



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 virtually via Zoom video conferencing software on

TUESDAY, JUNE 16, 2026, AT 10:30 A.M.

*****PLEASE NOTE THE CHANGE IN VENUE, THE MEETING WILL BE HELD VIA ZOOM VIDEO CONFERENCING SOFTWARE*****

MEMBERS OF THE COMMITTEE

Mr. William Hughes – Chair
Arbella Insurance Group

Mr. Kyle Austin	Austin Insurance Agency
Ms. Pamela Bodenstab-Krynicky	P.L. Krynicky Insurance Agency, Inc.
Ms. Sarah Clemens	MAPFRE U.S.A. Corporation
Mr. Kevin Costigan	GEICO
Mr. Thomas DePaulo	Cabot Risk Strategies, LLC
Ms. Jean Houghton	Norfolk and Dedham Group
Ms. Ida Denard Jones	Denard Insurance Agency, Inc.
Ms. Nicole Martorana	FBInsure, LLC
Ms. Mary McConnell	Safety Insurance Company
Mr. John Olivieri, Jr.	World Insurance Associates, LLC
Mr. Christopher Taylor	The Hanover Insurance Company
Ms. Meredith Woodcock	Liberty Mutual Group

AGENDA

GC

26.01 Transcript of Previous Meeting

The transcript of the Governing Committee meeting of April 14, 2026, should be read and approved.

GC

26.03 CAR Conflict of Interest Policy

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

GC

26.04 President's Report

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

GC

26.05 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

26.07 Compliance and Operations Committee

The Governing Committee will hear the report of the Compliance and Operations Committee meeting of June 3, 2026. The Records of Meeting will be distributed as additional information prior to the meeting.

GC

26.09 Actuarial Committee

The Governing Committee will hear the report of the Actuarial Committee meeting of June 10, 2026. The Records of Meeting will be distributed as additional information prior to the meeting.

GC

26.10 Ad Hoc Producer Reassignment Committee

The Governing Committee will hear the report of the Ad Hoc Producer Reassignment Committee meeting of May 29, 2026. The Records of Meeting will be distributed as additional information prior to the meeting.

GC

26.11 MAIP Steering Committee

The Governing Committee will hear the report of the MAIP Steering Committee meeting of May 28, 2026. The Records of Meeting have been distributed and are on file. (Docket #GC26.11, Exhibit #2).

GC

26.12 Commercial Automobile Committee

The Governing Committee will hear the reports of the Commercial Automobile Committee meetings of April 23, 2026, and May 27, 2026. The April 23, 2026, and May 27, 2026, Records of Meeting have been distributed and are on file. (Docket #GC26.12, Exhibits #2 and #3).

GC

26.13 Loss Reserving Committee

The Governing Committee will hear the report of the Loss Reserving Committee meeting of June 3, 2026. A summary of the meeting will be distributed as additional information prior to the meeting. The Records of Meeting will be distributed prior to the meeting.

GC

26.14 Commercial Program Oversight Committee

The Governing Committee will hear the report of the Commercial Program Oversight Committee meeting of May 22, 2026. The Records of Meeting have been distributed and are on file. (Docket #GC26.14, Exhibit #1).

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
June 5, 2026



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617-338-4000

RECORDS OF MEETING

MAIP STEERING COMMITTEE – MAY 28, 2026

Members Present

Mr. Barry Tagen – Chair
Mr. William Cahill ⁽¹⁾
Ms. Sheila Doherty
Mr. Cory Hanson
Mr. David Hassey
Ms. Jean Houghton
Ms. Rosemary Puleo ⁽²⁾
Mr. Henry Risman
Mr. Mark Winiker
Ms. Qianyi Zhao

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

Substituted for:

⁽¹⁾Mr. Shaun Farley

⁽²⁾Mr. Matthew Cote

Not in Attendance:

Ms. Shi Adams, GEICO

Mr. Andrew Lajzer, Safety Insurance Company

26.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the MAIP Steering Committee meeting of February 18, 2026. The Records have been distributed and are on file.

