



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

101 Arch Street, Suite 400 Boston, Massachusetts 02110

www.commauto.com

617-338-4000

RECORDS OF MEETING

ACTUARIAL COMMITTEE – FEBRUARY 3, 2021

Members Present

Ms. Lynellen Ramirez – Chair	Arbella Insurance Group
Ms. Kara Boehm ⁽¹⁾	Allstate Insurance Group
Ms. Sarah Clemens	MAPFRE U.S.A. Corporation
Mr. Christopher Dupill	EM Freedman Insurance Agency, Inc.
Mr. Glenn Hiltbold	The Safety Group
Mr. Todd Lehmann	Quincy Mutual Group
Ms. Kim Miller	The Hanover Insurance Company
Mr. Mark Winiker	A-Affordable Insurance Agency, Inc.
Ms. Meredith Woodcock	Liberty Mutual Insurance Companies
Mr. Joshua Wykle	Vermont Mutual Insurance Group
Mr. Hao Zhang	Plymouth Rock Companies

Substituted for:

⁽¹⁾Ms. Sarah Cast

Not in Attendance:

N/A

20.01 Records of Previous Meeting

On a roll call vote, the Committee unanimously voted to approve the Records of the Actuarial Committee meeting of October 14, 2020. The Records have been distributed and are on file.

20.06 Review of Motorcycle/Miscellaneous Class Codes in Quota Share

At the Committee's October 14, 2020 meeting, the Committee unanimously voted to recommend to the Governing Committee approval of changes to Rule 29 of the Rules of Operations and the addition of rules, rates and endorsement forms to the Private Passenger and Commercial Automobile Residual Market Manuals. Rule 29 was amended to reflect that in the determination of Quota Share, voluntary exposures for specialty and classic cars and specialty and classic motorcycles with policy effective dates of April 1, 2021 and subsequent will be adjusted by a factor of 0.33.

Ms. Marian Adgate explained that the approved Rule 29 language, using an April 1, 2021 policy effective date will result in policies with effective dates prior to April 2021 being included in Quota Share at a full factor of 1.00 and only those policies with effective dates of April 2021 and subsequent will be calculated at the reduced 0.33 factor. She advised that implementing the change as of the April 1, 2021 calendar date will result in such exposures being included in the Quota Share determination with the 0.33

factor for the full rolling-twelve months underlying the April 1, 2021 model, regardless of policy effective date. Should the Committee agree that this was the intention, Ms. Adgate presented draft amendments to Rule 29 to appropriately implement this change.

The Committee discussed the Rule and agreed that the intent was to implement the 0.33 factor for all specialty and classic car and specialty and classic motorcycle exposures included in the April 1, 2021 Quota Share determination, regardless of policy effective date.

The Committee unanimously approved the recommended Rule 29 language changes to implement the 0.33 factor for the specialty and classic cars and specialty and classic motorcycles as intended.

TIMOTHY GALLIGAN
Actuarial/Statistical Services Director

Boston, Massachusetts
February 4, 2021

ATTACHMENT LISTING

Docket #AC21.02, Exhibit #1

Attendance Listing

