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ADDITIONAL INFORMATION

TO MEMBERS OF THE COMMERCIAL AUTOMOBILE COMMITTEE

FOR THE MEETING OF:

Thursday, March 15, 2018 at 1:00 p.m.

CAC

18.07 Distribution of Residual Market Books of Business

At its meeting of February 8, 2018, the Committee agreed that there exists a clear inequity among Servicing Carriers that needs to be addressed and that any redistribution effort should attempt to attain equity by causing the least disruption as possible. Staff has evaluated current Servicing Carrier premium volumes and has prepared data reports, including the potential number of agencies impacted, for the Committee's review. (Docket #CAC18.07, Exhibit #3)

JOHN METCALFE
Director – Residual Market Services

Attachment

Boston, Massachusetts
March 12, 2018

**Commonwealth Automobile Reinsurers
Producer Redistribution - New/Renewal Business Effective July 1, 2018
Summary of Producer Movement**

Rebalance Premium in Total and by Class

<u>26 Reassignments to Rebalance</u>	<u>\$19,000,000 written premium</u>
2 from Mapfre to Arbella	2 voluntary contracts with Arbella
6 from Mapfre to Safety	5 voluntary contracts with Safety
6 from Pilgrim to Arbella	3 voluntary contracts with Arbella
3 from Safety to Arbella	
5 from Safety to Mapfre	
4 from Safety to Pilgrim	1 voluntary contract with Pilgrim

Commercial Servicing Carrier Program

Premium by Class Type

Ceded Business (Car ID 4, 5)

Written Premium Based on Latest 12 Months Ending December 2017

Loss Ratio for Policy Year 2015-2017 Valued through December 2017

Class Type	Arbella Insurance Company				Commerce Insurance Company			
	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio
TTT	\$15,408,870	43.9%	36.4%	53.8%	\$20,228,512	46.5%	58.0%	60.2%
Zone Rated TTT	\$767,644	2.2%	34.4%	65.9%	\$3,240,614	7.4%	27.3%	52.0%
PPT Fleet	\$854,536	2.4%	45.7%	54.0%	\$1,173,583	2.7%	45.5%	123.2%
PPT Non-Fleet	\$4,484,152	12.8%	99.9%	125.2%	\$3,329,279	7.7%	120.7%	135.5%
Bus/Van Pools	\$8,301,909	23.7%	46.1%	127.1%	\$9,111,312	20.9%	36.8%	54.2%
A/O (ex Taxi / Limo)	\$5,258,495	15.0%	29.2%	44.9%	\$6,421,816	14.8%	28.3%	55.3%
Total	\$35,075,606		45.9%	82.0%	\$43,505,116		51.3%	65.2%
Market Share	20.2%				25.1%			
PDL Exp	12,126				12,806			
% Total	22.1%				23.3%			
Agency Count	248				502			
Class Type	Pilgrim Insurance Company				Safety Insurance Company			
	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio
TTT	\$11,594,101	28.2%	32.7%	47.9%	\$21,978,001	40.9%	67.8%	68.9%
Zone Rated TTT	\$6,604,845	16.0%	38.4%	48.8%	\$5,477,485	10.2%	48.8%	54.0%
PPT Fleet	\$682,046	1.7%	37.2%	76.9%	\$870,870	1.6%	33.1%	62.6%
PPT Non-Fleet	\$1,152,509	2.8%	55.5%	92.0%	\$11,079,977	20.6%	154.6%	134.6%
Bus/Van Pools	\$17,572,218	42.7%	48.1%	87.4%	\$8,777,189	16.3%	64.6%	111.5%
A/O (ex Taxi / Limo)	\$3,574,527	8.7%	39.5%	72.1%	\$5,603,253	10.4%	81.9%	97.1%
Total	\$41,180,246		41.2%	68.2%	\$53,786,775		83.6%	88.0%
Market Share	23.7%				31.0%			
PDL Exp	11,359				18,620			
% Total	20.7%				33.9%			
Agency Count	245				361			
Class Type	Total							
	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio				
TTT	\$69,209,484	39.9%	52.0%	58.9%				
Zone Rated TTT	\$16,090,588	9.3%	39.4%	52.0%				
PPT Fleet	\$3,581,035	2.1%	48.4%	93.1%				
PPT Non-Fleet	\$20,045,917	11.6%	129.8%	127.0%				
Bus/Van Pools	\$43,762,628	25.2%	41.0%	83.7%				
A/O (ex Taxi / Limo)	\$20,858,091	12.0%	44.0%	68.1%				
Total	\$173,547,743		57.8%	75.9%				
Total PDL Exp	54,911							
Total Agency Count	1356							

Commercial Servicing Carrier Program

Premium by Class Type

Ceded Business (Car ID 4, 5)

Written Premium Based on Latest 12 Months Ending December 2017

Loss Ratio for Policy Year 2015-2017 Valued through December 2017

Reassigned

Class Type	Arbella Insurance Company				Commerce Insurance Company			
	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio
TTT	\$17,521,497	40.4%	36.1%	52.6%	\$19,460,194	44.9%	59.4%	58.6%
Zone Rated TTT	\$4,362,507	10.1%	46.3%	62.2%	\$2,874,856	6.6%	31.0%	44.3%
PPT Fleet	\$901,810	2.1%	42.8%	52.4%	\$1,151,401	2.7%	46.2%	123.6%
PPT Non-Fleet	\$4,524,906	10.4%	100.2%	125.6%	\$4,541,497	10.5%	132.5%	136.4%
Bus/Van Pools	\$10,502,202	24.2%	38.2%	126.5%	\$9,102,226	21.0%	36.7%	54.4%
A/O (ex Taxi / Limo)	\$5,573,870	12.8%	30.4%	47.0%	\$6,256,452	14.4%	29.1%	56.4%
Total	\$43,386,792		43.8%	79.5%	\$43,386,626		55.7%	66.0%
Market Share	25.0%				25.0%			
PDL Exp	13,853				13,555			
% Total	25.2%				24.7%			
Agency Count	259				499			
Class Type	Pilgrim Insurance Company				Safety Insurance Company			
	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio
TTT	\$11,613,459	26.8%	36.9%	50.1%	\$20,614,334	47.5%	67.3%	71.0%
Zone Rated TTT	\$6,356,448	14.7%	38.9%	48.9%	\$2,496,777	5.8%	38.0%	52.0%
PPT Fleet	\$665,296	1.5%	38.8%	77.6%	\$862,528	2.0%	33.8%	63.5%
PPT Non-Fleet	\$5,556,656	12.8%	151.5%	117.3%	\$5,422,858	12.5%	133.6%	127.4%
Bus/Van Pools	\$15,723,471	36.2%	54.9%	90.3%	\$8,434,729	19.4%	66.0%	103.0%
A/O (ex Taxi / Limo)	\$3,472,356	8.0%	40.8%	72.4%	\$5,555,413	12.8%	78.7%	94.9%
Total	\$43,387,686		58.3%	72.6%	\$43,386,639		74.4%	85.9%
Market Share	25.0%				25.0%			
PDL Exp	13,836				13,667			
% Total	25.2%				24.9%			
Agency Count	243				355			
Class Type	Total							
	Written Premium	Class WP %	1yr Loss Ratio	3yr Loss Ratio				
TTT	\$69,209,484	39.9%	52.0%	58.9%				
Zone Rated TTT	\$16,090,588	9.3%	39.4%	52.0%				
PPT Fleet	\$3,581,035	2.1%	48.4%	93.1%				
PPT Non-Fleet	\$20,045,917	11.6%	129.8%	127.0%				
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