

COMMONWEALTH AUTOMOBILE REINSURERS

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PRESIDENT

April 23, 2024

BULLETIN NO. 1164

UPDATES TO THE MANUAL OF ADMINISTRATIVE PROCEDURES

Chapter X – Servicing Carrier and Exclusive Representative Producer Standards and Forms

At its meeting of April 9, 2024, the Governing Committee unanimously voted to approve modifications to Chapter X - Servicing Carrier and Exclusive Representative Producer Standards and Forms of the Manual of Administrative Procedures.

Section C – Standards for determining and validating Radius Class and Geographic Classification of Trucks, Tractors, and Trailers and Public Automobiles has been updated to reflect a new procedure to evaluate and determine radius and geographic classification for risks that may be unable to provide credible, permanent documentation to substantiate the radius or geographic classification. Servicing Carriers will now perform two separate calculations, one using an intermediate radius with the highest rated territory and the second calculation will use a long-distance radius with a zone combination of Boston to Los Angeles (218). The selected classification will be based on the highest resulting premium of these two options. Note that the default procedure maintains certain circumstances in which the policy will be re-rated if appropriate documentation later becomes available, within specific timeframes.

The Manual of Administrative Procedures has been updated and is available on the Manuals page of CAR's website. This new procedure is effective immediately. Questions can be directed to the undersigned or CAR's Residual Market Services Department.

> LYNNE ROSENBURG Director of Operations and Residual Market Services