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NOTICE OF MEETING

COMMERCIAL AUTOMOBILE COMMITTEE

A meeting of the Commercial Automobile Committee will be held virtually via Zoom video conferencing software on

WEDNESDAY, JANUARY 10, 2024, AT 10:00 A.M.

If you plan to attend this session and are not a member of this Committee, please RSVP by completing the Visitor Security Form located in the Contact Us/Visitor Information section of CAR's website. CAR will then forward to you, via email, meeting access information. Please do not share access information provided by CAR but refer others wishing to attend the meeting to CAR's Visitor Security Form.

MEMBERS OF THE COMMITTEE

Mr. Thomas DePaulo – Chair
Cabot Risk Strategies, LLC

Ms. Annmarie Castonguay
Ms. Sheila Doherty
Ms. Mary McConnell
Ms. Sharon Murphy
Mr. John Olivieri, Jr.
Mr. Tiago Prado
Mr. Thomas Skelly, Jr.
Mr. Barry Tagen
Mr. David Zawilinski
Mr. Jesse Zimmerman

The Hanover Insurance Company
Doherty Insurance Agency, Inc.
Safety Insurance Company
Acadia Insurance Company
J.K. Olivieri Insurance Agency, Inc.
BRZ Insurance, LLC
Deland, Gibson Insurance Associates, Inc.
Pilgrim Insurance Company
Arbella Insurance Group
MAPFRE U.S.A. Corporation

AGENDA

CAC

23.01 Records of Previous Meeting

The Records of the Commercial Automobile Committee meeting of December 8, 2023 should be read and approved.

CAC

24.03 CAR Conflict of Interest Policy

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

CAC

23.06 Implementation of Commercial Policy Coverage and Endorsement Forms

The Committee will continue its review of manual rule amendments related to the implementation of new policy coverage and endorsement forms already approved by the Committee. Draft amendments to Section V – Public Transportation and Section VI – Garage Dealers of the Commercial Automobile Insurance Manual are attached for the Committee's consideration (Docket #CAC23.06, Exhibit #4).

Other Business

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

Executive Session

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

TIMOTHY GALLIGAN
Actuarial and Statistical Services Director

Attachment

Boston, Massachusetts
December 22, 2023



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Commercial Automobile Committee Proposed Modifications to the Commercial Automobile Insurance Manual

The following describes proposed amendments to Section V – Public Transportation and Section VI – Auto Dealers of the Commercial Automobile Insurance Manual to incorporate references to the new coverage forms as well as relevant endorsement forms. Staff also recommends adding General Liability Coverages – Total Pollution Exclusion with a Building Heating Exception and a Hostile Exception (CA 25 36) to Rule 46 in Section II – Common Coverages and Rating Procedures as well as creating a new rule to reference the Abuse and Molestation Exclusion for Covered Autos Liability Exposure (CA 28 03) as it applies to both the Business Auto and Auto Dealers Coverage Forms.

Additionally, staff is seeking a recommendation from the Committee on whether to withdraw the Additional Insured – Lessor of Leased Equipment Endorsement (CA 20 47) and the Franchised Products Endorsement (MM 25 97). Staff will review the recommended changes with the Committee at its meeting.

Section V – Public Transportation

Rule 71 – Eligibility

This rule is modified to add reference to Public Transportation Autos Endorsement (CA 24 02).

Rule 72 – Public Automobile Classification

Section A.1.c adds language to clarify fleet classification and rating for trailers.

Section C.2 is modified to change the word “Schedule” to “Definitions” when referring to Territory.

Rule 73 – Premium Development – Other Than Zone Rated Automobiles

Section A is modified to change the word “Schedule” to “Definitions” when referring to Territory.

Rule 74 – Premium Development – Zone Rated Automobiles

Section B.2.e is modified to clarify territory rating for vehicles garaged out of state.

Section VI – Auto Dealers

I. Risks Subject to the Massachusetts Compulsory Law

Rule 86 – Eligibility

Section A is modified to eliminate references to the Massachusetts Garage Insurance Policy, which are replaced by references to the Auto Dealers Coverage Form (CA 00 25) and Auto Dealers MA Mandatory Endorsement (MM 25 01).

A new section B is added to reference the Covered Auto Designation Symbol Endorsement (CA 99 54) to provide coverage for covered autos while used with a dealer or repair plate issued by the MA RMV.

Section C – Classification and Codes outlining is updated due to the addition of Section B and table headings are updated to be consistent with Rule 87 – Liability Coverage.

Rule 87 – Liability Coverage

Throughout the Rule, references to “Limited Liability Coverage for Customers” are replaced with “Without Full Covered Auto Liability Limit for Customers Coverage” and references to “Unlimited Liability Coverage” are replaced with “Full Covered Auto Liability Limit for Customers”.

Section B.2 is also modified to replace the reference of “Garages” with “Auto Dealers”.

Rule 88 – Premium Development

This rule is retitled for clarification.

Updates the word “Schedule” to “Definitions” when referring to Territory.

References to “Limited” and “Unlimited” customer coverage are updated as described above.

References to “Other Than Covered Auto Liability” are replaced with “General Liability” to be consistent with the Auto Dealers Coverage Form.

Rule 89 – Medical Payments Insurance

This rule is modified to be consistent with the Auto Dealers Coverage Form.

Section A notes that Auto Dealers Locations and Operations Medical Payment Coverage is included in the Auto Dealers Coverage Form. Also, a reference to the Exclusion – Locations And Operations Medical Payments Endorsement (CA 25 52) has been added.

Section B provides a reference to the Automobile Medical Payments Coverage Endorsement (MM 99 13).

Outlining of the remaining sections is renumbered due to the additions of Sections A and B.

Reference to “Garage” is also replaced with “Auto Dealers”.

Rule 90 – Additional Provisions

This rule is updated to include the words “Auto Dealers.”

Section B is modified to change the layout to be consistent with Rule 90.A.

Rule 91 – General Liability Exclusionary Endorsements

This rule is added to include all the Auto Dealers General Liability Exclusions adopted by CAR. Language is added to indicate that all endorsements must be attached to the Auto Dealers Coverage Form.

Section A adds reference to Locations And Operations Not Covered Endorsement (CA 25 07).

Section B adds reference to Cannabis Exclusion For General Liability Coverages Endorsement (CA 27 12).

Section C adds reference to Unmanned Aircraft Exclusion for General Liability Coverages (Bodily Injury and Physical Damage only) Endorsement (CA 27 06).

Section D adds reference to Exclusion – Cross Suits Liability For General Liability Coverages Endorsement (CA 27 16).