26.04 Electronic Signature

Ms. Adrienne Donovan reviewed the amendments to Rule 28 – Application Process, Rule 31 - Assigned Risk Producer Requirements, and the Assigned Risk Producer Procedures Manual – Chapter – II – General Responsibilities and Chapter IV – Application and Policy Assignment Process pursuant to the Committee’s prior discussions. She noted that language has been added to include the acceptance of electronic signatures on the MAIP application and other required documents.

The Committee unanimously voted to recommend to the Governing Committee approval of the proposed amendments to Rule 28 – Application Process, Rule 31 - Assigned Risk Producer Requirements and to the Assigned Risk Producer Procedures Manual.

26.05 Premium Finance Agreement

Ms. Lynne Rosenburg reviewed the amendments to Rule 28 – Application Process, Rule 31 - Assigned Risk Producer Requirements, and the Assigned Risk Producer Procedures Manual – Chapter – II – General Responsibilities and Chapter IV – Application and Policy Assignment Process pursuant to the Committee’s prior discussions. She noted that language was added to the requirements to include the submission of a copy of the premium finance agreement, if applicable, with the application, within two business days.

The Committee unanimously voted to recommend to the Governing Committee approval of the proposed amendments to Rule 28 – Application Process, Rule 31 - Assigned Risk Producer Requirements and to the Assigned Risk Producer Procedures Manual.

ADRIANNE DONOVAN
Residual Market Services Liaison

Boston, Massachusetts
June 1, 2026

May 28, 2026

CAR Rules of Operations and MAIP Assigned Risk Producer Procedures Manual Updates

Memorandum of Changes

The following amendments are proposed to Rule 28 – Application Process, Rule 31 – Assigned Risk Producer Requirements, Chapter II – General Responsibilities, and Chapter IV – Application and Policy Assignment Process of the MAIP Assigned Risk Producer Procedures Manual to allow for a MAIP applicant’s electronic signature and to require the Assigned Risk Producer (ARP) to provide a copy of the premium finance agreement, if applicable, to the Assigned Risk Company (ARC) within two working days.

Rules of Operation

Rule 28 – Application Process

B. Assignment of Application to a Member

Language has been added to allow for the original application and any supplemental or additional information to be signed using an electronic signature.

Language has also been added to require the ARP to provide a copy of the premium finance agreement, if applicable, to the ARC within two working days.

Rule 31 – Assigned Risk Producer Requirements

B. Assignment of Application to a Member

Language has been added to allow for the original application and any supplemental or additional information to be signed using an electronic signature.

Language has also been added to require the ARP to provide a copy of the premium finance agreement, if applicable, to the ARC within two working days.

MAIP Assigned Risk Producer Procedures Manual

Chapter II – General Responsibilities

A.3 Documentation Requirements

Language has been moved to eliminate redundancy related to the completion and submission of MAIP forms and added to allow for forms to be signed using an electronic signature.

A.4 MAIP Policy Application Security Requirements

Language has been modified for the completion and submission of the Security Form and added to allow for the form to be signed using an electronic signature.

A.6.d Power of Attorney

Language has been added to allow for the form to be signed using an electronic signature.

A.7.e Ongoing Assigned Risk Producer Requirements

Language has been added to allow for the original application and any supplemental or additional information to be signed using an electronic signature.

Language has also been added to require the ARP to provide a copy of the premium finance agreement, if applicable, to the ARC within two working days.

Chapter IV – Application and Policy Assignment Process

B.7 Documents to be provided to the ARC

Language has been added to allow for the original application and any supplemental or additional information to be signed using an electronic signature.

Language has also been added to require the ARP to provide a copy of the premium finance agreement, if applicable, to the ARC within two working days.

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A. Submitting an Application to the MAIP

To obtain MAIP coverage for an Eligible Risk an Assigned Risk Producer (ARP) must submit an electronic application for private passenger motor vehicle insurance coverage to the MAIP.

ARPs must assure that the application for insurance through the MAIP is submitted on the prescribed form and that each application is completed accurately and thoroughly. An application that contains information the MAIP verifies as incorrect or an incomplete application will be returned to the producer for remedy. Once the application for coverage through the MAIP is received and all required information for the assignment of the policy is provided, the MAIP will assign a certification number to the application.

