due to a \$1.0 million decrease in the reserve from the prior quarter. There were three property damage liability (PDL) claims referred this quarter. These claims were either newly reported, experienced large upward or downward reserve changes, or were paid in excess of the prior quarter reserve and were verified for accuracy with the reporting Servicing Carrier.

The Committee reviewed large loss reports for all losses greater than \$1.0 million reported for policy years 2014-2023 as of December 2023. During the current quarter, there were six new claims added to the report with a \$1.0 million CSL. Three claims were removed for dropping below the threshold. As of the current quarter, there have been 126 claims over \$1.0 million reported for the latest 10 policy years. These claims have current incurred losses of approximately \$216.0 million, an increase of \$4.6 million since the prior quarter. The corresponding large loss reports are attached as pages 5-9.

Summary of Large Losses GT \$1.0M as of December, 2023 (\$ in millions)

	Claims >>\$1.0M	Current Incurred Losses	Current Reserves	Prior Incurred Losses	Change in Loss
New Claims	6	\$6.4	\$5.6	\$1.3	\$5.1
Total Claims	126	\$216.0	\$74.7	\$212.0	\$4.0

The Committee was also informed that, during the current quarter, 17 new claims were reported using the Large Loss Notification Form. This report is attached as pages 10-11. Four of the 17 claims carry a \$5.0 million CSL, and the rest are insured at a \$1.0 million CSL. Because of the timing, there were several significant large losses identified by these forms with no reported statistics that were evaluated but were included by the Committee in the selection of accident year losses. These losses include a \$5.0 million PDL claim related to a pollution loss, and several other BI claims with estimated losses totaling approximately \$5.0 million for accident years 2018-2023. Additionally, four submissions relating to updated records were received, but were not significant and therefore required no adjustments.

24.06 Policy Year Deficit and Loss Ratio Report

The latest deficit projections as of December, 2023 were reviewed and finalized as follows:

The Committee estimated a policy year 2021 surplus of \$23.3 million with an ultimate loss ratio of 67.4%. The estimate results in a \$180,000 increase from the prior quarter's projected surplus of \$23.2 million.

The Committee estimated a policy year 2022 deficit of \$20.9 million with an ultimate loss ratio of 87.6%, resulting in a \$3.7 million increase from the prior quarter's projected deficit of \$17.2 million. The increased deficit results are in part due to the increasing severity and large loss activity including three new large losses reported in the current quarter, as well as eight large claims reported in the prenotification process that were considered in the loss data.

The Committee estimated a policy year 2023 deficit of \$4.8 million with an ultimate loss ratio of 78.4%. The estimate results in a \$1.8 million decrease from the prior quarter's projected deficit of \$6.6 million.

Ultimate loss ratio and deficit projections for all policy years are attached as pages 12-15.

The following summary displays the policy year results:

Policy Year Results Total Commercial Ceded

PY	Earned Premium (000)	Loss & Allocated Loss Adjustment Expense (000)				Number of Open Claims
		Paid	Case Outstanding	IBNR	Held Ultimate	
2014	127,937	100,617	1,093	0	101,710	6
2015	151,439	130,131	81	10	130,222	5
2016	169,141	155,836	10,674	109	166,619	81
2017	182,590	137,167	4,691	-55	141,803	51
2018	195,958	157,995	20,293	128	178,416	123
2019	190,284	114,194	16,865	1,661	132,720	93
2020	172,643	74,816	25,561	4,923	105,300	270
2021	183,368	81,811	34,695	7,059	123,565	517
2022	186,469	64,151	71,493	27,639	163,283	1,839
2023	104,715	22,790	24,456	34,836	82,082	1,778
Total	1,664,544	1,039,508	209,902	76,310	1,325,720	4,763

Policy Year Change in Ultimate Loss

PY	Current Quarter			Prior Quarter			Difference	
	Ultimate Loss(000)	Earned Prem(000)	Loss Ratio	Ultimate Loss(000)	Earned Prem(000)	Loss Ratio	Ultimate Loss(000)	Loss Ratio
2014	101,710	127,937	79.5%	101,838	127,937	79.6%	-128	-0.1%
2015	130,222	151,439	86.0%	130,222	151,439	86.0%	0	0.0%
2016	166,619	169,141	98.5%	166,954	169,141	98.7%	-335	-0.2%
2017	141,803	182,590	77.7%	141,850	182,590	77.7%	-46.6	0.0%
2018	178,416	195,958	91.0%	178,219	195,958	90.9%	197	0.1%
2019	132,720	190,284	69.7%	134,389	190,284	70.6%	-1,669	-0.9%
2020	105,300	172,644	61.0%	104,965	172,642	60.8%	335	0.2%
2021	123,565	183,370	67.4%	123,779	183,367	67.5%	-214	-0.1%
2022	163,283	186,469	87.6%	154,821	180,825	85.6%	8,462	2.0%
2023	82,082	104,716	78.4%	46,967	59,240	79.3%	35,115	-0.9%

The following summary displays the accident year results from the meeting:

Accident Year Results Total Commercial Ceded

CAL/AY	Loss & Allocated Loss Adjustment Expense (000)					Number of Open Claims
	Earned Premium(000)	Paid	Case Outstanding	IBNR	Held Ultimate	
2014	117,843	101,239	1,121	0	102,360	7
2015	140,066	110,296	442	10	110,748	5
2016	160,225	155,187	825	109	156,121	12
2017	175,270	145,182	11,162	190	156,534	92
2018	189,480	149,994	14,079	114	164,187	102
2019	198,126	144,731	19,915	-165	164,481	105
2020	176,009	81,193	17,575	2,856	101,624	146
2021	181,580	75,622	26,879	7,663	110,164	340
2022	184,475	79,535	64,002	13,410	156,947	1005
2023	196,459	49,981	54,349	52,123	156,453	2953
Total	1,719,533	1,092,960	210,349	76,310	1,379,619	4,767

Accident Year Change in Ultimate Loss

CAL/AY	Current Quarter			Prior Quarter			Difference	
	Ultimate Loss(000)	Earned Prem(000)	Loss Ratio	Ultimate Loss(000)	Earned Prem(000)	Loss Ratio	Ultimate Loss(000)	Loss Ratio
2014	102,360	117,843	86.9%	101,903	117,843	86.5%	457	0.4%
2015	110,748	140,066	79.1%	110,895	140,066	79.2%	-147	-0.1%
2016	156,121	160,225	97.4%	156,051	160,225	97.4%	70	0.0%
2017	156,534	175,270	89.3%	157,043	175,270	89.6%	-509	-0.3%
2018	164,187	189,480	86.7%	164,133	189,480	86.6%	54	0.0%
2019	164,481	198,126	83.0%	166,127	198,126	83.8%	-1,646	-0.8%
2020	101,624	176,009	57.7%	101,977	176,009	57.9%	-353	-0.2%
2021	110,164	181,580	60.7%	110,609	181,579	60.9%	-445	-0.2%
2022	156,947	184,475	85.1%	153,165	184,471	83.0%	3,782	2.0%
2023	156,453	196,459	79.6%	115,552	145,342	79.5%	40,901	0.1%

SHANNON CHIU
Actuarial/Statistical Analyst

Boston, Massachusetts
March 20, 2024

Loss Reserving Committee Executive Summary – Attachments

<u>Report Name</u>	<u>Page(s)</u>
Large Loss Listing by Policy Year (> \$ 1.0 Million)	5-8
Large Losses Change by Quarter (Policy Year)	9
Large Loss Notification Form Summary	10-11
Ultimate Loss Ratio and Deficit Projections at December, 2023	12-15

Commonwealth Automobile Reinsurers
Large Loss Detail By Policy Year (Large Losses \$1.0 Million and Greater)