Section E adds reference to Exclusion – Acts, Errors Or Omissions Liability Coverages Endorsement (CA 25 63).

Section F adds reference to Exclusion – Personal And Advertising Injury Liability Coverages Endorsement (CA 25 54).

Section G adds reference to Exclusion – Damage To Rented Premises Endorsement (CA 25 50).

II. Garagekeepers Insurance

Rule 95 - Eligibility

Section A was added to clarify that the Garagekeepers Coverage Endorsement (CA 99 37) is attached when using the Business Auto Policy (CA 00 01), and not with the Auto Dealers Coverage Form (CA 00 25). That is, the endorsement is used to provide garagekeepers coverage for risks classified pursuant to Rule 124.F.

Section B is added to reference the use of the On-Hook Coverage Endorsement (CA 04 52) in order to provide the option for On-Hook Coverage under the Business Auto Policy when Garagekeepers coverage is not applicable.

Section C is renamed due to the additions of Section A and B.

III – Garage Physical Damage Coverage

This section is retitled to replace “Garage” with “Auto Dealers.”

Rule 105 – Dealers Drive-Away Collision Coverage

This rule is modified to add reference to Dealers Driveaway Collision Coverage Endorsement (CA 25 02).

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RULE 71. ELIGIBILITY

This section applies to automobiles registered or used as public livery or conveyance, including automobiles engaging in public livery and on-demand delivery services through a transportation or delivery network services company. When insuring public automobiles, use Public Transportation Autos Endorsement CA 24 02.

RULE 72. PUBLIC AUTOMOBILE CLASSIFICATIONS

If an automobile has more than one use, use the highest rated classification unless 80% or more of the use is in a single lower rated activity. In that case, use the lower rated classification.

Classify public automobiles as follows:

A. Fleet and Non-Fleet Classifications

1. Fleet Classification

Any risk that has five or more self-propelled automobiles of any type that are under one ownership. For the purpose of assigning this classification, do not include:

- a. automobiles owned by allied or subsidiary interests unless the insured holds a majority financial interest
- b. mobile equipment insured on a General Liability Policy
- c. trailers, but apply the fleet classification to the trailers if the risk otherwise is classified as a fleet.

2. Non-Fleet Classification

Automobiles for risks that do not qualify for a fleet classification.

Do not change the fleet or non-fleet classification because of mid-term changes in the number of owned automobiles except at the request of the insured. The policy must be cancelled in accordance with Rule 9 – Cancellation in Section I – General Rules of this Manual and rewritten as of the effective date of the cancellation.

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B. Primary Classifications

The primary classification codes assigned to public vehicles are determined based upon the automobile's use and radius class with the exception of van pools which use seating capacity in determining classification. Refer to the Public Transportation Classification Codes and Primary Rating Factors table in the Rate Section.

1. Use Class

- a. *Taxicab or Similar Passenger Carrying Service* – a metered or unmetered automobile with a seating capacity of eight or less that is operated for hire by or on behalf of the named insured or by an employee, but does not pick up, transport, or discharge passengers along a route.

(1) Owner-Operator

This classification shall apply to individual owners of single taxicabs operated by the individual owner or spouse. It shall also apply to individuals owning under a corporate name a single taxicab operated by such individual or spouse.

(2) Rented or Leased Taxi

A taxi which is not operated by the named insured or an employee of the named insured in attendance as a chauffeur, and is rented or leased to others on a long term or short term agreement, or on a time, commission, profit-sharing, or other independent contractor basis.

If such automobile is operated part of the time by the named insured or an employee of the named insured, and is rented or leased to others part of the time as stated above, it shall be classified as a Rented or Leased Taxi.

For the purpose of this classification, an employee is defined as one who is deemed to be such within the purview of the Massachusetts Worker's Compensation Law, or any other federal, state or municipal law which defines an employer-employee relationship and is applicable to the person operating the automobile.

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(3) All Other

This classification shall apply in all other cases where Sections B.1.a.(1) or (2) of this Rule do not apply.

b. *Limousine* – an unmarked luxury sedan with a seating capacity of eight or less that is operated for hire which

(1) is hired on a prearranged hourly basis for weddings, funerals, religious ceremonies or other non-business social functions,

(2) is hired on an exclusive, dedicated basis for the duration of the event, not for drop-off and pick-up,

(3) is operated by the named insured, an employee, or an independent contractor of the named insured, in attendance as a chauffeur at the beginning and ending of the function.

c. *Car Service* – an unmarked for hire automobile with a seating capacity of eight or less which

(1) is hired on a prearranged basis,

(2) does not pick up hail fares on the street,

(3) does not contain a rate meter, and does not charge for services based upon miles traveled if the trip is less than 25 miles,

(4) operates on a scheduled business day, and is returned to the automobile's base of operation for a continuous period of at least four hours in each 24-hour period,

(5) is operated by the named insured, an employee, or an independent contractor of the named insured, in attendance as a chauffeur,

(6) operates from a base with two-way communication,

(7) primary payment method is by billing or credit card,

(8) may be under contract with a regional transit authority where transportation services are paid for by the individual requesting the services. For services contracted and paid

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for by a social service agency, classify the automobile in accordance with Section B.1.f.(7) of this Rule.

(9) may be under contract with a transportation network or delivery network services company.

d. *School Bus* – an automobile that carries students or other persons to and from school, or in any school activity including games, outings and similar school trips. There are two types of school buses for rating purposes:

1. School buses owned by political subdivisions or school districts.
2. All others including independent contractors, private schools and church owned buses.

The collision premium on a policy written on an annual term may be prorated to reflect the actual school term. However, credit shall not be given for Saturdays, Sundays or holidays or for any other periods of lay-up during the school term.

e. *Church Bus* – an automobile used by a church to transport persons to or from services and other church related activities. This classification does not apply to public automobiles used primarily for daily school activities.

f. Other Buses

(1) *Inter-City Bus* – an automobile that picks up and transports passengers on a published schedule of stops between stations located in two or more towns or cities.

(2) *Urban Bus* – an automobile that picks up, transports and discharges passengers at frequent local stops along a prescribed route. This classification applies only to automobiles operated principally within the limits of a city or town, and communities contiguous to such city or town, and includes scheduled express service between points on that route.

(3) *Airport Bus or Airport Limousine* – an automobile for hire that transports passengers between airports and other passenger stations, or motels. Automobiles used to transport passengers from their home or place of

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employment to or from an airport should be classified according to Sections B.1.a.– c. of this Rule, as appropriate.