B. Assignment of Application to a Member

An application with a certification number will be randomly assigned to a Member based on its Quota Share as specified in Rule 29 – Assignment Process. The MAIP will notify the ARC of the policy assignment. The MAIP will notify the ARP of the identity of the ARC which will issue the policy and the effective date of the coverage.

Once the policy has been assigned to an ARC, after receiving such notice, the ARP is responsible for providing the ARC with the following items within two working days as specified in Rule 31.B.5.:

1. The original application form and any supplemental or additional information, signed manually or electronically by the applicant and the ARP, and if applicable, a copy of the voluntary premium quote or voluntary premium quote identification number; and
2. The required deposit premium as specified in Section C.1.
3. A copy of the premium finance agreement, if applicable.

C. Premium Deposit and Payment Options

1. Amount of Premium Deposit

A deposit of the amount noted in Section C.1.a. shall accompany the application for MAIP coverage. The applicant, at his option, may choose to make a larger deposit payment. The deposit shall be in the

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necessary to calculate the voluntary premium for comparison to the MAIP premium;

1. The ARP must notify the Eligible Risk that he has the option of utilizing an installment payment plan;
 - m. The ARP must verify that the Eligible Risk has signed the new business application before it is submitted to the MAIP; and
 - n. The ARP must sign the new business application before it is submitted to the MAIP.
4. The ARP must submit an electronic application for Private Passenger Motor Vehicle Insurance coverage to the MAIP to obtain MAIP coverage for an Eligible Risk.
5. Once the MAIP has notified the ARP of i) the certification number assigned to the application, ii) the ARC to which the policy is assigned and iii) the effective date of the coverage, the ARP is responsible for providing the ARC with the following items within two business days:
- a. The original application form, any additional or supplemental information, and if applicable, a copy of the voluntary premium quote or voluntary premium quote identification number. The application must be signed manually or electronically by the Eligible Risk and the ARP; and
 - b. The required deposit premium pursuant to Rule 28.
 - c. A copy of the premium finance agreement , if applicable.
6. The new business application, any additional coverage, and/or modifications in coverage must be submitted to the ARC within two business days of the effective date of coverage.
7. The ARP must forward premium payments to an ARC within two business days of receipt. However, an ARC shall extend the payment period for an additional seven days upon sufficient notice that all or part of a premium is being financed by a licensed premium finance company where the premium finance company has given its written assurance to pay the full premium financed to the ARC directly. This provision shall not obligate an ARC to provide such additional time if, notwithstanding

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3. Documentation Requirements

In order to place business through MAIP, producers are required to provide CAR with the following documentation. These forms can be found on the MAIP Producer page of CAR's website, under Forms and may be completed online and signed manually or electronically, and forwarded to CAR via email, fax, or USPS:

a. Application for Assigned Risk Producer Certification

All agencies must provide CAR with specific agency information including agency name, business address of primary office location, address information of all additional office locations, primary agency email contact address, employee information as well as all other information requested on the Application for Assigned Risk Producer Certification Form (refer to Exhibit II-A-1).

~~This form can be found on the MAIP Producer page of CAR's website, under Forms. The forms may be completed online but must be printed using a local printer, signed and then forwarded to CAR via email, fax or U.S. Postal Service.~~

b. Agency Information Update Form

CAR should be notified of changes to any agency information subsequent to becoming certified as an ARP using the Agency Information Update Form (refer to Exhibit II-A-2). This may include any change to producer status including agency name, address or email address changes, new, closed or moved office locations, agency sales, mergers or acquisitions or employee changes impacting access to the MAIP Policy Application.

~~This form can be found on the MAIP Producer page of CAR's website, under Forms. The forms may be completed online but must be printed using a local printer, signed and then forwarded to CAR via email, fax or U.S. Postal Service.~~

c. Copy of Current Agency License

A copy of an agency's current property and casualty license is required to be on file with CAR and must be consistent with agency name. Upon renewal, a copy of the license must be

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provided to CAR's Residual Market Services Department via the upload link located on the MAIP Producer page of CAR's website, under Producer Profile.