Data Reported Through December, 2023

Row	Eff Yr	Liab Lim	Lim Id	Accd Year	Clm	Class Desc	ITD Paid Loss	Current Reserve	ALAE ITD	ITD Total Loss	Prior Reserves	Prior Qtr Tot Loss	Change Tot Loss	PIP Loss	State	Qtr First > \$1.0M	First Rptd
1	23	1.0 M	CSL	2023	9	Zone Rated TTT	102,049	1,000,000	53,842	1,155,891	1,000,000	1,084,071	71,820	0	Out Of State	2Q 2023	2Q 2023
2	23	1.0 M	CSL	2023	4	TTT	456,173	653,219	200,005	1,309,397	690,005	1,309,397	0	0	MA	2Q 2023	1Q 2023
							558,222	1,653,219	253,847	2,465,288	1,690,005	2,393,468	71,820	0			
1	22	5.0 M	CSL	2022	37	Commercial Bus	236,771	5,002,832	308,655	5,548,258	5,004,688	5,391,733	156,525	111,244	MA	4Q 2022	4Q 2022
2	22	1.0 M	CSL	2022	3	TTT	230,394	750,000	37,500	1,017,894	4,200	234,804	783,090	0	MA	4Q 2023	1Q 2023
3	22	1.0 M	CSL	2023	4	TTT	190,318	1,000,000	57,612	1,247,930	1,000,000	1,243,892	4,038	6,768	Out Of State	1Q 2023	1Q 2023
4	22	1.0 M	CSL	2022	1	Garage	0	1,000,000	27,901	1,027,901	1,000,000	1,025,571	2,330	0	MA	1Q 2023	2Q 2022
5	22	1.0 M	CSL	2022	3	Garage	229,757	1,000,000	87,909	1,317,666	1,000,000	1,300,946	476,280	0	MA	4Q 2022	4Q 2022
6	22	1.5 M	CSL	2022	2	Commercial Bus	27,282	1,000,162	50,518	1,077,962	1,001,830	1,065,618	12,344	27,954	Out Of State	4Q 2022	4Q 2022
7	22	5.0 M	CSL	2022	6	Commercial Bus	101,431	5,048,112	108,909	5,258,452	5,046,511	5,194,652	63,800	147,293	Out Of State	1Q 2023	3Q 2022
8	22	1.0 M	CSL	2022	2	TTT	13,001	1,000,000	70,187	1,083,188	1,000,000	1,083,188	0	8,187	MA	3Q 2023	3Q 2022
9	22	1.0 M	CSL	2022	0	TTT	0	0	0	0	1,000,000	1,034,946	-1,034,946	0	Out Of State	3Q 2023	4Q 2022
10	22	1.0 M	CSL	2022	3	Non-Owned / Special Rating	0	1,000,000	29,538	1,029,538	0	1,013	1,028,525	0	Out Of State	4Q 2023	3Q 2023
11	22	1.0 M	CSL	2023	2	Zone Rated TTT	11,173	985,744	53,736	1,050,653	985,744	1,050,651	2	0	Out Of State	3Q 2023	1Q 2023
12	22	1.0 M	CSL	2023	4	Zone Rated TTT	0	1,012,300	75,445	1,087,745	105,000	105,470	982,275	12,675	Out Of State	4Q 2023	2Q 2023
13	22	1.0 M	CSL	2022	3	Zone Rated TTT	0	1,000,000	35,485	1,035,485	1,000,000	1,035,484	1	0	Out Of State	3Q 2023	2Q 2022
14	22	1.0 M	CSL	2022	3	Zone Rated TTT	12,942	987,058	50,001	1,050,001	987,058	1,050,000	1	0	Out Of State	2Q 2023	3Q 2022
15	22	1.0 M	CSL	2022	1	Zone Rated TTT	4,141	1,010,840	90,152	1,105,133	1,010,840	1,105,132	1	15,106	Out Of State	2Q 2023	3Q 2022
16	22	1.0 M	CSL	2022	4	Zone Rated TTT	18,819	1,144,446	85,211	1,248,476	994,446	1,073,475	175,001	175,000	Out Of State	3Q 2023	4Q 2022
17	22	1.0 M	CSL	2023	4	Zone Rated TTT	19,330	1,000,001	70,032	1,089,363	1,000,001	1,049,561	39,802	0	Out Of State	3Q 2023	1Q 2023
18	22	5.0 M	CSL	2023	23	Zone Rated Bus	56,220	5,071,100	105,401	5,232,721	5,083,520	5,189,170	43,551	99,600	Out Of State	3Q 2023	3Q 2023
19	22	1.0 M	CSL	2022	7	TTT	106,400	1,000,000	20,001	1,126,401	1,000,000	1,126,401	0	0	Out Of State	4Q 2022	4Q 2022
							1,257,979	30,012,595	1,364,193	32,634,767	28,223,838	30,361,707	2,732,620	603,827			
1	21	1.0 M	CSL	2022	4	TTT	39,548	1,000,000	31,969	1,071,517	1,000,000	1,049,550	21,967	0	MA	1Q 2023	3Q 2022
2	21	1.0 M	CSL	2022	3	Non-Owned / Special Rating	0	1,000,000	23,622	1,023,622	1,000,000	1,023,283	339	0	Out Of State	2Q 2022	2Q 2022
3	21	1.0 M	CSL	2021	8	TTT	134,914	970,000	75,885	1,180,799	970,000	1,176,825	3,974	0	MA	1Q 2022	4Q 2021
4	21	5.0 M	CSL	2022	4	TTT	152,390	2,608,400	163,065	2,923,855	2,608,400	2,919,881	3,974	0	MA	1Q 2022	1Q 2022
5	21	5.0 M	CSL	2022	1	Zone Rated Bus	4,900,000	0	84,893	4,984,893	0	4,984,893	0	0	Out Of State	3Q 2022	3Q 2022
6	21	5.0 M	CSL	2022	17	Commercial Bus	499,150	3,387,868	179,864	4,066,882	3,387,086	4,132,122	-65,240	161,420	Out Of State	4Q 2022	2Q 2022
7	21	1.0 M	CSL	2021	2	TTT	1,030,884	0	4,959	1,035,843	0	1,035,843	0	8,000	MA	4Q 2021	4Q 2021
8	21	1.0 M	CSL	2021	5	TTT	184,745	910,000	54,202	1,148,947	40,000	229,746	919,201	0	MA	4Q 2023	4Q 2021
							6,941,631	9,876,268	618,459	17,436,358	9,005,486	16,552,143	884,215	169,420			

Commonwealth Automobile Reinsurers
Large Loss Detail By Policy Year (Large Losses \$1.0 Million and Greater)
Data Reported Through December, 2023

CAR DOCKET #GC24.12
EXHIBIT #1
PAGE 6 OF 15

Row	Eff Yr	Liab Lim	Lim Id	Accdt Year	Clm	Class Desc	ITD Paid Loss	Current Reserve	ALAE ITD	ITD Total Loss	Prior Reserves	Prior Qtr Tot Loss	Change Tot Loss	PIP Loss	State	Qtr First > \$1.0M	First Rptd
1	20	1.0 M	CSL	2020	5	TTT	1,035,920	0	21,226	1,057,146	0	1,057,146	0	0	MA	4Q 2020	4Q 2020
2	20	1.0 M	CSL	2021	4	TTT	49,498	1,000,000	48,852	1,098,350	1,000,000	1,091,446	6,904	0	MA	2Q 2021	1Q 2021
3	20	1.0 M	CSL	2021	1	PPT - NF	0	1,000,000	66,028	1,066,028	1,000,000	1,063,150	2,878	0	Out Of State	2Q 2021	1Q 2021
4	20	1.0 M	CSL	2021	3	Zone Rated TTT	26,254	977,947	48,897	1,053,098	977,947	1,053,098	0	0	MA	1Q 2022	2Q 2021
5	20	1.0 M	CSL	2021	3	Zone Rated TTT	1,025,146	0	17,498	1,042,644	0	1,042,644	0	0	Out Of State	4Q 2021	2Q 2021
6	20	1.0 M	CSL	2021	3	TTT	52,982	1,000,000	58,114	1,111,096	1,000,000	1,110,931	165	68	Out Of State	2Q 2022	3Q 2021
7	20	1.0 M	CSL	2021	5	TTT	1,037,469	0	14,737	1,052,206	0	1,052,206	0	5,242	MA	3Q 2021	1Q 2021
8	20	1.0 M	CSL	2020	2	Zone Rated TTT	2,412	997,588	53,294	1,053,294	997,588	1,053,043	251	0	Out Of State	2Q 2022	4Q 2020
9	20	1.0 M	CSL	2020	1	Public Transportation Buses	1,008,000	0	1,782	1,009,782	0	1,009,782	0	8,000	MA	1Q 2022	4Q 2020
10	20	1.0 M	CSL	2021	3	Non-Owned / Special Rating	1,000,000	0	24,840	1,024,840	0	1,024,840	0	0	MA	3Q 2021	2Q 2021
11	20	5.0 M	CSL	2021	1	Commercial Bus	8,000	1,000,000	53,140	1,061,140	1,000,000	1,053,946	7,194	8,023	MA	4Q 2021	4Q 2021
12	20	1.0 M	CSL	2020	1	Garage	1,008,000	0	1,042	1,009,042	0	1,009,042	0	8,000	MA	4Q 2021	1Q 2021
13	20	5.0 M	CSL	2021	4	Zone Rated Bus	927,111	0	10,460	937,571	70,000	1,022,571	-85,000	17	Out Of State	2Q 2022	2Q 2021
14	20	1.0 M	CSL	2020	3	Zone Rated TTT	20,372	1,000,000	225,009	1,245,381	1,000,000	1,245,381	0	0	Out Of State	3Q 2020	2Q 2020
							7,201,164	6,975,535	644,919	14,821,618	7,045,535	14,889,226	-67,608	29,350			
1	19	1.0 M	CSL	2019	1	TTT	1,000,000	0	33,462	1,033,462	0	1,033,462	0	0	Out Of State	3Q 2020	3Q 2020
2	19	1.0 M	CSL	2020	2	TTT	1,000,000	0	25,382	1,025,382	1,000,000	1,072,570	-47,188	0	MA	3Q 2022	1Q 2020
3	19	1.0 M	CSL	2019	8	TTT	1,093,233	0	0	1,093,233	0	1,093,233	0	0	MA	4Q 2019	3Q 2019
4	19	1.0 M	CSL	2019	3	Garage	-368	0	107,348	106,980	1,000,368	1,150,026	-1,043,046	0	MA	3Q 2023	3Q 2019
5	19	1.0 M	CSL	2019	2	TTT	999,999	0	19,096	1,019,095	0	1,019,095	0	0	MA	1Q 2023	2Q 2019
6	19	5.0 M	CSL	2020	11	TTT	1,692,935	330,955	45,394	2,069,284	341,544	2,063,935	5,349	0	MA	2Q 2020	2Q 2020
7	19	1.0 M	CSL	2019	3	TTT	32,130	975,870	61,098	1,069,098	975,870	1,067,086	2,012	8,000	MA	4Q 2021	2Q 2019
8	19	1.0 M	BI	2019	3	Non-Owned / Special Rating	975,000	0	77,532	1,052,532	0	1,051,333	1,199	0	#Error	3Q 2021	2Q 2020
9	19	1.0 M	CSL	2019	5	TTT	1,000,000	0	6,071	1,006,071	0	1,006,071	0	0	MA	4Q 2022	4Q 2019
10	19	1.0 M	CSL	2019	2	TTT	1,027,641	0	18	1,027,659	0	1,027,659	0	0	MA	2Q 2022	4Q 2019
11	19	1.0 M	CSL	2019	2	TTT	1,000,000	0	576	1,000,576	0	1,000,576	0	0	MA	4Q 2019	3Q 2019
12	19	1.0 M	CSL	2020	2	TTT	0	1,003,750	125,145	1,128,895	1,003,750	1,093,895	35,000	3,875	MA	4Q 2020	3Q 2020
13	19	1.0 M	CSL	2020	7	TTT	102,655	960,814	101,827	1,165,296	960,814	1,165,296	0	0	Out Of State	3Q 2022	1Q 2020
14	19	1.0 M	CSL	2019	2	Zone Rated TTT	0	1,000,000	75,000	1,075,000	1,000,000	1,075,000	0	0	Out Of State	4Q 2022	4Q 2019
15	19	5.0 M	CSL	2019	7	Zone Rated Bus	439,274	1,500,000	105,987	2,045,261	1,500,000	2,045,261	0	65,595	Out Of State	1Q 2020	4Q 2019
16	19	5.0 M	CSL	2019	1	Zone Rated Bus	20,410	1,000,000	125,288	1,145,698	1,000,000	1,145,698	0	20,698	Out Of State	2Q 2022	3Q 2019
17	19	5.0 M	CSL	2020	4	Zone Rated Bus	2,803,454	0	145,697	2,949,151	0	2,949,151	0	100,000	Out Of State	3Q 2020	1Q 2020
18	19	1.0 M	CSL	2019	7	Zone Rated TTT	1,045,357	0	18,256	1,063,613	0	1,063,613	0	0	MA	4Q 2020	3Q 2019
19	19	1.5 M	CSL	2019	6	Commercial Bus	1,116,830	0	50,712	1,167,542	0	1,167,542	0	109,801	Out Of State	3Q 2019	3Q 2019
20	19	1.0 M	CSL	2020	5	Zone Rated TTT	1,036,871	0	34,790	1,071,661	0	1,071,661	0	0	Out Of State	3Q 2020	2Q 2020
21	19	5.0 M	CSL	2019	13	Zone Rated Bus	2,310,420	42,098	61,809	2,414,327	242,098	2,623,596	-209,269	43,307	Out Of State	4Q 2019	3Q 2019
22	19	1.0 M	CSL	2019	6	TTT	1,030,550	0	10,784	1,041,334	0	1,041,334	0	42	MA	1Q 2020	4Q 2019
							19,726,391	6,813,487	1,231,272	27,771,150	9,024,444	29,027,093	-1,255,943	351,318			