- (4) *Charter Bus* – an automobile chartered for special trips, touring, picnics, outings, games, and similar uses.
- (5) *Sightseeing Bus* – an automobile accepting individual passengers for a fare for sightseeing or guided tours, making occasional stops at certain points of interest and returning the passengers to the point of origin.
- (6) *Transportation of Athletes and Entertainers* – an automobile owned by a group, firm or organization that transports its own professional athletes, musicians, or other entertainers.
 - (a) If it is used to transport other professional athletes or entertainers, rate as a Charter Bus.
 - (b) An automobile owned by a group, firm or organization to transport its own non-professional athletes, musicians or entertainers, rate as Bus Not Otherwise Classified.
- (7) *Social Service Agency Automobile* – an automobile used by a government entity, civic, charitable or social service organization to provide transportation to clients incidental to the social services sponsored by the organization, including special trips and outings.

This classification includes, for example, automobiles used to transport

- (a) senior citizens or other clients to meal centers, medical facilities, social functions, shopping centers,
- (b) handicapped persons to work or rehabilitative programs,
- (c) children to day care center, Head Start programs; and
- (d) Boy Scout or Girl Scout groups planned activities.

The following automobiles are eligible for this classification:

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- (a) Automobiles owned, or leased for one year or more, by the social service agency.
- (b) Automobiles donated to the social service agency, without a driver.
- (c) Automobiles hired under contract by the social service agency.

There are two types of Social Services Bus for rating purposes:

(a) Employee-Operated Automobiles

Automobiles operated by employees of the social service agency. If a social service automobile is also operated by volunteer drivers or other non-agency employees, do not classify the automobile as Employee-Operated unless 80% of the use is by agency employees.

(b) All Other

Automobiles which do not meet the employee-operated automobile classification requirements.

Excess Liability Coverage may be provided to cover automobiles not owned or licensed by the agency while being used in its social service transportation activities. This coverage may be extended to cover the agency's liability only or the liability of both the agency and, on a blanket basis, the individual liability of agency employees or volunteer donors or owners of the automobiles. For automobiles hired, loaned, leased or furnished refer to Rule 28 – Hired Automobiles of Section II – Common Coverages and Rating Procedures of this Manual. For all other non-owned automobiles, refer to Rule 27 – Non-Ownership Liability of Section II – Common Coverages and Rating Procedures of this Manual.

- (8) *Bus Not Otherwise Classified* – this classification includes, but is not limited to, automobiles such as country club buses, cemetery buses, real estate development buses, and courtesy buses run by hotels.

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- g. *Van Pools* – an automobile of the station wagon, van, truck or bus type used to provide prearranged commuter transportation for employees to and from work and is not otherwise used to transport passengers for a charge.

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(1) Employer Furnished Transportation

Transportation is held out by the employer as an inducement to employment, a condition of employment or is incidental to employment.

(a) Employer Owned Automobiles

Automobiles owned or leased for one year or more by an employer and used to provide transportation only for employees of the employer.

(b) Employee Owned Automobiles

Automobiles owned or leased for one year or more by an individual employee and used to provide transportation only for fellow employees.

(2) All Other

Automobiles which do not meet the employer owned automobile classification requirements.

h. *Transportation of Employees – Other Than Van Pools* – automobiles of any type used to transport employees other than as defined in Section B.1.g. of this Rule.

(1) Automobiles that are owned or leased for one year or more by an employer and used to transport only his own employees. The classification code applicable to these vehicles is 5851.

(a) automobiles that can be classified as private passenger types in accordance with the eligibility requirements described in Rule 61 – Eligibility of Section IV – Private Passenger Types of this Manual shall be rated in accordance with the provisions of Rule 63 – Premium Development of Section IV – Private Passenger Types of this Manual.

(b) all other automobiles that cannot be classified as private passenger types in accordance with the eligibility requirements described in Rule 61 – Eligibility of Section IV – Private Passenger Types of this Manual shall be rated as van pools.

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(2) Automobiles that are owned or leased for one year or more by a person or organization who is in the business of transporting employees of one or more employers shall be classified and rated in accordance with Rule 72 – Public Automobile Classifications and Rule 73 – Premium Development – Other than Zone Rated Automobiles for automobiles described as a Bus Not Otherwise Classified in Section B.1.f.(8) of this Rule.

2. Radius Class

Determine radius on a straight line from the street address of the automobile’s principal garaging.

- a. Local – up to 50 miles – the automobile is not operated beyond a radius of 50 miles from the street address where such automobile is principally garaged.
- b. Intermediate – 51-200 miles – the automobile is operated beyond a radius of 50 miles but not beyond a radius of 200 miles from the street address where such automobile is principally garaged.
- c. Long distance – over 200 miles – the automobile is operated beyond a 200 mile radius from the street address where such automobile is principally garaged.

C. Geographic Classification

Automobiles with a primary classification of Other Buses described in Section B.1.f.(1), or Sections B.1.f.(3) – (8) of this Rule are subject to zone rating if the automobile is regularly operated beyond a 200 mile radius from the street address of principal garaging.

1. Zone Rated Automobiles – Determination of Zone, Zone of Principal Garaging, Zone Combination, and Zone Combination Code

For risks that are subject to zone rating, determine the zone, zone of principal garaging, zone combination, and zone combination code for each automobile as follows:

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a. Zone

Use the Long Distance Zone Definitions tables in the Rate Section to identify the metropolitan and/or regional zones that will be used for determining zone combination as described in Section C.1.c. of this Rule and zone combination code as described in Section C.1.d. of this Rule.

b. Zone of Principal Garaging

- 1) If the automobile is principally garaged in any of the metropolitan zones identified in the Long Distance Zone Definitions table (either zone 03 (Boston) or any other metropolitan zone outside of Massachusetts), assign zone 03 as the zone of the automobile's principal garaging.
- 2) If the automobile is principally garaged in any of the regional zones identified in the Long Distance Zone Definitions table (either zone 49 (New England) or any other regional zone), assign zone 49 as the zone of the automobile's principal garaging.

c. Zone Combination

- 1) When an automobile is principally garaged in a regional zone and operates in that zone and in one or more metropolitan zones, the zone combination is the regional zone and the metropolitan zone that is farthest away from the automobile's principal garaging.
- 2) In all other situations, the zone combination is the zone of the automobile's principal garaging and the zone included in the automobile's operations that is farthest away from the automobile's principal garaging.

d. Zone Combination Code

To identify the zone combination code that will be used for statistical reporting purposes, refer to the applicable Zone Rating Table in the Rate Section based upon whether the automobile's zone of principal garaging, as determined in Section C.1.b., is zone 03 (zone combination codes 2XX), or zone 49 (zone combination codes 9XX). The tables provide liability base premiums and physical damage factors for each

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zone combination and identify the applicable zone combination codes.