Failure to provide CAR with a copy of an amended license and/or license renewal within 30 days of the effective date of the amendment and/or renewal will result in the suspension of access to the MAIP Policy Application. CAR will reinstate access to the MAIP Policy Application upon receipt of a copy of a valid and current license in good standing.

As specified in Section B.5. of this Chapter, failure to renew or maintain an active producer's license may also result in the possible decertification of the ARP.

d. Agency Corporate Documents

If licensed as a corporation, a copy of the agency's corporate documents reflecting the officers and directors of the corporation (i.e. Annual Statement or Articles of Organization) and the ownership of all agency stock is required.

Note that all notifications and correspondence sent from CAR to a producer will be conducted via email. Notifications through the U.S. Postal Service will not be provided. Accordingly, CAR requires a current email address on file for every producer.

4. MAIP Policy Application Security Requirements

The MAIP Policy Application is a secure system requiring a valid User ID and password to gain access. Each agency must designate one person to serve as the agency's Security Administrator. Through the Security Administration link, which is located on the MAIP Producer page of CAR's website, the designated Security Administrator is able to view the administrator's own account information and change password and security questions.

Additionally, via the Manage Users function which is available on the Security Administration Menu, the agency's Security Administrator is able to add new users and update information for existing users. The Security Administrator will be responsible for requesting User IDs for new employees that require access to the MAIP Policy Application, deleting users no longer at the agency, and updating the activity status,

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email address and office location information for existing users. The Security Administrator is also responsible for addressing security violations and serves as a point of contact for the dissemination of security-related information.

The individual designated as an agency's Security Administrator is required to complete a MAIP Agency Security Administrator Form – Assigned Risk Producer Communications Access Agreement, located on the MAIP Producer page of CAR's website, under Forms (refer to Exhibit II-A-3).

The MAIP Agency Security Administrator Form may also be used to change an agency's designated Security Administrator or add an additional Security Administrator that may be required due to multiple agency locations. The form may be completed online ~~but must be printed using a local printer~~, signed manually or electronically and then forwarded to CAR via email, fax or U.S. Postal Service USPS.

Other important things to note:

- a. The sharing of User IDs is strictly prohibited and therefore, each individual using the system to place business through the MAIP will need a separate User ID.
- b. If the Security Administrator has created a new User ID for an individual whose name has changed, CAR's Operations Services department should be contacted so that the individual's records can be updated accordingly to reflect that fraud training and tutorial requirements have already been completed.
- c. The Security Administrator should contact CAR's Operations Services department if a new employee previously had access to the MAIP Policy Application through employment with another insurance agency.
- d. A Security Administrator cannot change a user's password. If an individual's password is forgotten, that individual should click on the Forgot Password? link located just below the log-on box and follow the instructions that are provided. Also, note that passwords expire every 60 days, but if desired, a user may change it sooner. Also note that username, password and security question answers are all case sensitive.

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d. Power of Attorney

An Authorization to Certify Motor Vehicle Insurance Coverage form (refer to Exhibit II-A-5) may be used to grant (or revoke) licensed and non-licensed agency employees the authority to certify, through the use of the ARP's MAIP stamps, the existence of motor vehicle insurance coverage for risks assigned to an ARC. This form must be completed and signed manually or electronically by a licensed and certified agency principal. Such authority is extended only to those policies issued through the MAIP and produced in the course of the individual's employment agreement with the insurance agency. The Authorization to Certify Motor Vehicle Insurance Coverage form may be found on the MAIP Producer page of CAR's website, under Forms, using the Power of Attorney Authorization link.

7. Ongoing Assigned Risk Producer Requirements

An ARP is also responsible for fulfilling many ongoing requirements, several of which are listed below. Failure to do so will be grounds for revocation of certification. Refer to Rule 31.B. – Assigned Risk Producer Requirements of CAR's Rules of Operation for a complete list of all ARP requirements.