Commonwealth Automobile Reinsurers
Large Loss Detail By Policy Year (Large Losses \$1.0 Million and Greater)
Data Reported Through December, 2023

CAR DOCKET #GC24.12
EXHIBIT #1
PAGE 7 OF 15

Row	Eff Yr	Liab Lim	Lim Id	Accdt Year	Clm	Class Desc	ITD Paid Loss	Current Reserve	ALAE ITD	ITD Total Loss	Prior Reserves	Prior Qtr Tot Loss	Change Tot Loss	PIP Loss	State	Qtr First > \$1.0M	First Rptd
1	18	1.5 M	CSL	2019	2	Commercial Bus	8,000	1,508,000	97,852	1,613,852	1,508,000	1,603,092	10,760	16,009	MA	4Q 2019	3Q 2019
2	18	1.0 M	CSL	2018	4	TTT	1,094,953	0	32,112	1,127,065	0	1,127,065	0	0	Out Of State	3Q 2019	2Q 2018
3	18	1.0 M	CSL	2018	8	TTT	1,183,229	0	17,741	1,200,970	0	1,200,970	0	0	Out Of State	4Q 2018	4Q 2018
4	18	1.0 M	CSL	2018	6	TTT	1,250,286	0	28,724	1,279,010	763,678	1,314,803	-35,793	0	MA	3Q 2020	4Q 2018
5	18	1.0 M	CSL	2019	2	TTT	1,079,123	0	4,331	1,083,454	0	1,083,454	0	0	Out Of State	1Q 2019	1Q 2019
6	18	1.0 M	CSL	2019	2	Commercial Bus	8,005	993,940	76,928	1,078,873	993,940	1,076,825	2,048	0	MA	3Q 2021	3Q 2019
7	18	1.0 M	CSL	2018	2	Non-Owned / Special Rating	1,000,000	0	135,006	1,135,006	0	1,135,006	0	0	#Error	2Q 2020	2Q 2018
8	18	1.0 M	CSL	2018	5	TTT	18,277	981,723	64,195	1,064,195	525,000	580,136	484,059	0	Out Of State	4Q 2023	4Q 2018
9	18	1.0 M	CSL	2019	2	Garage	1,013,028	0	5,071	1,018,099	0	1,018,099	26,068	0	MA	2Q 2019	2Q 2019
10	18	1.0 M	CSL	2018	4	TTT	1,095,196	0	39,901	1,135,097	0	1,135,097	0	0	Out Of State	3Q 2020	4Q 2018
11	18	1.0 M	CSL	2019	16	Zone Rated TTT	1,024,688	0	78,550	1,103,238	0	1,103,238	0	0	Out Of State	2Q 2019	2Q 2019
12	18	1.0 M	CSL	2018	2	TTT	34,184	1,000,000	12,214	1,046,398	1,000,000	1,036,943	9,455	0	MA	4Q 2018	4Q 2018
13	18	1.0 M	CSL	2019	3	TTT	11,720	989,583	40,092	1,041,395	100,000	151,812	889,583	0	Out Of State	4Q 2023	3Q 2019
14	18	1.0 M	CSL	2018	3	Zone Rated TTT	960,890	0	68,594	1,029,484	0	1,029,484	0	35,083	Out Of State	2Q 2020	4Q 2018
15	18	5.0 M	CSL	2018	9	Zone Rated Bus	1,643,965	0	58,150	1,702,115	0	1,702,008	107	30,078	Out Of State	3Q 2020	4Q 2018
16	18	5.0 M	CSL	2019	14	Zone Rated Bus	1,000,644	0	45,901	1,046,545	0	1,046,545	0	25,198	Out Of State	4Q 2019	3Q 2019
17	18	1.0 M	CSL	2019	2	Zone Rated TTT	28,466	998,440	75,144	1,102,050	998,440	1,072,050	30,000	26,906	Out Of State	2Q 2022	2Q 2019
18	18	5.0 M	CSL	2019	59	Zone Rated Bus	5,026,954	726,643	406,370	6,159,967	726,643	6,159,904	63	376,358	Out Of State	1Q 2019	1Q 2019
19	18	5.0 M	CSL	2018	1	Zone Rated Bus	5,000,000	0	29,419	5,029,419	0	5,029,419	0	21	Out Of State	1Q 2019	4Q 2018
20	18	5.0 M	CSL	2019	4	Zone Rated Bus	5,000,000	0	209,896	5,209,896	0	5,209,896	0	0	Out Of State	3Q 2019	3Q 2019
21	18	5.0 M	CSL	2018	72	Zone Rated Bus	1,330,814	5,003,500	820,185	7,154,499	5,003,500	7,066,711	87,788	1,910,889	Out Of State	2Q 2018	2Q 2018
							28,812,422	12,201,829	2,346,376	43,360,627	11,619,201	41,882,557	1,504,138	2,420,542			
1	17	1.0 M	CSL	2017	8	TTT	1,136,433	0	3,762	1,140,195	0	1,140,195	0	4,100	MA	4Q 2017	3Q 2017
2	17	1.0 M	CSL	2018	1	Commercial Bus	1,000,000	0	11,874	1,011,874	0	1,011,874	0	0	MA	3Q 2022	3Q 2022
3	17	1.0 M	CSL	2018	6	TTT	1,002,713	0	78,737	1,081,450	0	1,081,450	0	2,783	MA	2Q 2019	1Q 2018
4	17	5.0 M	CSL	2017	4	Zone Rated Bus	2,511,460	0	37,303	2,548,763	0	2,548,763	0	0	Out Of State	2Q 2021	4Q 2017
5	17	1.0 M	CSL	2017	1	Non-Owned / Special Rating	1,000,000	0	3,456	1,003,456	0	1,003,456	0	0	Out Of State	1Q 2018	4Q 2017
6	17	5.0 M	CSL	2017	2	Zone Rated TTT	1,112,500	0	67,002	1,179,502	0	1,179,502	0	0	Out Of State	3Q 2022	3Q 2022
7	17	1.0 M	CSL	2017	2	Commercial Bus	1,020,493	0	1,692	1,022,185	0	1,022,185	0	0	MA	3Q 2017	3Q 2017
8	17	1.0 M	CSL	2018	2	TTT	1,000,000	0	133,648	1,133,648	0	1,133,648	0	0	MA	4Q 2018	4Q 2018
9	17	1.0 M	CSL	2018	2	TTT	1,009,645	0	7,085	1,016,730	0	1,016,730	0	0	MA	3Q 2018	2Q 2018
							10,793,244	0	344,559	11,137,803	0	11,137,803	0	6,883			