Refer to the following examples for determining zone combination and zone combination code:

Examples:

1. The automobile is principally garaged in Worcester, Massachusetts (regional zone 49 – New England) and operates in Utica, New York (regional zone 48 – Eastern) and Hartford, Connecticut (metropolitan zone 12 – Hartford). In accordance with Sections C.1.b.2) and C.1.c.1) of this Rule, the proper zone combination is 49 (the automobile is principally garaged in a regional zone) and 12 (the metropolitan zone that is farthest from the automobile’s principal garaging).

To identify the zone combination code, refer to the Zone Rating Table (Zone of Principal Garaging is Zone 49 (New England) or Other Regional Zones). According to this table and based upon the determined zone combination, the zone combination code to be used for statistical reporting purposes is 912.

2. The automobile is principally garaged in Albany, New York (regional zone 48 – Eastern) and operates in Boston, Massachusetts (metropolitan zone 03 – Boston) and Hartford, Connecticut (metropolitan zone 12 – Hartford). In accordance with Sections C.1.b.2) and C.1.c.1) of this Rule, the proper zone combination is 49 (the automobile is principally garaged in a regional zone) and 03 (the metropolitan zone that is farthest from the automobile’s principal garaging).

To identify the zone combination code, refer to the Zone Rating Table (Zone of Principal Garaging is Zone 49 (New England) or Other Regional Zone). According to this table and based upon the determined zone combination, the zone combination code to be used for statistical reporting purposes is 903.

3. The automobile is principally garaged in Springfield, Massachusetts (regional zone 49 – New England) and operates in Bangor, Maine (regional zone 49 – New England). In accordance with Sections C.1.b.2) and C.1.c.2) of this Rule, the proper zone combination is 49 (the zone in which the

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automobile is principally garaged is a regional zone) and 49 (the zone included in the automobile's operations that is farthest from the automobile's principal garaging.

To identify the zone combination code, refer to the Zone Rating Table (Zone of Principal Garaging is Zone 49 (New England) or Other Regional Zone). According to this table and based upon the determined zone combination, the zone combination code to be used for statistical reporting purposes is 949.

4. The automobile is principally garaged in Boston, Massachusetts (metropolitan zone 03 – Boston) and operates in New York City (metropolitan zone 26 – New York City) and Utica, New York (regional zone 48 – Eastern). In accordance with Sections C.1.b.1) and C.1.c.2) of this Rule, the proper zone combination is 03 (the zone in which the automobile is principally garaged is a metropolitan zone) and 48 (the zone included in the automobile's operations that is farthest from the automobile's principal garaging.

To identify the zone combination code, refer to the Zone Rating Table (Zone of Principal Garaging is Zone 03 (Boston) or Other Metropolitan Zone). According to this table and based upon the determined zone combination, the zone combination code to be used for statistical reporting purposes is 248.

5. The automobile is principally garaged in New York City (metropolitan zone 26 – New York City) and operates in Atlanta, Georgia (metropolitan zone 01 – Atlanta) and in Tallahassee, Florida (regional zone 47 – Southeast). In accordance with Sections C.1.b.1) and C.1.c.2) of this Rule, the proper zone combination is 03 (the zone in which the automobile is principally garaged is a metropolitan zone) and 47 (the zone included in the automobile's operations that is farthest from the automobile's principal garaging.

To determine the zone combination code, refer to the Zone Rating Table (Zone of Principal Garaging is Zone 03 (Boston) or Other Metropolitan Zone). According to this table and based upon the established zone combination, the zone combination code to be used for statistical reporting purposes is 247.

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2. Non-Zone Rated Automobiles – Determination of Rating Territory

For automobiles classified under this rule that are not subject to zone rating, the rating territory shall be determined by the highest rated territory through which or in which the public automobile operates. The highest rated territory is the territory with the highest manual premiums for compulsory and optional bodily injury liability at \$20,000 per person, \$40,000 per accident and \$5,000 property damage as shown on the Public Automobiles Liability rate pages in the Rate Section. A rating territory other than the highest rated territory may apply if the risk supplies credible documentation that 80% or more of the public automobile's operation is outside the highest rated territory. In that case, assign the territory of the automobile's highest percentage of operation. If the automobile's highest percentage of operation is outside of Massachusetts, assign the highest rated Massachusetts territory, regardless of the automobile's Massachusetts operations.

Refer to the Territory ~~Schedule~~ Definitions in the Rate Section.

D. Secondary Classifications

A secondary classification is assigned to automobiles with a primary classification of Other Buses and described in Section B.1.f. of this Rule that do not qualify for zone rating, and to automobiles with a primary classification of School Bus as described in Section B.1.d. or Church Bus as described in Section B.1.e. of this Rule. The secondary classification is based on the seating capacity of the automobile.

Apply the following criteria to determine the seating capacity of the automobile:

1. Use the seating capacity specified by the manufacturer of the automobile unless a public authority rules otherwise.
2. Do not include the driver's seat when determining seating capacity.

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3. If a truck, tractor or trailer is classified as a public automobile, determine the seating capacity from the size class as follows:

<u>Size Class</u>	<u>Seating Capacity</u>
Light	1 to 8
Medium	9 to 20
Heavy	21 to 60
Extra-Heavy	Over 60

RULE 73. PREMIUM DEVELOPMENT – OTHER THAN ZONE RATED AUTOMOBILES

This Rule shall apply to all classifications described in Rule 72 – Public Automobile Classifications except for the classifications described in Section B.1.h.(1) of Rule 72.

- A. Determine the rating territory code from the Territory **Schedule Definitions** in the Rate Section in accordance with the provisions of Rule 72.C. – Public Automobile Classifications.
- B. Determine the Combined Rating Factor

Determine the classification code and combined rating factor as follows:

1. Determine whether the risk is classified as fleet or non-fleet according to Rule 72 – Public Automobile Classifications.
2. Determine the primary rating factor from the applicable Public Transportation Classification Codes and Primary Rating Factors table in the Rate Section, based on the automobile's use and radius class and in accordance with Rule 72 – Public Automobile Classifications. For van pools, the primary rating factor is based on seating capacity as defined in Rule 72.D. – Public Automobile Classifications.
3. Determine the secondary rating factor, if applicable, from the Public Transportation Secondary Classification Codes and Rating Factors table in the Rate Section, based on the seating capacity and in accordance with Rule 72 – Public Automobile Classifications.
4. Determine the combined rating factor by adding the secondary rating factor to the primary rating factor.

