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NOTICE OF MEETING

COMMERCIAL AUTOMOBILE RESIDUAL MARKET STANDARDS SUBCOMMITTEE

A meeting of the Commercial Automobile Residual Market Standards Subcommittee will be held at the Automobile Insurers Bureau Conference Center at 101 Arch Street, 7th Floor, Boston, on

MONDAY, DECEMBER 11, 2017 AT 10:30 A.M.

MEMBERS OF THE SUBCOMMITTEE

Mr. John Olivieri, Jr. – Chair
J.K. Olivieri Insurance Agency, Inc.

Ms. Elizabeth Brodeur
Mr. Richard Jones
Mr. Coleman Johnson
Mr. Dennis Morris
Mr. Thomas Skelley, Jr.
Ms. Wendy Stearns
Mr. Barry Tagen

Safety Insurance Company
Leslie S. Ray Insurance Agency, Inc.
The Hanover Insurance Company
Arbella Insurance Group
Deland, Gibson Insurance Associates, Inc.
MAPFRE U.S.A. Corporation
Pilgrim Insurance Company

AGENDA

CRMS

17.03 CAR Conflict of Interest Policy

The Chair will read a statement relative to CAR's Conflict of Interest Policy.

CRMS

17.04 Commercial Residual Market Standards

The Commercial Automobile Residual Market Standards Subcommittee's charge is to discuss opportunities to improve commercial automobile residual market results by evaluating various topics such as the establishment of various underwriting standards and other Servicing Carrier procedures, enhancement of ERP requirements, development of an information sharing forum relative to risk management, and development of an oversight program including CAR compliance audits.

The Subcommittee's considerations may include but are not limited to the following:

- 1) Underwriting Documentation – required documentation to support Massachusetts residual market eligibility and classification including principal place of business, garaging, driver licensing, etc.
- 2) Servicing Carrier Procedures – consistency in issues such as use of composite rating, underwriting various classes of business, handling financial responsibility requests, etc.
- 3) Exclusive Representative Producer Requirements – review of existing requirements and determination of whether the existing requirements should be amended, strengthened, etc.
- 4) Information Sharing – a review of whether the pooling of policy and/or risk information for the Servicing Carrier community will benefit the industry relative to risk jumping and/or classification/rate evasion, etc. as well as other opportunities to share information beneficial to the administration of the program that may not be proprietary in nature or in conflict with statute and/or regulations
- 5) Oversight and Audit Procedures – establish performance benchmarks and determine compliance audit procedures

The Subcommittee should be prepared to compile a list of issues for consideration at future meetings and to contemplate a process to address each issue.

Other Business

To transact any other business that may properly come before this Subcommittee.

Executive Session

The Commercial Automobile Residual Market Standards Subcommittee may convene in Executive Session in accordance with the provisions of G.L. c. 30A, § 21.

JOHN METCALFE
Director – Residual Market Services

Boston, Massachusetts
December 1, 2017