Commonwealth Automobile Reinsurers
Large Loss Detail By Policy Year (Large Losses \$1.0 Million and Greater)
Data Reported Through December, 2023

CAR DOCKET #GC24.12
EXHIBIT #1
PAGE 8 OF 15

Row	Eff Yr	Liab Lim	Lim Id	Accdt Year	Clm	Class Desc	ITD Paid Loss	Current Reserve	ALAE ITD	ITD Total Loss	Prior Reserves	Prior Qtr Tot Loss	Change Tot Loss	PIP Loss	State	Qtr First > \$1.0M	First Rptd
1	16	1.0 M	CSL	2017	3	Garage	1,068,595	0	24,217	1,092,812	0	1,092,812	121,410	8,000	Out Of State	1Q 2018	2Q 2017
2	16	5.0 M	CSL	2016	1	Commercial Bus	5,000,000	0	51,479	5,051,479	0	5,051,479	0	0	Out Of State	3Q 2016	3Q 2016
3	16	1.0 M	CSL	2017	2	Non-Owned / Special Rating	1,000,000	0	17	1,000,017	0	1,000,017	0	0	Out Of State	3Q 2017	2Q 2017
4	16	1.0 M	CSL	2016	1	Commercial Bus	1,007,000	0	118,457	1,125,457	0	1,125,457	0	2,000	MA	1Q 2020	3Q 2016
5	16	5.0 M	CSL	2017	4	Commercial Bus	3,550,031	0	78,378	3,628,409	0	3,628,409	0	50,337	Out Of State	4Q 2018	2Q 2017
6	16	1.0 M	CSL	2016	3	Zone Rated TTT	1,003,220	0	39,530	1,042,750	0	1,042,750	6,442	0	Out Of State	3Q 2018	4Q 2016
7	16	5.0 M	CSL	2017	27	Commercial Bus	510,197	5,000,000	518,736	6,028,933	5,000,000	6,028,929	4	72,935	Out Of State	4Q 2017	3Q 2017
8	16	5.0 M	CSL	2016	1	Commercial Bus	3,250,000	0	384,547	3,634,547	0	3,634,547	0	0	MA	4Q 2018	4Q 2016
9	16	1.0 M	CSL	2016	2	Non-Owned / Special Rating	1,000,000	0	45	1,000,045	0	1,000,045	0	0	#Error	1Q 2017	3Q 2016
10	16	1.0 M	CSL	2016	10	TTT	1,013,500	0	52,275	1,065,775	0	1,065,775	0	0	MA	2Q 2018	4Q 2016
11	16	1.0 M	CSL	2016	1	PPT Fleet	1,050,000	0	100,493	1,150,493	0	1,150,493	0	50,025	Out Of State	4Q 2016	3Q 2016
12	16	1.0 M	CSL	2017	4	TTT	994,060	0	9,918	1,003,978	0	1,003,978	0	0	MA	2Q 2020	4Q 2017
13	16	1.0 M	CSL	2016	4	Non-Owned / Special Rating	1,000,000	0	109,214	1,109,214	0	1,109,214	0	0	#Error	4Q 2017	3Q 2017
14	16	5.0 M	CSL	2017	12	Zone Rated Bus	1,366,396	0	197,474	1,563,870	366,494	1,945,491	-381,621	46,964	Out Of State	4Q 2018	3Q 2017
15	16	1.0 M	CSL	2017	18	Garage	1,010,100	800,542	480,815	2,291,457	800,542	2,291,457	0	0	MA	2Q 2017	2Q 2017
16	16	1.5 M	CSL	2016	4	Commercial Bus	1,497,944	0	57,951	1,555,895	0	1,555,895	0	39,509	Out Of State	2Q 2017	2Q 2016
17	16	1.0 M	CSL	2017	17	Garage	1,000,000	812,599	1,500	1,814,099	812,599	1,814,099	0	0	MA	2Q 2017	2Q 2017
							26,321,043	6,613,141	2,225,046	35,159,230	6,979,635	35,540,847	-253,765	269,770			
1	15	1.0 M	CSL	2016	2	TTT	1,016,000	0	12,957	1,028,957	0	1,028,957	0	16,000	MA	4Q 2016	4Q 2016
2	15	5.0 M	CSL	2016	76	Zone Rated Bus	5,560,777	0	871,032	6,431,809	0	6,430,580	1,229	329,410	Out Of State	4Q 2016	1Q 2016
3	15	1.0 M	CSL	2016	3	TTT	999,999	0	86,581	1,086,580	0	1,086,580	0	0	Out Of State	1Q 2018	2Q 2017
4	15	5.0 M	CSL	2016	31	Non-Owned / Special Rating	5,000,000	0	76,786	5,076,786	0	5,076,786	0	0	Out Of State	2Q 2018	4Q 2016
5	15	5.0 M	CSL	2016	5	Non-Owned / Special Rating	1,842,823	0	146,584	1,989,407	0	1,989,407	0	0	MA	1Q 2016	1Q 2016
6	15	1.0 M	CSL	2016	2	TTT	1,000,000	0	40,716	1,040,716	0	1,040,716	0	0	Out Of State	1Q 2019	2Q 2016
7	15	1.0 M	CSL	2016	3	Zone Rated TTT	1,001,356	0	172,598	1,173,954	0	1,173,954	0	0	Out Of State	4Q 2018	1Q 2016
8	15	1.0 M	CSL	2015	3	Public Transportation Buses	1,006,295	0	489	1,006,784	0	1,006,784	0	6,380	MA	1Q 2016	3Q 2015
9	15	5.0 M	CSL	2016	15	Zone Rated Bus	2,954,996	0	312,059	3,267,055	0	3,267,055	0	55,845	Out Of State	3Q 2016	2Q 2016
							20,382,246	0	1,719,802	22,102,048	0	22,100,819	1,229	407,635			
1	14	1.0 M	CSL	2015	9	Garage	500,000	0	1,118,325	1,618,325	625,000	1,743,325	-125,000	0	Out Of State	1Q 2017	3Q 2015
2	14	1.0 M	CSL	2014	4	TTT	1,027,733	0	56,146	1,083,879	0	1,083,879	0	0	Out Of State	4Q 2014	4Q 2014
3	14	1.0 M	CSL	2015	2	Non-Owned / Special Rating	1,000,000	0	0	1,000,000	0	1,000,000	0	0	MA	1Q 2015	1Q 2015
4	14	1.0 M	CSL	2014	4	TTT	1,000,000	0	77,176	1,077,176	0	1,077,176	0	0	MA	1Q 2019	2Q 2014
5	14	1.0 M	BI	2015	3	PPT - NF	1,065,335	0	3,315	1,068,650	0	1,068,650	0	22,362	MA	4Q 2015	2Q 2015
6	14	1.0 M	CSL	2014	7	Public Transportation Buses	427,435	589,841	296,261	1,313,537	589,842	1,311,551	1,986	5,891	MA	4Q 2020	4Q 2014
7	14	1.5 M	CSL	2015	6	Zone Rated Bus	1,672,346	0	47,698	1,720,044	0	1,720,044	0	167,172	Out Of State	4Q 2015	3Q 2015
8	14	1.0 M	CSL	2014	4	Non-Owned / Special Rating	938,211	0	295,018	1,233,229	0	1,233,229	0	0	Out Of State	3Q 2016	3Q 2014
							7,631,060	589,841	1,893,939	10,114,840	1,214,842	10,237,854	-123,014	195,425			

Large Loss by Policy Year

Change by Quarter

Data Reported through December, 2023

Summary of Losses Over 1.0 Million

Policy Year	# Policies	Current Reserves	Current Incurred Loss	Prior Incurred Loss	Change in Loss
2023	2	1,653,219	2,465,288	2,393,468	71,820
2022	18	30,012,595	32,634,767	30,361,707	2,732,620
2021	8	9,876,268	17,436,358	16,552,143	884,215
2020	13	6,975,535	13,884,047	13,866,655	17,392
2019	21	6,813,487	27,664,170	27,877,067	(212,897)
2018	21	12,201,829	43,360,627	41,882,557	1,504,138
2017	9	0	11,137,803	11,137,803	0
2016	17	6,613,141	35,159,230	35,540,847	(253,765)
2015	9	0	22,102,048	22,100,819	1,229
2014	8	589,841	10,114,840	10,237,854	(123,014)
Subtotal	126	74,735,915	215,959,178	211,950,920	4,621,738

Losses that went under 1.0 Million (Remain on Report)

Policy Year	# Policies	Current Reserves	Current Incurred Loss	Prior Incurred Loss	Change in Loss
2022	1	0	0	1,034,946	(1,034,946)
2020	1	0	937,571	1,022,571	(85,000)
2019	1	0	106,980	1,150,026	(1,043,046)
Subtotal	3	0	1,044,551	3,207,543	(2,162,992)
Total All	129	74,735,915	217,003,729	215,158,463	2,458,746

