



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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

July 19, 2018

COMMERCIAL LINES NOTICE NO. 120

Non-Fleet Private Passenger Type Certification Form and Operator Exclusion Form Approved
(SERFF filing CARI-13155975)

On July 18, 2018, the Division of Insurance placed on file the Non-Fleet Private Passenger Type (NF-PPT) Certification Form (CR 00 02 08 18) and Operator Exclusion Form (CR 99 01 08 18).

The Non-Fleet Private Passenger Type Certification Form will be used in conjunction with procedures that instruct Servicing Carriers to require, and Exclusive Representative Producers (ERPs) to provide, a signed Non-Fleet Private Passenger Type Certification Form from all NF-PPT new business applicants submitted for placement in the commercial automobile residual market. The Certification Form, submitted with all other application documentation, will provide further verification of a valid business entity as well as additional information for listed operators. Servicing Carriers will seek signed Certification Forms for renewal business at their discretion.

The Operator Exclusion Form will be used in conjunction with procedures that instruct Servicing Carriers to require, and ERPs to obtain, a completed Operator Exclusion Form if the business owner(s) does not have a valid driver's license and is not listed on the application as an operator(s). The Operator Exclusion Form may also be used in other circumstances as requested by the insured. This approval also includes the addition of Rule 31 to CAR's Commercial Automobile Insurance Manual to provide direction for the use of the endorsement.

Further information relative to the established procedures and use of the Certification Form and the Operator Exclusion Form will be published in a CAR Bulletin in the near future. Additionally, the approved Forms and Rule are attached.

Questions may be directed to the undersigned at tgalligan@commauto.com.

TIMOTHY GALLIGAN
Actuarial & Statistical Services Director

Attachments

NON-FLEET PRIVATE PASSENGER TYPE (NF-PPT) CERTIFICATION FORM

*****TO BE CERTIFIED BY ALL NF-PPT APPLICANTS PRIOR TO PLACEMENT IN THE COMMERCIAL AUTOMOBILE INSURANCE RESIDUAL MARKET (CAR)*****

NAME OF BUSINESS: _____

DESCRIPTION OF BUSINESS: _____

Submit a copy of *at least one* or, at the request of the Servicing Carrier, more of the following documentation with the application:

1. Contract for services with a customer relative to the listed business entity/operation
2. Tax filing information for the business (Schedule C if filing an individual return)
3. Workers Compensation Insurance Policy
4. General Liability Insurance Policy
5. If prior insurance coverage, copy of declarations page
6. Copies of leases and utility bills

If documents are not available, please explain: _____

VEHICLE USAGE:

How are vehicles used in your business? _____

VEHICLE OPERATORS:

Number of employees: Full Time: _____ Part Time: _____

ALL EMPLOYEES, FAMILY MEMBERS AND ANY OTHERS WHO HAVE PERMISSION TO DRIVE ONE OR MORE OF THE VEHICLES MUST BE LISTED ON, OR INCLUDED WITH THE APPLICATION FOR INSURANCE (A LICENSE NUMBER, STATE OR COUNTRY OF ISSUANCE MUST BE INCLUDED FOR EACH).

FOR ANY OPERATOR LISTED ON THE APPLICATION *WITH A VALID LICENSE FROM A COUNTRY OR TERRITORY APPROVED BY THE MASSACHUSETTS RMV, THE FOLLOWING MUST ALSO BE COMPLETED:*

1.) OPERATOR NAME: _____

LICENSE #: _____ STATE/COUNTRY: _____

DATE OF ARRIVAL IN THE U.S. _____

2.) OPERATOR NAME: _____

LICENSE #: _____ STATE/COUNTRY: _____

DATE OF ARRIVAL IN THE U.S.: _____

For additional operators that meet this criteria, attach information listing the above information

NON-FLEET PRIVATE PASSENGER TYPE (NF-PPT) CERTIFICATION FORM

OWNER(S) NOT LISTED AS AN OPERATOR(S) OR NOT LICENSED

If the owner(s) of the business does not have a valid driver's license and is/are not listed on the application as an operator(s), a Driver Exclusion Form must be signed and submitted with the application. In addition, the/those owner(s) will sign the following:

I have voluntarily chosen not to list myself as a driver on the application. I understand and agree that if an unlisted owner is involved in a claim, there may be no coverage under my policy because of the Material Misrepresentation provision of the policy. Owner(s) Signature(s): _____

SIGNED CERTIFICATION OF BUSINESS ENTITY AND VEHICLE USAGE

The application I submitted herewith represents that my vehicles are used to further my business objectives. I understand and agree that the Company is entitled to examine books and records as they relate to the premium for this policy at any time during the policy period. This may include verification of actual business use of the vehicles. I certify that I have listed on the application all my employees, family members and others who have permission to drive one or more of the vehicles listed in my application. I understand that I am required to cooperate with and notify the insuring carrier of any change to information presented in the application, including information pertinent to the ownership and permissive operators of the vehicle(s), during the policy period. **I understand that, if found responsible for fraud or material misrepresentation in the application or any extension or renewal of the policy, the insurance company can cancel or rescind all or part of the insurance and/or deny coverage of a claim pursuant to the provisions of the policy and applicable law.** By signing below, I hereby certify that all information provided herein and all other information submitted with the company's application is true and accurate.

Signature of Owner/Applicant's Authorized Representative: _____

Printed Name of Owner/Applicant's Authorized Representative: _____

Title: _____

Date: _____

Witness to the Signator and Signing above:

Signature of Producer: _____

Printed Name of Producer: _____

Agency Name: _____

Date: _____

MA Fraud Warning: "Any person who knowingly and with the intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any material false information, or conceals for the purpose of misleading information concerning any fact material thereto, may be committing a fraudulent insurance act, which may be a crime and may subject the person to criminal and civil penalties."

---Documentation to be submitted to the insuring Servicing Carrier, copy to be retained by Producer---

MASSACHUSETTS ENDORSEMENT – CR 99 01 08 18

Operator Exclusion Form

It is agreed by the insurance company, the policyholder and the person named below (the Excluded Operator), that the Excluded Operator will not operate the vehicle(s) described below, or any replacement thereof, under any circumstances whatsoever.

Named Insured: _____

Excluded Operator: _____

Vehicles (Complete Section A **OR** Section B):

A. _____ (Check if applicable) Any and All Vehicles Listed or Covered on the policy during the policy term

OR

B. Specific Vehicle(s)

Vehicle Description: _____

Vehicle Description: _____

Vehicle Description: _____

Vehicle Description: _____

The policyholder and Excluded Operator understand and agree that the insurance company will not pay under the optional insurance parts of the policy for any injury or damage arising out of the operation or use of the vehicle(s) described above, by the Excluded Operator.

The policyholder and Excluded Operator understand and agree that this Operator Exclusion Form will continue in full force and effect in any subsequent renewal or replacement of the policy until the policyholder and the insurance company withdraw this form in writing.

Date

Policyholder/Authorized Representative Signature

Date

Excluded Operator's Signature

- B. For zone rated risks, refer to Zone Rating Tables.
- C. For garage risks, refer to Rule 89 – Medical Payments Insurance in Section VI – Garage 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 08 18, 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. PARTNERSHIP AS THE NAMED INSURED – NON-OWNERSHIP LIABILITY (CLASS CODE 70000)

- A. When Non-Ownership Liability is afforded, the Business Auto Coverage Form provides coverage to a partnership for the use of automobiles owned by individual partners which are used in the business of the partnership.
- B. Multiply the private passenger type rates by .10 for each active or inactive partner for the territory in which the partnership is located. Apply this rating base regardless of the type of automobile being used.

RULE 33. RENTAL REIMBURSEMENT (COVERAGE CODE 083)

- A. Do not write Rental Reimbursement Coverage for less than 30 days or for a limit of less than \$15 per vehicle per day.
- B. Refer to the Rate Section for premium development.

RULE 34. INDIVIDUAL AS THE NAMED INSURED

Endorse a Business Auto Coverage Form covering an individually owned private passenger automobile with the appropriate individual named insured endorsement.

- A. Drive Other Car Coverage is provided at no additional charge if the policy covers:
 - 1. A private passenger automobile not used for public transportation or rented to others without a driver.