

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 through the MAIP and 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 pursuant to assignment through 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 private passenger 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 211 CMR 134.00 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.

**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 at a single residence 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 private passenger motor vehicle insurance policies or bonds in Massachusetts, but which did not, in fact, issue any private passenger motor vehicle insurance policies or bonds in Massachusetts voluntarily during the most recent calendar year and which is not the issuing company on any outstanding Massachusetts private passenger motor vehicle insurance policies or bonds.

**LIMITED ASSIGNMENT DISTRIBUTION AGREEMENT (LADA)** means a contract between an ARC and another Member under which the Member transfers its obligation to provide private passenger motor vehicle insurance policies to risks assigned to it through the MAIP to the ARC and the ARC agrees to assume liability for and service all of the Member's MAIP assignments in exchange for a negotiated fee.

**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 private passenger motor vehicle insurance policies or bonds in Massachusetts and which does not qualify for inactive membership status. Groups of companies under the same ownership or management will be treated as a single 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 a reinsurance facility to the MAIP.

**NEWLY WRITING COMPANY** means any Member which did not provide physical damage and/or liability coverage under a Private Passenger Motor Vehicle insurance policy in the Commonwealth of Massachusetts in the 12 consecutive calendar months preceding the calendar date on which the Member's initial Private Passenger Motor Vehicle insurance rates and rate manual became effective.

**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 a Massachusetts private passenger automobile insurance manual on file with the Commissioner

**QUOTA SHARE** means the volume of business assignable through the MAIP to a Member that qualifies to be appointed as an ARC, as described in Rule 30.

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