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C. Premium Computation

1. Liability and Personal Injury Coverages

Use the rating territory as determined in Section A. of this Rule to determine the rate for the applicable liability coverage level from the appropriate Public Automobiles rate pages in the Rate Section. Apply the rating factor from the appropriate Public Transportation Rating Factors and Statistical Codes table in the Rate Section to the liability rate to compute the final premium.

<u>Coverage</u>	<u>Rate Pages to be Used*</u>			
Compulsory BI (A-1)	Public Automobiles Liability	X	Combined Rating Factor (from Rule 73.B.)	= Premium
PIP (A-2)				
Property Damage (PDL)				
Optional BI (B)				
Medical Payments			N/A	
Uninsured Motorist (U-1)				
Underinsured Motorist (U-2)				

*Use the following table to determine the appropriate Public Automobiles rate page to reference for each of the primary classifications described in Rule 72.B. – Public Automobile Classifications.

Rule 72.B. – Primary Classification Section	Public Automobiles Liability Rate Page Title Rule
Rule 72.B.1.a.	Taxis – Owner Operator, Rented or Leased and All Other
Rule 72.B.1.b.	Limousines
Rule 72.B.1.c.	Car Service
Rule 72.B.1.e., 72.B.1.d.	Church and School Buses
Rule 72.B.1.f.(7), 72.B.1.f.(8), 72.B.1.h.(2)	Social Services and Bus N.O.C.
Rule 72.B.1.f.(1)-(6)	Other Buses
Rule 72.B.1.g., 72.B.1.h.(1)(b)	Van Pools

2. Physical Damage Coverages

- a. These rating procedures apply to public automobiles that are classified as van pools in accordance with Section B.1.g. of Rule 72 or are classified as being used for transportation of employees in accordance with Section B.1.h.(1)(b) of Rule 72 – Public Automobile Classifications.

The premiums for physical damage coverage reflected in the Rate Section are on an actual cash value basis. For coverage on a stated amount or agreed value basis, refer to Rule 42.D. and E.

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– physical Damage Coverage Rating Procedures in Section II – Common Coverages and Rating Procedures of this Manual.

Determine the original cost new and age of the vehicle to be insured according to Rule 42.C. – Physical Damage Coverage Rating Procedures in Section II – Common Coverages and Rating Procedures of this Manual and the rating territory according to Section C.2. of Rule 72 – Public Automobile Classifications to obtain the premium at the selected deductible from the Van Pools rate pages in the Rate Section.

If a higher other than collision deductible is desired, determine the \$500 deductible rate from the Van Pools rate pages and charge the indicated percentage for the deductible desired.

To compute the final physical damage premium, multiply the collision and comprehensive rates by the combined rating factor determined in accordance with Section B. of this Rule. If collision – waiver of deductible coverage exists, add the premium associated with the applicable deductible level to the final collision premium.

<u>Coverage</u>	<u>Rate Pages to be Used</u>						
Collision (\$500 Deductible)	Van Pools Physical Damage	X	N/A	X	Combined Rating Factor (from Rule 73.B.)	=	Premium
Collision – Waiver of Deductible					N/A		
Comprehensive (\$500 Deductible)					Percentage for >\$500 Deductible Option (from Physical Damage Rate Pages)		

The premium for limited collision coverage is obtained by multiplying the percentage indicated on the Van Pools physical damage rate pages in the Rate Section by the final collision premium. Rating procedures for additional limited collision coverage options are also described on the Van Pools rate pages in the Rate Section.

- b. Refer to the Public Vehicles Rating Procedures in the Rate Section for automobiles other than Van Pools.

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RULE 74. PREMIUM DEVELOPMENT – ZONE RATED AUTOMOBILES

A. Determine Combined Rating Factor

1. Determine the classification code and the primary rating factor in accordance with Rule 72.B. – Public Automobile Classifications.
2. Determine the State Rating Factor

Refer to the Zone Rating Tables section of the rate pages to determine the state rating factor.

3. Determine the combined rating factor by multiplying the primary rating factor determined in A.1. by the state rating factor determined in A.2.

B. Premium Computation

1. Liability and Personal Injury Coverages

- a. Determine the zone or zone combination according to Rule 72.C. to determine the bodily injury (\$20,000 per person, \$40,000 per accident) and \$5,000 property damage liability premium from the applicable Zone Rating Table in the Rate Section. Apply the indicated factors to the premium obtained from the applicable Zone Rating Table to compute the base rate.
- b. Multiply the base rate from B.1.a. by the Combined Rating Factor as determined in A.3 to obtain the final premium.

Coverage	Rate Pages to be Used						
Compulsory BI	\$20,000/\$40,000 Bodily Injury (from the Zone Rating Table)	X	0.86	X	Combined Rating Factor** (from Rule 74.A.3.)	=	Premium
PIP	\$20,000/\$40,000 Bodily Injury (from the Zone Rating Table)		0.04				
Property Damage	\$5,000 Property Damage (from the Zone Rating Table)		N/A				
Optional BI*	\$20,000/\$40,000 Bodily Injury (from the Zone Rating Table)		0.10				

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Medical Payments	Trucks, Tractors and Trailers Liability						
Uninsured Motorist	Public Automobiles Liability		N/A		N/A		
Underinsured Motorist							

*Refer to Rule 40 – Increased Liability Limits in Section II – Common Coverages and Rating Procedures for determining increased limits.

**Secondary rating factors do not apply, however, report secondary statistical codes from the Secondary Classification Codes and Rating Factors table in the Rate Section.

2. Physical Damage Coverages

- a. The premiums for physical damage coverage reflected in the Rate Section are on an actual cash value basis. For coverage on a stated amount or agreed value basis, refer to Rule 42.D. and E. – Physical Damage Coverage Rating Procedures in Section II – Common Coverages and Rating Procedures of this Manual.
- b. Determine \$500 deductible physical damage premium from the applicable Zone Rating Table in the Rate Section for the appropriate zone combination.
- c. Determine Combined Rating Factor
 - 1) Determine the classification code and the primary rating factor in accordance with Rule 72.B. – Public Automobile Classifications.
 - 2) Determine the State Rating Factor

Refer to the Zone Rating Tables section of the rate pages to determine the state rating factor.
 - 3) Determine the combined rating factor by multiplying the primary rating factor from 2.c.(1) by the state rating factor determined in 2.c.(2).
- d. Multiply the physical damage premium from 2.b. by the original cost new (OCN)/age group relativities, deductible relativities, and combined rating factor. Refer to the Zone Rating Tables – Physical Damage in Rate Section for the OCN/Age Group and deductible relativities.
- e. Add the premium for collision waiver of deductible, if applicable. Use the collision waiver of deductible for

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trucks, tractors and trailers with the applicable deductible level. For vehicles principally garage outside of Massachusetts, use the highest rated Massachusetts territory as shown on the trucks, tractors, and trailers physical damage rate pages in the Rate Section.

