



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

101 Arch Street, Suite 400 Boston, Massachusetts 02110
www.commauto.com 617-338-4000

NOTICE OF MEETING

GOVERNING COMMITTEE

A meeting of the Governing Committee will be held at the Automobile Insurers Bureau Conference Center at 101 Arch Street, 7th Floor, Boston, on

WEDNESDAY, FEBRUARY 15, 2023, AT 10:30 A.M.

MEMBERS OF THE COMMITTEE

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

Ms. Pamela Bodenstab-Krynicky	P.L. Krynicky Insurance Agency, Inc.
Ms. Sarah Clemens	MAPFRE U.S.A. Corporation
Mr. Kevin Costigan	GEICO
Mr. Thomas DePaulo	Cabot Risk Strategies, LLC
Mr. Thomas Harris	Quincy Mutual Group
Mr. William Hughes	Arbella Insurance Group
Ms. Ida Denard Jones	Denard Insurance Agency, Inc.
Ms. Nicole Martorana	FBIensure, LLC
Ms. Mary McConnell	Safety Insurance Company
Mr. Tiago Prado	BRZ Insurance, LLC
Mr. Christopher Taylor	The Hanover Insurance Company
Ms. Meredith Woodcock	Liberty Mutual Group

AGENDA

GC

22.01 Transcript of Previous Meeting

The Transcript of the Governing Committee meeting of November 16, 2022 should be read and approved.

GC

23.03 CAR Conflict of Interest Policy

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

GC

23.04 President's Report

Commonwealth Automobile Reinsurers' President will report on matters affecting CAR.

GC

23.05 Counsel's Report

Commonwealth Automobile Reinsurers' counsel will report on pending litigation, CAR Rule changes and any other matters relevant to legal issues at CAR.

GC

22.10 Loss Reserving Committee

The Governing Committee will hear the report of the Loss Reserving Committee meeting of December 7, 2022.

A Summary of the Loss Reserving Committee meeting of December 7, 2022 is attached. (Docket #GC22.10, Exhibit #4)

The Records of the Loss Reserving Committee meeting of December 7, 2022 have been distributed and are on file.

GC

23.06 MAIP Steering Committee

The Governing Committee will hear the report of the MAIP Steering Committee meeting of January 25, 2023.

The Records of the MAIP Steering Committee meeting of January 25, 2023 are attached. (Docket #GC23.06, Exhibit #1)

The Records of the MAIP Steering Committee meeting of January 25, 2023 have been distributed and are on file.

GC

23.07 Compliance and Operations Committee

The Governing Committee will hear the report of the Compliance and Operations Committee meeting of February 1, 2023.

The Records of the Compliance and Operations Committee meeting of February 1, 2023 will be distributed as additional information prior the meeting.

GC

23.08 Financial Audit Committee

The Governing Committee will hear the report of the Financial Audit Committee meeting of February 7, 2023.

The Records of the Financial Audit Committee meeting of February 7, 2023 will be distributed as additional information prior to the meeting.

GC

23.09 Personnel Committee

The Governing Committee will hear the report of the Personnel Committee meeting of February 8, 2023.

The Records of the Personnel Committee meeting of February 8, 2023 will be distributed as additional information prior to the meeting.

Other Business

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

Executive Session

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

NATALIE A. HUBLEY
President

Attachments

Boston, Massachusetts
February 2, 2023

**Commonwealth Automobile Reinsurers
Large Loss Notification Summary
September, 2022 Loss Reserving Committee Meeting
Large Loss Notifications By Policy Year**