New to Report: Incurred Losses Over 1.0 Million

Policy Year	# Policies	Current Reserves	Current Incurred Loss	Prior Incurred Loss	Change in Loss
2022	3	2,762,300	3,135,177	341,287	2,793,890
2021	1	910,000	1,148,947	229,746	919,201
2018	2	1,971,306	2,105,590	731,948	1,373,642
Subtotal	6	5,643,606	6,389,714	1,302,981	5,086,733

Commonwealth Automobile Reinsurers

Large Loss Notification Summary
December, 2023 Loss Reserving Committee Meeting

Large Loss Notifications By Policy Year

											Current Qtr	Difference of	Difference of	
											Stat Reported	Estimate to	Prior to Current	
#	*	Notification	Policy	Accident	Estimated \$									
		Date	Year	Year/Qtr	Liab Limit	Class Description	BI	PDL	PIP	Total	State	Total	Current Qtr	Qtr Reported Losses
Prior Quarter Loss Notifications														
1		10/26/2023	2023	20233	\$5,000,000		650,000	50,000	0	700,000	Out Of State	672,100	27,900	630,000
2	*	9/19/2023	2023	20233	\$1,000,000	TTT	600,000	0	2,000	602,000	MA	0	0	0
3		9/19/2023	2023	20232	\$1,000,000	ZR TTT	50,500	0	0	50,500	Out Of State	53,078	(2,578)	0
4		9/13/2023	2021	20222	\$1,000,000		430,000	25,000	0	455,000	Out Of State	462,392	(7,392)	0
5		9/27/2023	2019	20193	\$1,000,000		750,000	20,000	0	770,000	Out Of State	557,148	212,852	362,050
6		9/15/2023	2019	20192	\$1,000,000	TTT	1,000,000	0	0	1,000,000	MA	106,980	893,020	(1,043,046)
Current Quarter Loss Notifications														
1		2/21/2024	2023	20241	\$1,000,000	ZR TTT	993,200	6,800	0	1,000,000	Out Of State	0	0	0
2		2/7/2024	2023	20234	\$5,000,000	TTT	0	5,000,000	0	5,000,000	MA	0	0	0
3		1/24/2024	2023	20234	\$5,000,000	Commercial Bus	1,000,000	0	50,000	1,050,000	Out Of State	303,028	746,972	303,028
4		12/11/2023	2023	20234	\$5,000,000	Commercial Bus	800,000	5,000	0	805,000	Out Of State	855,300	(50,300)	855,300
5		12/13/2023	2022	20234	\$1,000,000	Special Types / Motorcycle	600,000	0	8,000	608,000	MA	0	0	0
6		3/4/2024	2022	20233	\$1,000,000	ZR TTT	973,669	26,331	0	1,000,000	Out Of State	0	0	0
7		2/27/2024	2022	20233	\$1,000,000	ZR TTT	600,000	16,567	0	616,567	Out Of State	74,331	542,236	51,449
8		2/22/2024	2022	20232	\$1,000,000	ZR TTT	750,000	250,000	0	1,000,000	Out Of State	336,031	663,969	0
9		1/29/2024	2022	20232	\$5,000,000	Commercial Bus	250,000	0	3,710	253,710	Out Of State	5,115	248,595	0
10		12/6/2023	2022	20232	\$1,000,000		300,000	95,000	0	395,000	MA	461,244	(66,244)	237,494
11		12/18/2023	2022	20231	\$1,000,000	TTT	983,374	16,626	0	1,000,000	Out Of State	0	0	0
12		3/6/2024	2022	20223	\$5,000,000	Commercial Bus	2,300,000	25,000	0	2,325,000	Out Of State	349,314	1,975,686	190,397
13		2/7/2024	2020	20204	\$1,000,000	ZR TTT	750,000	0	0	750,000	Out Of State	0	0	0
14		12/18/2023	2018	20193	\$1,000,000	TTT	989,582	10,418	0	1,000,000	Out Of State	1,041,395	(41,395)	889,583
15		1/26/2024	2018	20192	\$5,000,000	Commercial Bus	300,000	0	0	300,000	Out Of State	0	0	0
16		2/7/2024	2018	20184	\$1,000,000	TTT	987,650	12,328	0	999,978	Out Of State	1,064,195	(64,217)	484,059
17		2/6/2024	2017	20181	\$5,000,000		275,000	25,000	30,000	330,000	Out Of State	0	0	0
Current Quarter Updates														
1		8/25/2023	2022	20232	\$1,000,000	ZR TTT	925,000	4,200	0	929,200	MA	991,500	(62,300)	206,334

Commonwealth Automobile Reinsurers
Large Loss Notification Summary
December, 2023 Loss Reserving Committee Meeting
Large Loss Notifications By Policy Year

												Current Qtr	Difference of	Difference of
												Stat Reported	Estimate to	Prior to Current
#	*	<u>Date</u>	<u>Year</u>	<u>Year/Qtr</u>	<u>Liab Limit</u>	<u>Class Description</u>	<u>BI</u>	<u>PDL</u>	<u>PIP</u>	<u>Total</u>	<u>State</u>	<u>Total</u>	<u>Current Qtr</u>	<u>Qtr Reported Losses</u>
2		2/3/2023	2022	20224	\$5,000,000	Commercial Bus	5,000,000	0	117,939	5,117,939	MA	5,548,258	(430,319)	156,525
3		1/26/2023	2022	20224	\$1,000,000		750,000	12,000	750,000	1,512,000	MA	289,718	1,222,282	7,369
4		4/7/2022	2021	20221	\$1,000,000	ZR Bus	500,000	0	0	500,000	MA	416,536	83,464	7,593

* Updated records that had been previously reported

COMMERCIAL ULTIMATE POLICY YEAR DEFICIT PROJECTIONS
 BASED ON DATA REPORTED THROUGH QUARTER ENDING DECEMBER 2023
 (000's OMITTED)

CAR DOCKET #GC24.12
 EXHIBIT #1
 PAGE 12 OF 15

SUMMARY EXHIBIT

	Policy Year 2021		Policy Year 2022		Policy Year 2023	
	Dollars	% Prem	Dollars	% Prem	Dollars	% Prem
Premium	183,400	100.0%	186,300	100.0%	206,600	100.0%
Losses Incurred and ALAE	123,612	67.4%	163,199	87.6%	161,974	78.4%
Underwriting Expenses	36,443	19.9%	44,032	23.6%	49,377	23.9%
Underwriting Result	23,345	12.7%	(20,931)	-11.2%	(4,751)	-2.3%

COMPARISON OF ULTIMATE POLICY YEAR DEFICIT PROJECTIONS
PRIOR AND CURRENT QUARTER ESTIMATES

Policy Year 2023

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	205,478	100.0%	206,600	100.0%	1,122	0.5%
Losses Incurred and ALAE	162,944	79.3%	161,974	78.4%	(970)	-0.6%
Underwriting Expenses	49,109	23.9%	49,377	23.9%	268	0.5%
Underwriting Result	(6,575)	-3.2%	(4,751)	-2.3%	1,824	-27.7%

Policy Year 2022

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	186,400	100.0%	186,300	100.0%	(100)	-0.1%
Losses Incurred and ALAE	159,558	85.6%	163,199	87.6%	3,641	2.3%
Underwriting Expenses	44,056	23.6%	44,032	23.6%	(24)	-0.1%
Underwriting Result	(17,214)	-9.2%	(20,931)	-11.2%	(3,717)	21.6%

Policy Year 2021

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	183,400	100.0%	183,400	100.0%	0	0.0%
Losses Incurred and ALAE	123,795	67.5%	123,612	67.4%	(183)	-0.1%
Underwriting Expenses	36,444	19.9%	36,443	19.9%	(1)	0.0%
Underwriting Result	23,161	12.6%	23,345	12.7%	184	0.8%

COMPARISON OF ULTIMATE POLICY YEAR DEFICIT PROJECTIONS
PRIOR AND CURRENT QUARTER ESTIMATES

Policy Year 2020

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	172,644	100.0%	172,644	100.0%	0	0.0%
Losses Incurred and ALAE	104,965	60.8%	105,300	61.0%	335	0.3%
Underwriting Expenses	37,120	21.5%	37,120	21.5%	0	0.0%
Underwriting Result	30,559	17.7%	30,224	17.5%	(335)	-1.1%

Policy Year 2019

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	190,284	100.0%	190,284	100.0%	0	0.0%
Losses Incurred and ALAE	134,389	70.6%	132,720	69.7%	(1,669)	-1.2%
Underwriting Expenses	41,379	21.7%	41,379	21.7%	0	0.0%
Underwriting Result	14,516	7.6%	16,185	8.5%	1,669	11.5%

Policy Year 2018

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	195,958	100.0%	195,958	100.0%	0	0.0%
Losses Incurred and ALAE	178,219	90.9%	178,416	91.0%	197	0.1%
Underwriting Expenses	45,927	23.4%	45,927	23.4%	0	0.0%
Underwriting Result	(28,188)	-14.4%	(28,385)	-14.5%	(197)	0.7%