- f. The premium for limited collision coverage is determined by multiplying the percentage displayed on the trucks, tractors, and trailers physical damage rate pages in the Rate Section by the final collision premium.

<u>Coverage</u>	<u>Rate Pages to be Used</u>						
Collision	\$500 Deductible Premium (from Zone Rating Table)	X	Collision Relativity (OCN/Age Group Relativity X Deductible Relativity)	X	Combined Rating Factor* (from Rule 74.B.2.c.)	=	Premium
Comprehensive			Comprehensive Relativity (OCN/Age Group Relativity X Deductible Relativity)				

*Secondary rating factors do not apply, however, report secondary statistical codes from the Secondary Classification Codes and Rating Factors table in the Rate Section.

RULE 75. PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES – OTHER INSURANCE CONDITION

For all policies with automobiles classified as public automobiles in accordance with this Section, the Servicing Carrier will attach Public or Livery Passenger Conveyance and On-Demand Delivery Services – Other Insurance Condition endorsement form CR 99 04 to the policy.

RULE 76. TRANSPORTATION OF MIGRANT FARM WORKERS BY FARM LABOR CONTRACTORS

This rule applies only to automobiles of a farm labor contractor required to be registered in accordance with the Migrant and Seasonal Agricultural Workers Protection Act.

A. Eligible Class Codes

1. Passenger Hazard Included (Class Code 5926)

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2. Passenger Hazard Excluded (Class Code 5927)

B. Premium Computation

1. Rate each automobile as an inter-city bus (Rule 72.B.1.f.(1)) and calculate the otherwise applicable non-fleet premium for each risk according to the provisions of Rule 73 – Premium Development – Other than Zone Rated Automobiles. If an automobile subject to this rule is of a truck type, the secondary rating factor should reflect a seating capacity of 21-60 in accordance with this Rule.

2. Passenger Hazard Included

Multiply the compulsory and optional bodily injury liability, personal injury protection and property damage liability premiums determined in Section B.1. of this Rule by 0.50 to determine the final premium.

3. Passenger Hazard Excluded

Multiply the compulsory and optional bodily injury liability, personal injury protection and property damage liability premiums determined in Section B.1. of this Rule by 0.375 to determine the final premium.

RULES 77-85 RESERVED FOR FUTURE USE

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I. RISKS SUBJECT TO THE MASSACHUSETTS COMPULSORY LAW

RULE 86. ELIGIBILITY

A. This subsection applies to any form of business engaged in one or more of the operations classified in Section B. of this Rule to which a dealer plate has been issued by the Registrar of Motor Vehicles.

These classifications shall be written on the ~~Massachusetts Garage Insurance Policy. Use Policy Form MM 00 95~~Auto Dealers Coverage Form CA 00 25 and the Auto Dealers MA Mandatory Endorsement MM 25 01 must be attached.

B. To provide coverage for covered autos while used with a dealer or repair plate issued by the MA RMV, use the Covered Auto Designation Symbol Endorsement CA 99 54.

BC. Classification and Codes

Only one classification and code applies to a risk for both liability and physical damage coverages.

Classification Description		Code	
		<u>Limited Without full covered autos liability limit for customers coverage</u>	<u>Unlimited Full covered autos liability limit for customers coverage</u>
a.	Franchised private passenger automobile dealer (with or without any other type of franchise)	73010	73020
b.	Franchised truck or truck-tractor dealer (with or without any other type of franchise except private passenger automobile franchise)	73110	73120
c.	Franchised motorcycle dealer including all two wheeled cycle vehicles (no private passenger automobile or truck franchise)	73210	73220
d.	Franchised residence type mobile home trailer dealers	78200	78210
e.	Franchised commercial trailer dealers	78300	78310

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f.	Franchised recreational vehicle dealer (no private passenger, snowmobile or residence type mobile home trailer franchise)	73310	73320
g.	Other franchised self-propelled land motor vehicle dealer, including motor homes and campers	73410	73420
h.	Non-franchised dealer (any risk described above that is not a franchised dealer)	73510	73520

RULE 87. LIABILITY COVERAGE

A. Without Full Covered Autos Liability Limit for Customers Coverage~~Limited Liability Coverage for Customers~~

1. This coverage is available for franchised dealers and non-franchised dealers.
2. Except for the Massachusetts compulsory coverages, ~~Limited Liability Coverage~~Without Full Covered Autos Liability Limit For Customers Coverage is afforded to customers only if there is no other automobile liability insurance or if the limit of other insurance is lower than any financial responsibility requirement.
3. ~~Limited Liability Coverage~~Without Full Covered Autos Liability Limit For Customers Coverage does not affect the coverage afforded the named insured, employees, directors, or partners.

B. Full Covered Auto Liability Limit for Customers~~Unlimited Liability Coverage for Customers~~

1. This coverage affords full liability coverage to customers.
2. The rates shown on the Auto Dealers~~Garages~~ Liability Rates pages in the Rate Section are for Full Covered Auto Liability Limit for Customers Coverage~~Unlimited Liability Coverage~~.

RULE 88. AUTO DEALERS PREMIUM DEVELOPMENT FOR COMMON COVERAGES

Liability, Personal Injury Protection, Uninsured Motorists, Underinsured Motorists

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Determine the rating territory from the Territory ~~Definitions~~Schedule in the Rate Section based on the street address for each location.

Compute the advance premium at inception and the earned premium as developed by audit, if subject to audit, according to the following procedures:

A. Covered Automobile Coverage (~~Unlimited Liability Coverage for Customers~~Full Covered Autos Liability Limit for Customers)

1. Apply the rate per plate shown in the Rate Section for each dealer registration plate issued to the named insured by the Registrar of Motor Vehicles. An automobile that is specifically registered by the named insured must be rated on a specified car basis according to its actual exposure.

Refer to the Dealers Physical Damage Rates pages in the Rate Section for premium determination of garage trailer plates (Class Code 07090).

If the named insured has more than one place of business, the rate for each plate shall be the rate for the location in connection with which each plate is used. If a plate is used in connection with more than one location, the rate for the highest rated location shall apply.

The premium at which the policy is originally issued shall be based upon the original number of dealer plates issued to the named insured by the Registrar of Motor Vehicles.

Upon application by the named insured for additional plates, the named insured shall pay to the company the additional premium required which shall be computed on a pro rata basis. For plates surrendered to the Registrar of Motor Vehicles during the policy period the earned premium shall be computed on a pro rata basis.