- a. Based upon the MAIP eligibility requirements outlined in Rule 26 – Policyholder Rights and Responsibilities of CAR's Rules of Operation, assure that all applications submitted for MAIP placement meet the established MAIP eligibility criteria.
- b. Assure that MAIP application information, and any additional or supplemental information is submitted on the proper forms and that each application is submitted accurately and in its entirety by taking the following steps:
 - (1) List all licensed operators in the household, including those not used for classifications purposes.
 - (2) Verify through the RMV Registration Inquiry System, the driver's license for each listed operator who holds a Massachusetts driver's license. The ARP must submit a photocopy of the license of any operator holding an out-of-state or a foreign driver's license with the new business application.

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- e. Submit the original application, signed manually or electronically by the applicant and the ARP, the required deposit premium, photocopy of out-of-state or foreign driver's license, if applicable, a copy of the premium finance agreement, if applicable, a copy of the voluntary premium quote or voluntary premium quote identification number as provided by the ARC, if applicable, and any other required additional or supplemental information, forms or certificates to the assigned ARC within two business days of an application being assigned a certification number. Additionally, report to the ARC all coverages bound, including modifications in coverage or additional coverage and all registrations and/or titles certified within two business days.

However, if after assignment to an ARC, the applicant fails to sign the application and remit the required deposit premium, refer to Chapter IV, Section B. of this Manual for procedures relative to voiding an assigned application.

- f. Notify CAR and the ARC of suspected fraud in the application for insurance or in the underwriting or rating process or in the payment of premium obligations or surrounding a loss.
- g. Cooperate with the ARC and CAR personnel during all audits and investigations of MAIP assigned business.

8. Service Fee Requirements

- a. Prohibition from Accepting a Fee

An ARP and the ARP's employees are prohibited from accepting a fee or any other monetary or tangible property in connection with any of the following:

- (1) placing or negotiating insurance policies,
- (2) continuing or renewing insurance policies,
- (3) selling or offering to sell anything of value not specified in the policy of insurance, and/or
- (4) referring the insured or parties to an accident to any glass, repair or rental facility, or to any legal or medical provider.

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7. Documents to be Provided to the Assigned ARC

Within two business days of policy assignment, the ARP must provide the assigned ARC with the following:

a. Original Application

The original application must be ~~printed and~~ signed by the applicant and the ARP. Applications may be signed manually or electronically.

b. Premium Finance Agreement

A copy of the premium finance agreement, if applicable.

bc. Premium Deposit

A premium deposit must accompany the application for MAIP coverage. The deposit may be in the form of a personal check, certified check, bank check, money order, premium finance company check or an ARP's check. All checks or money orders should be made payable to the assigned ARC.

For new business policies, a deposit equal to 25% of the quoted premium based on the MAIP rates, or if a voluntary rate quote is obtained by the ARP, 30% of the lower of the ARC's voluntary premium or the MAIP premium is required.

Note that there are several instances where modification to the premium collection procedures is required.

For those policies that an ARC elected not to write on a voluntary basis at the end of the three-year assignment period, if the notification and assignment requirements specified in Section B.4. of this Chapter are met, the ARP is not required to collect a down payment from the risk at the time of assignment.

If the ARP verifies that the applicant or policyholder had been issued a notice of cancellation for non-payment during the preceding 24 months which resulted in the cancellation of the policy, for a new business policy, the ARP must collect a premium deposit of 80% of

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the calculated MAIP premium or 100% of the ARC's voluntary premium, if known.

An ARP is not required to collect any outstanding owed premium. However, since the applicant is required to satisfy any outstanding debt occurring within the previous 12-month period prior to being eligible for MAIP placement, an ARP may assist the applicant in satisfying this requirement by collecting the unpaid premium and forwarding it to the company to which it is owed.