COMPARISON OF ULTIMATE POLICY YEAR DEFICIT PROJECTIONS
PRIOR AND CURRENT QUARTER ESTIMATES

PY 2017

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	182,591	100.0%	182,591	100.0%	0	0.0%
Losses Incurred and ALAE	141,850	77.7%	141,803	77.7%	(47)	0.0%
Underwriting Expenses	45,686	25.0%	45,686	25.0%	0	0.0%
Underwriting Result	(4,945)	-2.7%	(4,898)	-2.7%	47	-1.0%

PY 2016

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	169,141	100.0%	169,141	100.0%	0	0.0%
Losses Incurred and ALAE	166,954	98.7%	166,619	98.5%	(335)	-0.2%
Underwriting Expenses	43,287	25.6%	43,287	25.6%	0	0.0%
Underwriting Result	(41,100)	-24.3%	(40,765)	-24.1%	335	-0.8%



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

101 Arch Street, Suite 400 Boston, Massachusetts 02110

www.commauto.com

617-338-4000

RECORDS OF MEETING

LEGAL CONTRACT REVIEW COMMITTEE – MARCH 13, 2024

Members Present

Mr. John Olivieri, Jr. – Chair
Mr. Thomas DePaulo
Ms. Roberta Fitzpatrick
Mr. Thomas Harris

J.K. Olivieri Insurance Agency, Inc.
Cabot Risk Strategies, LLC
Arbella Insurance Group
Quincy Mutual Group

Substituted for:
N/A

Not in Attendance:
N/A

19.01 Records of Previous Meeting

The Committee voted with three in favor and one abstained to approve the Records of the Legal Contract Review Committee meeting of April 4, 2019. The Records have been distributed and are on file.

24.04 Legal Services Review

CAR entered a five-year renewal engagement for outside legal services with Torres, Scammon, Hincks & Day, LLP (TSH&D) effective July 1, 2019. CAR's Contracting Policy for professional services calls for a review of outside legal services every five years. The Committee convened to review the quality of legal services provided by TSH&D and their associated costs during the past five years to determine whether to propose a renewal term with the firm or conduct an RFP.

Ms. Natalie Hubley provided a brief history of CAR's eight-year relationship with the firm, noting that staff has developed a strong working relationship with the two primary firm partners who provide the predominance of legal services. She indicated that they are responsive to staff and are relied on for legal representation on a range of issues, including conflict resolution, but primarily associated with committee activity. The firm has performed a significant amount of work on commercial automobile market issues in recent years. Ms. Hubley noted that numerous members of CAR's management team have had significant interaction with the attorneys during the past eight years, which has fostered a depth of knowledge of the organization and its role which has served CAR well.

Mr. Timothy Costain offered his experience in dealing with the firm regarding Human Resource matters, noting that in addition to the two primary partners, other attorneys within the firm specializing in labor law have been available to offer expertise and guidance on such matters. He noted one instance wherein the firm reached out to another law firm on behalf of CAR to help with a matter involving immigration law at no additional cost to CAR.

Ms. Hubley advised that TSH&D had provided a renewal proposal of the current monthly retainer engagement and reviewed the cost projections, noting that TSH&D charges have consistently remained within the monthly retainer amount. She noted a recent moderation of the firm's activity level with CAR and cited remote advisory committee meetings that are timelier, as factors in the stable pricing reflected in the proposal.

The Committee discussed the costs proposed for the next five years, noting that they appear reasonable and acknowledged the uniqueness of CAR in the marketplace and the importance of TSH&D's depth of knowledge of CAR and its mission. The Committee agreed that the legal services as provided should remain intact and reached a consensus that renewal of the engagement is preferred over proceeding with an RFP.

Following discussion, **the Committee unanimously voted to recommend to the Governing Committee that the TSH&D engagement be renewed for a five-year term under a monthly retainer arrangement as proposed.**

Ms. Hubley advised that the TSH&D proposal letter will be provided to all Governing Committee members prior to its meeting on April 9, 2024.

TIMOTHY COSTAIN
Chief of Staff

Boston, Massachusetts
March 15, 2024



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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RECORDS OF MEETING

MAIP STEERING COMMITTEE – MARCH 14, 2024

Members Present

Mr. Barry Tagen – Chair
Mr. William Cahill ⁽¹⁾
Mr. Matthew Cote
Ms. Sheila Doherty
Mr. Jordan Giampa ⁽²⁾
Ms. Jean Houghton
Mr. Robert Jackson
Ms. Mary McConnell
Mr. Henry Risman
Mr. Gavin Traverso
Mr. Mark Winiker

Pilgrim Insurance Company
Vermont Mutual Insurance Group
Arbella Insurance Group
Doherty Insurance Agency, Inc.
The Hanover Insurance Company
Norfolk and Dedham Group
GEICO
Safety Insurance Company
Risman Insurance Agency, Inc.
MAPFRE U.S.A. Corporation
A-Affordable Insurance Agency, Inc.

Substituted for:

⁽¹⁾Mr. Shaun Farley

⁽²⁾Mr. Cory Hanson

Not in Attendance:

Ms. Ida Denard Jones, Denard Insurance Agency, Inc.

23.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the MAIP Steering Committee meeting of August 29, 2023. The Records have been distributed and are on file.

22.08 MAIP Physical Damage Maximum Loss Payable

Ms. Lynne Rosenberg provided an overview of the exhibits attached to the Notice of Meeting which were prepared by staff as a result of the Committee's recommendation to adopt a maximum limit of loss on physical damage coverage of \$175,000 for MAIP policies. The attachments include draft amendments to Rule 27 of the CAR Rules of Operation, corresponding amendments to the manual rule and rate pages and draft endorsement MP-0004, the insurance binder and coverage selections page and notice to the policyholders.

Ms. Rosenberg reviewed the amended language in Rule 27 – Coverages of the Rule of Operations. The Committee approved of the changes to Rule 27 and agreed upon a 120-day timeframe for implementation pending approval from the Division of Insurance. The Committee supported the amendments drafted by staff to Rules 3 and 22 of the Massachusetts Private Passenger Residual Market Automobile Insurance Manual and the modifications to VRG rating and references to Endorsement form MP-0004. Finally, the Committee did not have any changes to the draft endorsement form and agreed that it should be attached to all MAIP policies.

Continuing, Ms. Rosenberg reviewed the drafted notice to policyholders. The Committee recommended developing a more generic notice for the renewal packet and agreed the notice should be attached to all MAIP policies renewing during the 12-month renewal cycle following the effective date of the implementation to ensure consistent notification to existing MAIP policyholders impacted by the change. The notice will be sent by the Assigned Risk Carrier (ARC) to the insured with a copy to the producer of record at least 45 days prior to the renewal effective date. The Committee recommended a separate lienholder notice that would include more detailed information to identify which vehicles are impacted by this change. To determine the impacted vehicles for which lienholders will need notification, the Committee agreed that ARCs should use the cost new value of the vehicle. It was noted that producers will need to assist their policyholders impacted by the change to address additional coverage requirements. The Committee therefore suggested that ARCs provide a list to the producers of policies containing high-value vehicles.

Continuing its discussion of the attached exhibits, the Committee noted that “actual cash value” is a legal term, and thus recommended the following procedure when completing the Insurance Binder: check the open box in the physical damage section and state “Not to Exceed \$175,000” in the limit amount field. When completing the Coverage Selections Page, the Committee suggested replacing “Actual Cash Value” with “Coverage Max \$175,000” in the physical damage section.

Ms. Rosenberg concluded it is the intent of staff to update the MAIP Policy Application’s vehicle page, coverage page, remarks section and summary page that notify producers of the change in the coverage limits and provide them to the Committee at a future meeting.

The Committee unanimously voted to modify the implementation procedures as discussed and recommend Governing Committee approval of the proposed amendments to Rule 27 – Coverages, amendments to the Private Passenger Rating Manual, and the draft MAIP endorsement form MP-0004 regarding the physical damage maximum loss payable of \$175,000.

24.04 Rule 30 – Assigned Risk Company Requirements

Ms. Rosenberg advised the Committee that an Assigned Risk Company (ARC) has requested a review of procedures outlined in Rule 30 of the Rules of Operation Section C.1.c. - Procedures for Voluntary Writing of Risks from the MAIP relative to timeframes for notifying the producer of record and the method of notification. The Rule states: “The producer of record must be mailed notification of such offer ninety days prior to policy expiration, which shall contain the premium quotation to be offered. The policyholder shall be mailed the offer for voluntary coverage forty-five days prior to policy expiration with a copy to the producer of record.”

The Committee discussed the timeframes of the offer of voluntary coverage notification to the producer and voted unanimously to allow for a reduction in the notification timeframe of no less than sixty

days and to allow for electronic means to be added to the rule. CAR will present amendments to Rule 30 at the next Committee meeting.

ADRIANNE DONOVAN
Residual Market Services Liaison

Boston, Massachusetts
March 21, 2024

CAR Rules of Operation

Memorandum of Changes

The following amendments are proposed to Rule 27 – Coverages of the Rules of Operations to implement a proposed \$175,000 physical damage maximum of limit of loss on private passenger residual market policies.