B. Automobile Coverage (~~Without Full Covered Autos Liability Limit for Customers~~Limited Liability Coverage)

1. ~~Without Full Covered Autos Liability Limit for Customers~~Limited Liability Coverage may be provided by reducing the premium charged for optional bodily injury liability coverage and by reducing that portion of the property damage liability premium providing coverage in excess of the basic limit.
2. Refer to the Dealers Physical Damage Rates pages in the Rate Section for premium determination.

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C. ~~Other Than Covered Automobiles~~General Liability Coverage

The premium for this coverage is based upon the rates as shown in the Auto Dealers – General Liability~~Garage Operations – Other than Covered Automobiles~~ table in the Rate Section, applied to each \$100 of the named insured's estimated annual payroll.

Compute the advance premium at inception and the earned premium as developed by audit separately for each location according to the following procedures:

1. Liability

- a. Multiply the rates per \$100 of payroll shown in the Auto Dealers – General Liability~~Garage Operations – Other than Covered Automobiles~~ table in the Rate Section by the estimated annual payroll.
- b. The payroll for each employee must be the actual salary subject to a maximum of \$100 per week. All active proprietors or officers must be included at a fixed amount of \$100 per week. Do not include inactive proprietors or officers.

2. Minimum Premium

- a. The minimum premium shall be the minimum shown in the Auto Dealers – General Liability~~Garage Operations – Other Than Covered Automobiles~~ table in the Rate Section applied separately to each location.
- b. Charges for other coverages shall apply in addition to the minimum premium.

3. Aggregate Limit

- a. The combined single limit of liability rates displayed in the Auto Dealers – General Liability~~Garage Operations – Other Than Covered Automobiles~~ table in the Rate Section reflect an aggregate limit of three times the otherwise applicable per accident liability limit.
- b. For aggregate limits applicable to losses of other than three times the per accident limit, multiply the rates by the appropriate factor shown on the Auto Dealers – General

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~~LiabilityGarage Operations Other Than Covered
Automobiles~~ rate page in the Rate Section.

RULE 89. MEDICAL PAYMENTS INSURANCE

~~A. Automobile Medical Payments Coverage and GarageAuto Dealers
Locations and Operations Medical Payments Coverage is included in the
Auto Dealers Coverage Form. To exclude auto dealers locations and
operations medical payments coverage, use Exclusion – Locations And
Operations Medical Payments CA 25 52.~~

~~B. To provide automobile medical payments insurance, use Automobile
Medical Payments Coverage Endorsement MM 99 13.~~

~~AC.~~ The percentages shown in the ~~GarageAuto Dealers~~ Medical
Payments Table in the Rate Section are applicable to the total bodily
injury premium for compulsory bodily injury liability coverage and
optional bodily injury liability coverage for covered automobiles.

~~BD.~~ If the liability coverage is limited in accordance with Section A. of
Rule 87 – Liability Coverage, the percentages for the limits shown are
applicable to the total bodily injury premium prior to the application of
the discount.

~~C. Use Automobile Medical Payments Coverage Endorsement MM 99 13 to
provide automobile medical payments insurance. Use Garage Locations and
Operations Medical Payments Coverage Endorsement CA 25 05 to provide
garage locations and operations medical payments insurance.~~

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RULE 90. AUTO DEALERS - ADDITIONAL PROVISIONS

A. Elevators and Escalators

Liability Coverage for elevators and escalators is included. A charge shall be made for legally required inspections made by or for the company.

B. Municipalities

To extend the policy to apply to the liability of a political subdivision in connection with certain permits it may require at the premises of the named insured, use Additional Insured (~~- Municipalities~~) Endorsement MM 25 98.

RULE 91. GENERAL LIABILITY EXCLUSIONARY ENDORSEMENTS

The following endorsements must be attached to the Auto Dealers policy.

A. Locations And Operations Not Covered

To exclude liability arising out of the locations or operations shown in the schedule of the endorsement, use Locations And Operations Not Covered Endorsement CA 25 07.

B. Cannabis

To exclude bodily injury, property damage or personal and advertising injury liability arising out of the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of cannabis, the actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of cannabis and property damage to cannabis, use Cannabis Exclusion For General Liability Coverages Endorsement CA 27 12.

C. Unmanned Aircraft

To exclude bodily injury and property damage liabilities, use Unmanned Aircraft Exclusion For General Liability Coverages – (Bodily Injury And Property Damage Liability Only) Endorsement CA 27 06.

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D. Cross Suits Liability Exclusion

To exclude liability arising out of any claim or suit that is brought by any named insured against another insured covered by the same policy, use Exclusion – Cross Suits Liability For General Liability Coverages Endorsement CA 27 16.

E. Acts, Errors Or Omissions Liability Exclusion

To exclude all acts, errors, or omissions liability coverages, use Exclusion – Acts, Errors Or Omissions Liability Coverages Endorsement CA 25 63.

F. Personal And Advertising Injury Liability

To exclude coverage for personal and advertising injury liability, use Exclusion – Personal And Advertising Injury Liability Coverages Endorsement CA 25 54.

G. Damage to Rented Premises

To exclude coverage for damage to rented premises, use Exclusion – Damage To Rented Premises Endorsement CA 25 50.

RULES ~~91~~2-94 RESERVED FOR FUTURE USE.

II. GARAGEKEEPERS INSURANCE

RULE 95. ELIGIBILITY

A. Garagekeepers' Insurance may be provided to cover loss to non-owned autos in the insured's possession while the insured is attending, servicing, repairing, parking or storing them. Use Garagekeepers Coverage Endorsement CA 99 37 to provide Garagekeepers' Insurance for risks classified pursuant to Rule 124.F. and written on the Business Auto Coverage Form CA 00 01. No endorsement is necessary to provide Garagekeepers' Insurance under the Auto Dealers Coverage Form CA 00 25.

B. To provide coverage for damage to, or loss of, a customer's auto or customer's auto equipment left in the insured's care as part of the insured's towing operation, use On-hook Coverage Endorsement CA 04 52. Do not attach when Garagekeepers' Insurance is provided

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under the Business Auto Form. On-hook coverage is for insureds who do not have garage or service locations. - The premium for Comprehensive is 5% of the rate for Garagekeepers' coverage and the premium for Collision is 90% of the rate for Collision coverage.

C. Garagekeepers insurance may be issued only to a single garage owner or operator described in this Section. Do not group two or more garage owners or operators in a single policy.