The ARC may deduct from the premium deposit received any unpaid balance of premium earned within the preceding 12 months that is owed to the ARC. If any outstanding balance is not paid within the permitted time period, the ARC is entitled to cancel the insurance.

ed. Supplemental Documents

The ARP must print and attach to the original signed application all required supplemental forms and certificates as identified through the online MAIP Policy Application. These documents may include an anti-theft device certificate, an approved driver training certificate, an out-of-state driving record, pre-insurance inspection forms and a copy of the prior policy coverage selections page for operator(s) listed on the application, a copy of the voluntary premium quote or voluntary premium quote identification number as provided by the ARC, if applicable, or additional or supplemental information required by the ARC to accurately calculate policy premium.

de. Verification of Driver's License

The ARP must verify through the Registry of Motor Vehicle (RMV) Inquiry System, the driver's license for each listed operator who holds a Massachusetts driver's license. The ARP must submit a photocopy of the license of any operator holding an out-of-state or a foreign driver's license with the new business application.

8. Installment Plan

The ARP must assure that policyholders are aware of their option to utilize an installment payment plan for business written through MAIP. After the insured has paid the required new business or renewal deposit



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PRESIDENT

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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



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101 Arch Street, Suite 400 Boston, Massachusetts 02110

www.commauto.com

617-338-4000

RECORDS OF MEETING

COMMERCIAL AUTOMOBILE COMMITTEE – MAY 27, 2026

Members Present

Mr. Thomas DePaulo – Chair	Cabot Risk Strategies, LLC
Mr. Michael Brady	Pilgrim Insurance Company
Ms. Annmarie Castonguay	The Hanover Insurance Company
Mr. Andrew Lajzer	Safety 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

Not in Attendance:

Ms. Sheila Doherty, Doherty Insurance Agency, Inc.
Ms. Sharon Murphy, Acadia Insurance Company

26.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the Commercial Automobile Committee meeting of April 23, 2026. The Records have been distributed and are on file.

26.07 Primary & Noncontributory and Waiver of Subrogation Endorsements

In its last meeting, it was the Committee's consensus that it is appropriate to include the Primary & Noncontributory and Waiver of Subrogation endorsements in the residual market as contracts requiring these policy provisions are more prevalent.

Ms. Wendy Browne briefly reviewed significant points from the Committee's discussion that still require further discussion. She noted that the Committee should determine whether the Waiver of Subrogation would be applied as a blanket endorsement or with those entities with stipulating contracts listed in a scheduled endorsement. While several committee members at the prior meeting had opined that a blanket endorsement would be more efficient and less costly from an administrative standpoint, the Additional Insured Endorsement on file stipulates that the person or organizations be identified on the endorsement schedule. At its last meeting, the Committee noted that the requirements should be consistent among each of these endorsements.

Ms. Browne noted that during past Committee discussions relating to the Additional Insured Endorsement, the Committee concluded that the residual market requires a heightened level of scrutiny and

transparency regarding business activities to ensure accuracy and consistency in assessing classification and eligibility. For this reason, the Committee determined that additional insureds should be listed individually.

With this context in mind, CAR Staff noted the continued need for heightened scrutiny of residual market business, particularly in light of mixed-use activity in the marketplace. Therefore, staff recommended adoption of the scheduled endorsement in the residual market for the Waiver of Subrogation. Several Committee members expressed agreement with Staff's recommendation, and the Committee resolved to proceed with adoption of the scheduled endorsement.

Secondly, it was agreed upon previously by the Committee that the Primary & Noncontributory Endorsement will require modification of the current endorsement form on file to ensure there is no conflict with CAR's Public & Livery Passenger Conveyance and On-Demand Delivery Service Endorsement. Additionally, CAR Staff recommended that a schedule of entities requiring this endorsement form also be required for this endorsement, as this would keep the procedures for each of these residual market endorsements consistent in their application. The Committee agreed with CAR Staff's recommendation. The Committee members also agreed that both the Primary and Noncontributory and Waiver of Subrogation endorsements should be available to all classifications. Additionally, the Committee suggested that Staff poll voluntary carriers to solicit information relative to the pricing for these endorsements.