Rule 27 – Coverages

- Language has been added to clarify that higher limits are available for liability coverage only.
- For physical damage coverage, language has been added to identify that physical damage coverage is subject to a maximum limit of loss of \$175,000 per vehicle. Note that January 1, 2025 has been added as a placeholder until approval by the Division of Insurance.

CAR | **Rules of Operation**
Rule 27 | **Coverages**
Revision Date | **2019.07.23 Draft 2025.01.01**
Page | **1 of 2**

An Eligible Risk, as defined in Rule 22 – Definitions, may choose to purchase up to the following limits for Private Passenger Motor Vehicle Insurance and, upon request, the Assigned Risk Company (ARC) shall provide such coverage. For liability coverages, Aan ARC is not required to provide coverage for any higher limits unless the ARC agrees to do so at the request of an Eligible Risk.

1. Bodily Injury Liability: Total policy limits of \$250,000 each person, \$500,000 each accident;
2. Personal Injury Protection: \$8,000 per person, per accident;
3. Property Damage Liability: Total policy limits of \$250,000 each accident;
4. Medical Payments: \$25,000 each person;
5. Uninsured Motorists: \$250,000 each person, \$500,000 each accident for bodily injury;
6. Underinsured Motorists: \$250,000 each person, \$500,000 each accident for bodily injury;
7. Physical Damage Insurance, which shall mean: (a) collision coverage or limited collision coverage, (b) fire and theft coverage, or (c) comprehensive coverage, as those coverages are defined in the Private Passenger Motor Vehicle Insurance policy approved for the MAIP.

For policies effective January 1, 2025 and later, physical damage coverage is subject to a maximum limit of loss of \$175,000 per vehicle.

ARCs must charge the extra risk rate or, in the alternative, refuse to issue collision, fire, theft or comprehensive coverage under any of the following circumstances:

- a. Comprehensive, fire and theft or collision coverage on a vehicle customarily operated by or owned by persons convicted within the most recent five-year period of any category of vehicular homicide, Motor Vehicle Insurance related fraud or motor vehicle theft;
- b. Comprehensive, fire and theft or collision coverage on a vehicle customarily driven by or owned by persons who have, within the

CAR Rule 27 Revision Date Page	Rules of Operation Coverages <u>2019.07.23Draft 2025.01.01</u> 2 of 2
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most recent five-year period, made an intentional and material misrepresentation in making claim under such coverages;

- c. Collision coverage on a motor vehicle customarily driven by or owned by persons who have been involved in four or more accidents in which such person has been deemed to be at fault in excess of 50% within the three years immediately preceding the effective date of the policy;
 - d. Comprehensive, fire and theft coverage on a motor vehicle customarily driven by or owned by persons who have had two or more total theft or fire claims within the three years immediately preceding the effective date of the policy;
 - e. Comprehensive, fire and theft or collision coverage on a motor vehicle customarily driven, or owned by persons convicted one time within the most recent three year period of any category of driving while under the influence of alcohol or drugs;
 - f. Comprehensive, fire and theft or collision coverage on any motor vehicle for which a salvage title has been issued by the Registrar of Motor Vehicles unless a new certificate of title has been issued pursuant to G.L. c. 90D § 20D; or
 - g. Comprehensive, fire and theft or collision coverage on a high-theft motor vehicle that does not have at least a minimum anti-theft or auto recovery device as prescribed by the Commissioner. The Commissioner may designate as a high-theft vehicle any motor vehicle, classified according to make, model and year of manufacturer, which has both above average incidence of theft and above-average original sales price.
8. An ARC may waive any deductible amount applicable to a payment under comprehensive coverage for glass damage and be reimbursed, when the policyholder has elected to repair rather than replace damaged glass as permitted by law and where satisfactory proof of the repair has been presented to the company.
9. Towing and Labor: \$100.00 per disablement; and
10. Substitute Transportation: \$100.00 per day, 30-day maximum.

Memorandum of Changes
~~May 1, 2024~~January 1, 2025

• Rule 3 – This rule has been modified to include the maximum limit of loss for physical damage coverages. Rule 3 (4) provides the maximum limit and the use of endorsement form MP-0004.

• Rule 22 – This rule has been modified to include the maximum limit for the calculation of adjusted rate relativities for VRG 50.

• Endorsement MP-0004 – Coverage for Damage to Your Auto – Maximum \$175,000 Limit of Loss (Ed. 01-25) is placed on file for use with all MAIP policies.

• Rate Page R-37 – The calculation of adjusted rate relativities for VRG 50 has been modified.

~~There are no rule changes effective May 1, 2024.~~

MASSACHUSETTS PRIVATE PASSENGER RESIDUAL MARKET AUTOMOBILE INSURANCE MANUAL

Part 12 - Bodily Injury Caused By an Underinsured Auto

The basic limits are \$20,000 each person and \$40,000 each accident. Increased limits are available. The limits may not exceed the limits of Part 5, or if Part 5 is not purchased, Part 1 of this policy. This coverage is excess over Personal Injury Protection.

Other Coverages Available Are For:

Fire, Theft and Combined Additional Coverage subject to a basic deductible of \$500; higher deductibles are available at the option of the insured.

Theft coverage may be granted only in connection with Fire Coverage, and for a like amount in both cases.

These coverages are written on an actual cash value basis or stated amount basis.

Endorsement MPY-0031-S, titled Other Optional Insurance – Combined Additional Coverage, must be issued with the policy when this coverage is afforded.

Endorsement MPY-0028-S, titled Other Optional Insurance – Fire, Lightning and Transportation, must be issued with the policy when this coverage is afforded.

Endorsement MPY-0029-S, titled Other Optional Insurance – Theft, must be issued with the policy when this coverage is afforded.

RULE 3. COVERAGE AVAILABILITY

Massachusetts law and the provisions of Rule 27 of the MAIP Rules of Operation require insurers to make the following levels of coverage available at the insured's request for policies assigned through the MAIP:

1. Limits up to \$250,000 each person and \$500,000 each accident for Parts 3, 5 and 12. Limits above \$250,000 each person and \$500,000 each accident may be provided at the option of the insurer.
2. \$8,000 each person for Part 2
3. \$25,000 each person for Part 6.
4. Actual cash value subject to a \$500 deductible for Parts 7, 8 and 9, including fire, theft, and combined additional coverage, subject to a maximum limit of loss of \$175,000 per vehicle. Endorsement MP-0004 must be attached.

Insurers must charge an extra-risk rate or refuse Collision and Comprehensive coverages under certain circumstances as required by law. Refer to Rule 24 for extra-risk rating procedures.

RULE 4. STANDARD PROCEDURES

A. Renewals

1. The insurer shall provide the coverage selections page not less than twenty days prior to policy expiration. The coverage selections page may be accompanied by the Massachusetts renewal form.

If the Massachusetts renewal form is sent to the policyholder, it is not necessary for the policyholder to return this form to the producer or company representative unless the information contained on the coverage selections page or the Massachusetts renewal form is inaccurate or obsolete.

2. The insurer may elect to secure payment of a deposit premium. The premium quotation shall be based on the latest classification information and premium charges established for the renewal policy.
3. Failure to pay the deposit premium may result in cancellation of the policy. The specific reason for cancellation is non-payment of any required premium.

The Cancellation Notice must also contain the following statement:

"This cancellation will not take effect if the full amount due shown above is paid on or prior to the effective date of cancellation."

MASSACHUSETTS PRIVATE PASSENGER RESIDUAL MARKET AUTOMOBILE INSURANCE MANUAL

1. Subtract the maximum price in the table below from the base list price and divide by \$1000.
If the base list price is greater than \$ 175,000, use \$175,000 as the base list price in this step.
2. Multiply the amount from Step 1 by the factor in the table below.
3. The adjusted VRG 50 relativity is determined by adding the amount from Step 2 to the unadjusted VRG 50 rate relativity.

	Collision		Comprehensive
	Van/Wagon/ Pick-up*	All Other PP Vehicles **	All Vehicles
Max Price	\$145,000	\$110,000	\$75,000
Factor	0.02	0.025	0.035

* The Van/Wagon/Pick-up group in the table above consists of private passenger vehicles with the following styles: vans, wagons, pick-up trucks, sport utility vehicles (SUV), and wagon/SUV-styled crossover vehicles.

** The All Other group consists of all other private passenger vehicles with body styles such as: sedans, convertibles, coupes, luxury cars, hatchbacks, performance cars, and sedan-styled crossover vehicles.

RULE 23. HIGH-THEFT VEHICLES

For certain model years, some makes and models are designated high-theft vehicles by the Commissioner of Insurance. Refer to the MA Division of Insurance Filing Guidance Notices for most recent High Theft vehicle listing.

The insurer may, at its option, charge an extra-risk rate, refuse to write, or cancel coverage under parts 7, 8, or 9 if a vehicle designated as a high-theft vehicle is not equipped with a category III, IV or V anti-theft device or vehicle recovery system as follows:

1. Definitions

As used in this regulation, the following words shall mean:

"Passive device or system" describes an anti-theft device or system which is activated automatically when the operator turns the ignition key to the off position.

"Alarm," except where otherwise specified, means horn, bell, siren or other sounding device which is audible at 300 feet.

"Tubular" describes a type of lock whose key is cylindrically shaped and which has at least 50,000 combinations.

"Electronic lock or keyless device" is an electronic coding device that has more than 10,000 combinations. The combination used to unlock the device can be entered through a keyboard or similar data entry device or by means of a remote control device.