#	Notification Date	Policy Year	Accident Year/Qtr	Liab Limit	Class Description	Estimated \$			Total	State	Current Qtr	Difference of	Difference of
						BI	PDL	PIP			Stat Reported Total	Estimate to Current Qtr	Prior to Current Qtr Reported Losses
Prior Quarter Loss Notifications													
1	6/14/2022	2022	20222	\$1,000,000	TTT	500,000	5,000	0	505,000	NH	528,830	(23,830)	0
2	8/8/2022	2021	20214	\$1,000,000	TTT	995,955	4,044	0	999,999	M<	1,049,797	(49,798)	573,253
3	6/14/2022	2021	20212	\$1,000,000	Car Service	300,000	0	0	300,000	MA	329,952	(29,952)	0
4	8/8/2022	2019	20201	\$1,000,000	TTT	750,000	0	0	750,000	RI	436,984	313,016	(359,780)
5	8/8/2022	2019	20201	\$1,000,000	TTT	1,000,000	0	0	1,000,000	MA	1,051,240	(51,240)	787,500
6	6/3/2022	2019	20201	250/500		256,000	0	10,000	266,000	MA	0	0	0
7	6/27/2022	2019	20194	\$1,000,000		994,064	5,936	0	1,000,000	MA	1,027,660	(27,660)	0
8	6/16/2022	2019	20192	\$1,000,000		400,000	3,000	0	403,000	CT	203,497	199,503	(210,914)
9	7/12/2022	2018	20184	\$1,000,000		650,000	7,000	0	657,000	CT	691,234	(34,234)	462,044
10	8/11/2022	2018	20183	\$1,000,000		300,000	9,000	0	309,000	NJ	350,751	(41,751)	101,800
11	8/12/2022	2017	20181	\$1,000,000	Commercial Bus	1,000,000	0	0	1,000,000	MA	0	1,000,000	(43,059)
12	6/3/2022	2017	20172	\$1,000,000		0	0	0	0	CT	70,839	(70,839)	(397,470)
Current Quarter Loss Notifications													
1	11/22/2022	2022	20223	\$5,000,000	PPT Buses	125,000	0	16,000	141,000	DE	0	0	0
2	11/10/2022	2022	20223	\$1,500,000	PPT Buses	400,000	0	50,000	450,000	NY	0	0	0
3	8/25/2022	2022	20223	\$5,000,000	Commercial Bus	250,000	0	50,000	300,000	NY	124,225	175,775	124,225
4	9/19/2022	2021	20214	\$1,000,000		470,000	0	20,000	490,000	MA	49,626	440,374	7,213
5	10/20/2022	2021	20221	\$1,000,000		250,000	0	8,000	258,000	MA	109,699	148,301	5,762
6	8/25/2022	2021	20221	\$1,000,000		350,000	15,000	0	365,000	SC	368,124	(3,124)	343,784
7	9/29/2022	2021	20222	\$1,000,000		350,000	7,500	0	357,500	WV	58,431	299,069	58,431
8	9/29/2022	2021	20222	\$5,000,000	Commercial Bus	250,000	0	50,000	300,000	ny	1,025,000	(725,000)	1,025,000
9	11/10/2022	2019	20194	\$1,000,000	TTT	800,000	0	0	800,000	MA	422,554	377,446	0
10	11/10/2022	2019	20194	\$1,000,000	TTT	703,800	21,806	0	725,606	MA	480,812	244,794	158,298
11	8/25/2022	2019	20194	\$1,000,000	ZR TTT	9,943,154	6,846	0	9,950,000	PA	1,075,050	8,874,950	268,259
12	11/10/2022	2018	20194	\$5,000,000		1,000,000	5,000	0	1,005,000	NY	241,230	763,770	10,682
13	9/19/2022	2017	20172	\$5,000,000		1,150,000	20,000	0	1,170,000	CT	1,150,000	20,000	1,150,000

COMMERCIAL ULTIMATE POLICY YEAR DEFICIT PROJECTIONS
 BASED ON DATA REPORTED THROUGH QUARTER ENDING SEPTEMBER 2022
 (000's OMITTED)

SUMMARY EXHIBIT

	Policy Year 2020		Policy Year 2021		Policy Year 2022	
	Dollars	% Prem	Dollars	% Prem	Dollars	% Prem
Premium	172,600	100.0%	183,600	100.0%	190,000	100.0%
Losses Incurred and ALAE	107,530	62.3%	122,094	66.5%	137,560	72.4%
Underwriting Expenses	37,112	21.5%	36,420	19.8%	44,916	23.6%
Underwriting Result	27,958	16.2%	25,086	13.7%	7,524	4.0%

COMPARISON OF ULTIMATE POLICY YEAR DEFICIT PROJECTIONS
PRIOR AND CURRENT QUARTER ESTIMATES

Policy Year 2022

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium			190,000	100.0%		
Losses Incurred and ALAE			137,560	72.4%		
Underwriting Expenses			44,916	23.6%		
Underwriting Result			7,524	4.0%		

Policy Year 2021

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	183,400	100.0%	183,600	100.0%	200	0.1%
Losses Incurred and ALAE	121,961	66.5%	122,094	66.5%	133	0.1%
Underwriting Expenses	37,542	20.5%	36,420	19.8%	(1,122)	-3.0%
Underwriting Result	23,897	13.0%	25,086	13.7%	1,189	5.0%

Policy Year 2020

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	172,700	100.0%	172,600	100.0%	(100)	-0.1%
Losses Incurred and ALAE	108,801	63.0%	107,530	62.3%	(1,271)	-1.2%
Underwriting Expenses	37,138	21.5%	37,112	21.5%	(26)	-0.1%
Underwriting Result	26,761	15.5%	27,958	16.2%	1,197	4.5%

COMPARISON OF ULTIMATE POLICY YEAR DEFICIT PROJECTIONS
PRIOR AND CURRENT QUARTER ESTIMATES

Policy Year 2019

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	190,284	100.0%	190,284	100.0%	0	0.0%
Losses Incurred and ALAE	141,927	74.6%	141,862	74.6%	(65)	0.0%
Underwriting Expenses	41,379	21.7%	41,379	21.7%	0	0.0%
Underwriting Result	6,978	3.7%	7,043	3.7%	65	0.9%

Policy Year 2018

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	195,958	100.0%	195,958	100.0%	0	0.0%
Losses Incurred and ALAE	180,795	92.3%	181,627	92.7%	832	0.5%
Underwriting Expenses	45,927	23.4%	45,927	23.4%	0	0.0%
Underwriting Result	(30,764)	-15.7%	(31,596)	-16.1%	(832)	2.7%