Ms. Browne addressed the Notice of Cancellation to the scheduled contracted parties, as this topic was raised at the prior Committee meeting with one agent requesting consideration of this notice. Staff commented that the provisions are not common in the voluntary marketplace, and the additional cost to implement and provide the notice did not appear justified. Additionally, with Servicing Carriers already working on implementing a number of new forms and the lack of a compelling argument to pursue, CAR Staff recommended against the adoption of a new notice requirement. The Committee agreed with staff. It was noted that staff would work with counsel to draft changes to the Primary and Noncontributory endorsement for the Committee's consideration at its next meeting. Draft manual rule amendments to address usage of the endorsements will also be provided.

26.08 Cost of Hire Coverage

The Committee continued its discussion related to Hired Auto coverage including the applicability of this coverage for Auto Dealers risks. Ms. Browne informed the Committee that, after contacting auto dealer producers related to the use of this coverage to existing Garage policies, responses were mixed. Some producers automatically add the hired auto coverage to policies, and others who evaluate the risk and only recommend it for specific scenarios. Also, as noted at the prior meeting, this coverage can be a requirement of some excess policies, and therefore CAR staff recommended no change limiting the coverage for auto dealers. The Committee consensus agreed no further action was needed.

Next, Ms. Browne reviewed proposed changes to Rule 28 – Hired Automobiles so that it is more consistent with the corresponding rating rule, based on excess and primary coverage. The revised language clearly specifies that primary coverage applies only when a vehicle is hired, loaned, leased, or furnished for at least six months. For excess coverage, the amendment clarifies that the rule applies more broadly than just truckers and public automobile classifications.

The Committee voted unanimously to recommend Governing Committee approval of the proposed amendments to Rule 28 in the Rule Manual.

26.09 Expanded Use of Trailers for Mobile Operations

Ms. Lynne Rosenberg noted CAR staff has recently received questions from Servicing Carriers pertaining to Trailer-only policies and their eligibility in the residual market. Given the expanded use of trailers for mobile operations in the current marketplace including food trucks, cafes, bars and other business ventures, these questions have become more common. In some circumstances the risks seek coverage solely for a trailer not including the attached power unit, as some may use a personal vehicle to transport the trailer. As this type of trailer does not appear to meet the definition of a utility trailer, Ms. Rosenberg asked the Committee to discuss whether these types of trailers are appropriate for the residual market, and more specifically, whether they should require a power unit on the policy. Mr. David Zawilinski remarked on the need for clarification of the exposure that is covered under the auto liability and what is covered under general liability for these types of trailers. Mr. John Olivieri agreed and opined that these types of trailers should be eligible for coverage in the residual market, as there may not be many companies willing to insure these risks in the voluntary market.

Mr. Mike Brady expressed agreement with CAR's position that the Utility Trailer classification and rating is not appropriate for these trailers. These trailers have unique aspects that would need to be considered in the calculation of physical damage premium. Mr. Zawilinski added consideration of the need to determine what equipment is a part of the trailer in order to determine coverage. He also noted that if the personal vehicle towing the trailer can obtain insurance in the voluntary market, it should not have to be included on the residual market policy with the trailer.

It was the consensus of the Committee that it is appropriate for the trailers with mobile operations to be eligible for the residual market, as long as the specific coverage being provided by the residual market can be defined. Furthermore, the Committee also agreed that just the trailer can be ceded without a power unit. Accordingly, Ms. Rosenberg noted that CAR staff will further consider classification and other requirements and present additional information for consideration at the next Committee meeting.

TIMOTHY GALLIGAN
Actuarial and Statistical Services Director

Boston, Massachusetts
June 4, 2026

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Liability Coverage for Volunteers Endorsement CA 05 24; or
Partners Or Members As Insureds Endorsement CA 05 25.

- C. Unless there is a substantial change in exposure during the policy period, the advance premium is the earned premium.

