

When used in the Rules, the following terms shall have the stated meanings:

ASSIGNED RISK COMPANY (ARC) means a Member that has been appointed pursuant to the Plan and Rules of Operation to issue private passenger motor vehicle insurance policies assigned by the MAIP and, for the purposes of the MAIP, is a servicing carrier as this term is used in G.L. c. 175, § 113H.

ASSIGNED RISK POLICY means a private passenger motor vehicle insurance policy underwritten by an ARC or a LADC pursuant to assignment by the MAIP.

ASSIGNED RISK PRODUCER (ARP) means any person licensed as a property and casualty insurance producer pursuant to G.L. c. 175, §162H to §162X inclusive, that has completed the MAIP requirements and has been certified by the Governing Committee or its designee to immediately submit motor vehicle insurance policies for placement through the MAIP with an ARC.

CAR means Commonwealth Automobile Reinsurers.

CAR (car) YEAR OF EXPOSURE means one car insured for twelve (12) months.

CLEAN-IN-THREE RISK means an Eligible Risk who is the named insured and any other person who usually operates the vehicle, who during the three (3) successive years prior to the policy effective date, meets all of the following requirements:

- (1) has been licensed to operate an automobile in Massachusetts at least thirty-six (36) successive months prior to the effective date of the policy;
- (2) has been continuously insured for the past thirty-six (36) months prior to the effective date of the policy, with no more than one period of lapsed coverage and where such period was not in excess of sixty (60) days;

(3) has not been found to be at fault for an accident that generated an insurance claim including a PIP claim, or a traffic violation as defined in the Safe Driver Insurance Plan (S.D.I.P.) in the thirty-six (36) months immediately prior to the effective date of the policy; and

(4) In the previous sixty (60) successive months prior to the effective date of the policy has not had a DUI conviction or a conviction for a vehicular felony, as defined in the Safe Driver Insurance Plan.

COMMISSIONER means the Commissioner of Insurance of Massachusetts.

ELIGIBLE RISK means any person who qualifies for a private passenger motor vehicle insurance policy under the provisions of G.L. c.175, §113H excluding antique motor vehicles pursuant to G.L. c.175, §113U.

GOVERNING COMMITTEE means the committee required by G.L. c. 175, §113H(B).

HOUSEHOLD MEMBER means anyone living in a person's household who is related to that person by blood, marriage, or adoption. This includes wards, stepchildren or foster children.

INACTIVE MEMBER means any insurer which is licensed to write motor vehicle insurance policies or bonds in Massachusetts, but which did not, in fact, issue any motor vehicle insurance policies or bonds in Massachusetts during the most recent calendar year and which is not the issuing company on any outstanding Massachusetts motor vehicle insurance policies or bonds.

LIMITED ASSIGNMENT DISTRIBUTION COMPANY (LADC) means an insurer which is licensed to write motor vehicle insurance policies or bonds in Massachusetts that has been approved pursuant to the Rules of Operation to enter into an agreement with a Member that has been appointed as an ARC for the purpose of servicing that Member's quota share of MAIP business.

MAIP means the Massachusetts Automobile Insurance Plan. The MAIP is the mechanism by which eligible risks who are unable to obtain voluntary coverage are assigned to a Member for the purpose of obtaining private passenger motor vehicle insurance coverage, and by which such risks are distributed equitably based upon each Member's quota share.

MANUAL OF ADMINISTRATIVE PROCEDURES (MAP) means the CAR Manual of Administrative Procedures of the MAIP.

MEMBER means any insurer which is licensed to write motor vehicle insurance policies or bonds in Massachusetts and which does not qualify for inactive membership status. Groups of companies under the same ownership and/or management will be treated as a single Member. A LADC that functions exclusively as an LADC is not a Member.

MOTOR VEHICLE INSURANCE means direct insurance against injury or damage, including the legal liability arising out of the ownership, operation, maintenance or use of motor vehicles, including but not limited to bodily injury liability insurance, personal injury protection insurance, property damage liability insurance, physical damage insurance, medical payments insurance, uninsured/underinsured motorists insurance and towing and labor insurance.

NEW BUSINESS for the private passenger motor vehicle insurance market means : 1 a newly licensed driver applying for his or her own policy; or 2) a risk applying to a Member who has not been insured in the Commonwealth in the twelve (12) months preceding the application for coverage. This definition will expire upon the completion of the transition as contemplated in Rule 21 from CAR to the MAIP.

NEWLY WRITING COMPANY means any member which did not write physical damage and/or liability coverage for private passenger motor vehicles in the Commonwealth of Massachusetts in the prior year.

PERSON means every natural person, firm, partnership, association, corporation, government or agency.

PLAN OF OPERATION or PLAN means the CAR Plan of Operation.

PRIVATE PASSENGER MOTOR VEHICLE means those vehicles as defined in the Massachusetts Private Passenger Automobile Insurance Manual published by the Automobile Insurers Bureau in Massachusetts.

QUOTA SHARE means the volume of business to be assigned to a Member participating as an ARC in the MAIP.

RULES OF OPERATION or RULES or RULE means the CAR Rules of Operation of the MAIP or a Rule of the MAIP.