2. General

Stickers identifying the particular anti-theft system installed may not be attached to the car unless specifically permitted in these rules.

Categories Defined

Category III

- (a) **Passive Alarm System** - This is an alarm system meeting the following criteria:

MASSACHUSETTS PRIVATE PASSENGER RESIDUAL MARKET AUTOMOBILE INSURANCE MANUAL

**PRIVATE PASSENGER ENDORSEMENTS
ALPHABETICAL INDEX**

<u>TITLE</u>	<u>FORM NO.</u>
Agreed Amount – Comprehensive	MPY-0034-S (Ed. 04-08)
Coverage for Anyone Renting an Auto To You	M-0070-S (Ed. 04-08)
Coverage for Customized Vans and Pickups	MPY-0037-S (Ed. 04-08)
<u>Coverage for Damage to Your Auto – Maximum \$175,000 Limit of Loss</u>	<u>MP-0004 (Ed. 01-25)</u>
Excess Electronic Equipment Coverage	MPY-0041-S (Ed. 04-08)
\$100 Glass Deductible	MPY-0039-S (Ed. 04-08)
Guest Occupants Exclusion – Motorcycles	M-0002-S (Ed. 04-08)
Massachusetts Mandatory Endorsement	M-0099-S (Ed. 12-16)
Non-Renewal of Policy – Motorcycles, Recreational Vehicles and Trailers	M-0103-S (Ed. 04-08)
Notice of Expiration of Policy Assignment Form	MP-0002 (Ed. 10-13)
Operator Exclusion Form	M-0106-S (Ed. 02-17)
Other Optional Insurance – Combined Additional Coverage	MPY-0031-S (Ed. 04-08)
Other Optional Insurance – Fire, Lightning and Transportation	MPY-0028-S (Ed. 04-08)
Other Optional Insurance – Theft	MPY-0029-S (Ed. 04-08)
Premium Calculation Disclosure Form	MP-0001 (Ed. 04-09)
Specialty and Classic Cars and Motorcycles	MP-0003 (Ed. 04-21)
Stated Amount Coverage	MPY-0027-S (Ed. 04-08)
Suspension of Coverage - Reduction of Limits	MPY-0032-S (Ed. 04-08)
Use of Other Autos - Vehicles Furnished or Available for Regular Use	M-0051-S (Ed. 04-08)
Use of Other Autos - Vehicles Furnished or Available for Use As Public or Livery Conveyances	M-0052-S (Ed. 04-08)
Waiver of Deductible	MPY-0016-S (Ed. 04-08)

MASSACHUSETTS PRIVATE PASSENGER RESIDUAL MARKET AUTOMOBILE INSURANCE MANUAL

VRG ASSIGNMENT BY PRICE LIST (RULE 22)

RULE 22	COLLISION				COMPREHENSIVE	
	Vans/Wagons/Pickups		All Other Vehicles		All Vehicles	
	VRG	Base List Price	VRG	Base List Price	VRG	Base List Price
	11	\$0 - \$8,000	11	\$0 - \$7,000	11	\$0 - \$7,000
	12	\$8,001 - \$9,000	12	\$7,001 - \$7,500	12	\$7,001 - \$8,000
	13	\$9,001 - \$10,000	13	\$7,501 - \$8,000	13	\$8,001 - \$9,000
	14	\$10,001 - \$11,000	14	\$8,001 - \$8,500	14	\$9,001 - \$10,000
	15	\$11,001 - \$12,000	15	\$8,501 - \$9,000	15	\$10,001 - \$11,000
	16	\$12,001 - \$13,000	16	\$9,001 - \$9,500	16	\$11,001 - \$12,000
	17	\$13,001 - \$14,000	17	\$9,501 - \$10,000	17	\$12,001 - \$13,000
	18	\$14,001 - \$16,000	18	\$10,001 - \$10,500	18	\$13,001 - \$14,000
	19	\$16,001 - \$18,000	19	\$10,501 - \$11,000	19	\$14,001 - \$15,000
	20	\$18,001 - \$20,000	20	\$11,001 - \$11,500	20	\$15,001 - \$16,000
	21	\$20,001 - \$23,000	21	\$11,501 - \$12,000	21	\$16,001 - \$17,000
	22	\$23,001 - \$26,000	22	\$12,001 - \$13,500	22	\$17,001 - \$18,000
	23	\$26,001 - \$29,000	23	\$13,501 - \$15,000	23	\$18,001 - \$19,000
	24	\$29,001 - \$33,000	24	\$15,001 - \$17,500	24	\$19,001 - \$20,000
	25	\$33,001 - \$37,000	25	\$17,501 - \$20,000	25	\$20,001 - \$22,500
	26	\$37,001 - \$41,000	26	\$20,001 - \$22,500	26	\$22,501 - \$25,000
	27	\$41,001 - \$45,000	27	\$22,501 - \$25,000	27	\$25,001 - \$27,500
	28	\$45,001 - \$49,000	28	\$25,001 - \$27,500	28	\$27,501 - \$30,000
	29	\$49,001 - \$53,000	29	\$27,501 - \$30,000	29	\$30,001 - \$32,500
	30	\$53,001 - \$57,000	30	\$30,001 - \$33,000	30	\$32,501 - \$35,000
	31	\$57,001 - \$61,000	31	\$33,001 - \$36,000	31	\$35,001 - \$37,000
	32	\$61,001 - \$65,000	32	\$36,001 - \$39,000	32	\$37,001 - \$39,000
	33	\$65,001 - \$70,000	33	\$39,001 - \$42,000	33	\$39,001 - \$41,000
	34	\$70,001 - \$75,000	34	\$42,001 - \$45,000	34	\$41,001 - \$43,000
	35	\$75,001 - \$80,000	35	\$45,001 - \$48,000	35	\$43,001 - \$45,000
	36	\$80,001 - \$84,000	36	\$48,001 - \$52,000	36	\$45,001 - \$47,000
	37	\$84,001 - \$88,000	37	\$52,001 - \$56,000	37	\$47,001 - \$49,000
	38	\$88,001 - \$92,000	38	\$56,001 - \$60,000	38	\$49,001 - \$51,000
	39	\$92,001 - \$96,000	39	\$60,001 - \$64,000	39	\$51,001 - \$53,000
	40	\$96,001 - \$100,000	40	\$64,001 - \$68,000	40	\$53,001 - \$55,000
	41	\$100,001 - \$104,000	41	\$68,001 - \$72,000	41	\$55,001 - \$57,000
	42	\$104,001 - \$108,000	42	\$72,001 - \$76,000	42	\$57,001 - \$59,000
	43	\$108,001 - \$112,000	43	\$76,001 - \$80,000	43	\$59,001 - \$61,000
	44	\$112,001 - \$116,000	44	\$80,001 - \$84,000	44	\$61,001 - \$63,000
	45	\$116,001 - \$120,000	45	\$84,001 - \$88,000	45	\$63,001 - \$65,000
	46	\$120,001 - \$125,000	46	\$88,001 - \$92,000	46	\$65,001 - \$67,000
	47	\$125,001 - \$130,000	47	\$92,001 - \$96,000	47	\$67,001 - \$69,000
	48	\$130,001 - \$135,000	48	\$96,001 - \$100,000	48	\$69,001 - \$71,000
	49	\$135,001 - \$140,000	49	\$100,001 - \$105,000	49	\$71,001 - \$73,000
	50	\$140,001 - \$145,000	50	\$105,001 - \$110,000	50	\$73,001 - \$75,000
VRG 50	Factor 0.020	Maximum Price \$145,000	Factor 0.025	Maximum Price \$110,000	Factor 0.035	Maximum Price \$75,000

For VRG 50 relativities:

1) Subtract the Maximum Price above from the Base List Price and divide by \$1000.

If the base list price is greater than \$ 175,000, use \$175,000 as the base list price in this step.

2) Multiply the amount in Step 1 by the factor above.

3) The adjusted VRG relativity is determined by adding the amount from Step 2 to the unadjusted VRG 50 rate relativity.

**MASSACHUSETTS ENDORSEMENT – MP-0004
COVERAGE FOR DAMAGE TO YOUR AUTO
(\$175,000 MAXIMUM LIMIT OF LOSS)**

This endorsement includes changes that affect your auto insurance. Please read this endorsement carefully to see how it affects your policy.

Part 7 Collision

Part 8 Limited Collision

Part 9 Comprehensive

Coverage provided under Collision, Limited Collision, and Comprehensive, is changed by the following:

The most we will pay will be the lesser of:

- the actual cash value of the stolen or damaged auto at the time of the loss,
- the cost to repair the auto or any of its parts, or
- \$175,000

In all cases we will subtract the deductible amount shown on the Coverage Selections Page.

General Provisions and Exclusions:

12. Sales Tax

The sales tax provision is changed by adding the following:

Any payment for applicable sales tax will be subject to the \$175,000 maximum limit of loss and subject to your deductible.

13. Secured Lenders

Replace the first paragraph with the following paragraph:

When your Coverage Selections Page shows that a lender has a secured interest in **your auto**, we will make payments under Collision, Limited Collision and Comprehensive (Parts 7,8, and 9) according to the legal interests of each party, subject to the \$175,000 maximum limit of loss.