RULE 96. PREMIUM DEVELOPMENT

- A. Determine the type of coverage to be afforded:
1. Legal Liability
 2. Direct Coverage – primary basis (without regard to legal liability)
 3. Direct Coverage – excess over customer's policy (without regard to legal liability)
- B. Rating basis - maximum limit of liability.
- C. Show each location with its limit of liability.
- D. Charge the premium shown in the Garagekeepers Premiums tables in the Rate Section based on the limit of liability selected for each location. The total premium is the sum of the premium for each location.

RULE 97. PREMIUM DEVELOPMENT – CUSTOMERS' SOUND RECEIVING EQUIPMENT

- A. Application
- Comprehensive coverage, excluding theft, and Collision coverage for sound receiving equipment in a garage's care, custody or control may be provided. Use Garagekeepers Coverage – Customers' Sound Receiving Equipment Endorsement CA 99 59.
- B. Premium Development
- Determine the maximum limit of liability for customers' sound receiving equipment in a garage's care, custody or control at any one time. If more than one location, show the applicable limit for each location.

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Use the premium shown in the Garagekeepers Premiums Tables for Other Than Collision and Collision in the Rate Section for the total of the limits of liability for all locations and apply the following factors:

1. For Comprehensive – excluding theft – .50
2. For Collision – .40

III. GARAGE-AUTO DEALERS PHYSICAL DAMAGE COVERAGE

RULE 98. DEALERS PHYSICAL DAMAGE COVERAGE

A. This coverage applies to:

1. Automobiles owned by a dealer or non-dealer and held for sale;
2. Automobiles owned and used in the named insured's business, including demonstrator automobiles and service automobiles;
3. Automobiles on consignment if specifically indicated on the declarations;
4. Automobiles held by the named insured pending delivery after sale except as to loss for which the interests of the purchaser are covered by insurance.

B. The rates and premiums for this coverage are applicable for all automobiles in accordance with the following:

1. Franchised Dealers – risks that have a franchise issued by an automobile manufacturer for the sale of new automobiles and are engaged in the sale and services of automobiles, and have been granted a Class 1 license as defined in G.L. c. 140, §58.

Charge 100% of the applicable manual rate for all coverages.

2. Non-Franchised Dealers – risks that are primarily engaged in the sale of automobiles that are not franchised dealers and have been granted a Class 2 or Class 3 license as defined in G.L. c. 140, §58.

Charge 110% of the applicable manual rate for all coverages.

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3. Non-Dealer Risks – develop the premium by using the non-reporting basis specified in Section B.2. of this Rule and charge 110% of the applicable manual rate for all coverages. Use Physical Damage Coverage – Autos Held for Sale by Non-Dealers Endorsement MM 20 27.

C. Rating Basis

1. Reporting basis – use a reporting form to estimate the inventory of a dealer risk.
 - a. Charge the insured, on a monthly or quarterly basis, the premium earned during the preceding month or quarter.
 - b. Retain any deposit premium to be credited against the final payments.
 - c. Determine an estimated annual premium by multiplying the limits of liability shown in the policy by the annual rate.
2. Non-Reporting Basis
 - a. The non-reporting basis provides for specified limits at each location subject to a pro rata distribution clause. The total of all such specified limits is the total amount insured under the policy.
 - b. The specified limits for any named location may be increased, decreased or cancelled. Locations may be added pro rata.

RULE 99. PARTS, MATERIALS OR ACCESSORIES

Parts, materials or accessories kept as merchandise for sale and not attached to automobiles may not be insured under Dealers Physical Damage Coverage.

RULE 100. SPECIFIED CAR BASIS

- A. Garage physical damage coverage may be provided on a specified car basis.
- B. Charge the applicable trucks, tractors and trailers rates or private passenger type rates.

RULE 101. CLASSIFICATIONS

The following classifications apply for Dealers Physical Damage Coverages:

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- A. Standard Open Lots are open parking storage lots enclosed on all sides by a metal cyclone or equivalent fence not less than six feet in height; or bounded on one or more sides by the wall or walls of a building, with no unprotected openings, and with the exposed sides of the lot enclosed by a metal cyclone or equivalent fence not less than six feet in height, with openings securely locked when unattended.
- B. Non-Standard Open Lots are all other open lot locations, or unroofed space and buildings not securely enclosed and locked when unattended.
- C. Buildings.

RULE 102. PREMIUM DEVELOPMENT

- A. The rates shown in the Rate Section for Dealers Physical Damage Coverages are annual rates per \$100 of value.
- B. The rates shown in the Rate Section for Miscellaneous Types apply to the following if values are reported separately:
 - Ambulances, fire trucks and apparatus, funeral directors, flower cars, hearses, mobile home trailers, and special or mobile equipment.

RULE 103. FALSE PRETENSE COVERAGE

This coverage may be written at a rate per \$100 of value. Use the total inventory value including the wholesale floor plan value.

Refer to the Dealers Physical Damage Rates pages in the Rate Section. Use False Pretense Coverage Endorsement CA 25 03.

RULE 104. DEALERS COLLISION COVERAGE

- A. Specified Car – pro rate for the time at risk, the manual collision premium for the form of coverage and the type of automobile.
- B. Blanket Collision – if all automobiles are to be insured for collision, charge the rates shown in the Blanket Collision Rates table in the Rate Section.
- C. Dealers Collision Coverage may be written on a named driver basis to insure the dealer while any automobile owned by the dealer is being operated by the named driver or while the named driver is a passenger. This coverage does not apply to dealers drive-away operations. Use Named Driver Collision Coverage Endorsement CA 25 11.

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Refer to the Dealers Physical Damage Rate pages in the Rate Section for premium determination.

D. Blanket Collision may be averaged.

1. Determine the average rate by using the maximum value during the past 12 months or if not available the estimated maximum value to be covered at any time during the coming 12 months.
2. Multiply the values at the specific rates to determine the premium for the various rating splits.
3. Total these premiums and divide by the total values which will result in the average rate.

RULE 105. DEALERS DRIVE-AWAY COLLISION COVERAGE

Collision coverage may be provided for automobiles while being driven, towed or carried on any other automobile or trailer owned or hired by the insured from the point of purchase or distribution to the point of destination. Use the distance from the point of purchase or distribution to the point of destination to determine the mileage rating basis. This coverage is not available to drive-away contractors. Use Dealers Driveaway Collision Coverage Endorsement CA 25 02.

Individual Coverage

When collision coverage is not written on all automobiles, charge the per car per trip premiums displayed on the Dealers Physical Damage Rates pages in the Rate Section.

Blanket Coverage

When collision coverage is written on all automobiles and drive-away operation is in excess of 50 miles, charge the per car per trip premiums displayed on the Dealers Physical Damage Rates pages in the Rate Section.

RULES 106-109 RESERVED FOR FUTURE USE.