RULE 28. HIRED AUTOMOBILES

- A. ~~Primary Coverage For automobiles hired, loaned, leased, or furnished:~~

~~1. Applies If the insured is providing the primary insurance for an covering the automobile that is hired, loaned, leased, or furnished for at least and the term of the lease is six months, or more:~~

~~1. a. Rate as though owned by the insured; and~~

~~2. b. if the policy is extended to cover the owner of the automobile as an additional insured, multiply the otherwise applicable bodily injury liability and property damage liability rates by 1.04. Use Lessor – Additional Insured and Loss Payee Endorsement MM 20 26, and, if applicable Additional Insured – Owner of Leased Vehicle MM 20 25.~~

~~2. If the owner of the automobile is providing the primary insurance, refer to the Rate Section.~~

~~3. 3. If a lessor is an employee of the insured, use Employee As Lessor Endorsement CA 99 47 to indicate that the automobile will be considered an automobile that you own.~~

~~4. Primary coverage is not available for automobiles that are hired, loaned, leased, or furnished for less than six months.~~

- B. ~~Excess Coverage Cost of Hire Basis—Liability Coverages (Class Code 66110, Minimum Premium Class Code 66190)~~

~~Applies if the owner of the vehicle is providing the primary coverage for an automobile that is hired, loaned, leased or furnished to the insured. Excess Coverage is determined on a cost of hire basis, as follows:~~

~~1. 1. For automobiles used in trucking or motor carrier operations, refer to Rule 55 – Premium Development Options for~~

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Truckers/Motor Carriers in Section III – Trucks, Tractors and Trailers of this Manual.

2. For all other classifications, refer to the Rate Section.

3. 2.—For public transportation automobiles, (other than social service agencies), moving van associations and freight forwarding operations, the cost of hire rate is determined by applying a factor of .0033 to the specified car rate determined in accordance with the appropriate manual rule for the applicable automobile.

4. 3.—If a volunteer rents or hires an auto in a volunteer’s name for the purposes of performing duties related to the insured’s business, use Volunteer Hired Autos Endorsement CA 04 39 to indicate that the automobile will be considered a covered auto.

RULE 29. RESERVED FOR FUTURE USE

RULE 30. MEDICAL PAYMENTS

- A. The premiums for trucks, tractors, trailers, public automobiles, private passenger types and miscellaneous private passenger types are on the rate pages.
- B. For zone rated risks, refer to Zone Rating Tables.
- C. For auto dealer risks, refer to Rule 89 – Medical Payments Insurance in Section VI – Auto Dealers of this Manual.

No charge shall be made for service or utility trailers.

RULE 31. OPERATOR EXCLUSION FORM

The Servicing Carrier will attach the Operator Exclusion Form, CR 99 01-, to the policy in regard to any owner of the business who is not listed as an operator on the application and does not have a valid license, or in other circumstances as requested by the insured. A separate endorsement should be completed for each excluded operator.

RULE 32. RESERVED FOR FUTURE USE.



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RECORDS OF MEETING

COMMERCIAL PROGRAM OVERSIGHT COMMITTEE – MAY 22, 2026

Members Present

Mr. John Olivieri, Jr – Chair	World Insurance Associates, LLC
Mr. Matthew Chesson	The Hanover Insurance Company
Ms. Sharon Murphy	Acadia Insurance Company
Ms. Jean Houghton	Norfolk & Dedham Group
Ms. Nicole Martorana	FBIinsure, LLC
Mr. Henry Risman	Risman Insurance Agency, Inc.

Substituted for:

N/A

Not in Attendance:

N/A

25.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the Commercial Program Oversight Committee meeting of July 16, 2025. The Records have been distributed and are on file.

26.04 2025 Servicing Carrier Annual Report Review

Mr. Richard Dalton provided an overview of the proposed 2025 Servicing Carrier Annual Report template, which was distributed with the meeting notice. He explained that the template is organized into several sections, including a section containing specific questions related to current market issues, an expense section, and a section addressing more general topics and associated data for Servicing Carrier comment. Mr. Dalton also reviewed the schedule included in the Annual Report template, outlining the anticipated dates for the distribution of the Annual Reports to the Servicing Carriers, the submission of the completed reports to CAR, and the Committee's review of those Annual Reports. Following discussion, the Committee directed staff to proceed with the distribution to the Servicing Carriers in accordance with the schedule presented.

RICHARD DALTON
Residual Market Liaison

Boston, Massachusetts
May 27, 2026