Policy Year 2017

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	182,591	100.0%	182,591	100.0%	0	0.0%
Losses Incurred and ALAE	144,237	79.0%	144,116	78.9%	(121)	-0.1%
Underwriting Expenses	45,686	25.0%	45,686	25.0%	0	0.0%
Underwriting Result	(7,332)	-4.0%	(7,211)	-3.9%	121	-1.7%

COMPARISON OF ULTIMATE POLICY YEAR DEFICIT PROJECTIONS
PRIOR AND CURRENT QUARTER ESTIMATES

PY 2016

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	169,141	100.0%	169,141	100.0%	0	0.0%
Losses Incurred and ALAE	168,698	99.7%	168,214	99.5%	(484)	-0.3%
Underwriting Expenses	43,287	25.6%	43,287	25.6%	0	0.0%
Underwriting Result	(42,844)	-25.3%	(42,360)	-25.0%	484	-1.1%

PY 2015

	Prior Qtr Estimate		Current Qtr Estimate		Variance	
	Dollars	% Prem	Dollars	% Prem	Dollars	Percent
Premium	151,439	100.0%	151,439	100.0%	0	0.0%
Losses Incurred and ALAE	131,158	86.6%	130,847	86.4%	(311)	-0.2%
Underwriting Expenses	38,778	25.6%	38,778	25.6%	0	0.0%
Underwriting Result	(18,497)	-12.2%	(18,186)	-12.0%	311	-1.7%



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RECORDS OF MEETING

MAIP STEERING COMMITTEE – JANUARY 25, 2023

Members Present

Mr. Barry Tagen – Chair
Mr. Allen Chaves
Ms. Sarah Clemens
Ms. Ida Denard Jones
Ms. Sheila Doherty
Mr. Cory Hanson ⁽¹⁾
Ms. Jean Houghton
Mr. Robert Jackson
Ms. Nicole Martorana
Ms. Mary McConnell
Mr. Henry Risman
Mr. Mark Winiker

Pilgrim Insurance Company
Arbella Insurance Group
MAPFRE U. S.A. Corporation
Denard Insurance Agency, Inc.
Doherty Insurance Agency, Inc.
The Hanover Insurance Company
Norfolk & Dedham Group
GEICO
FBInsure, LLC
Safety Insurance Company
Risman Insurance Agency, Inc.
A-Affordable Insurance Agency, Inc.

Substituted for:

⁽¹⁾Mr. Christopher Taylor

Not in Attendance:

Mr. Shaun Farley, Vermont Mutual Insurance Group

MSC

22.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the MAIP Steering Committee meeting of June 28, 2022. The Records have been distributed and are on file.

MSC

22.04 Electronic MAIP Stamp

Mr. John Metcalfe reported that Staff has completed the development and testing of the MAIP E-stamp for use on registration and insurance certifications for MAIP policies. He indicated Staff developed a process for use of the E-Stamp including training documentation and proper security provisions which were tested by staff and selected certified agents. He indicated that it is CAR’s intent to implement use of the stamp for all agencies in late February. He noted that the availability and use of an E-Stamp will be complementary to the availability and use of wet stamps, and that there are no immediate plans to replace the wet stamp until the usage of each can be evaluated.

Mr. Metcalfe reviewed proposed amendments to the Assigned Risk Producer Procedures Manual in Chapter II – MAIP Stamp Requirements and Authorization and Chapter IV – MAIP Stamps, He informed

the Committee that the proposed edits to the manual language provide information on the availability and use of a MAIP E-Stamp in addition to MAIP wet Stamps procedures.

The Committee unanimously voted to recommend to the Governing Committee approval of the proposed amendments to the Assigned Risk Producer Procedures Manual.

MSC

22.06 Private Passenger Definition

Ms. Wendy Browne reviewed the proposed changes to Rule 27 – Private Passenger Definition of the MAIP rating manual to include SUVs in the eligibility definition, address vehicles with a gross vehicle weight up to 16,000 pounds and to ensure consistency with the commercial manual. Ms. Browne advised that pursuant to Committee discussion at its last meeting, reference to the sole personal use of pick-up, van, and SUV vehicle types has been removed from the original draft to ensure consistency with the business use classification.

The Committee unanimously voted to recommend to the Governing Committee approval of the proposed amendments to Rule 27 - Private Passenger Definition.

MSC

22.08 MAIP Physical Damage Maximum Loss Payable

Mr. Tim Galligan provided an overview of the documentation attached to the Notice of Meeting which included information requested by the Committee at its previous meeting. The documentation addressed historical high-valued vehicle counts, loss experience and information on maximum physical damage loss limitations in other states' residual markets. Mr. Galligan noted that staff reviewed the AIPSO plans and identified 3 states that exclude physical damage coverage, 10 states with coverage limits ranging from \$25,000 to \$75,000, and 10 states that restrict or exclude coverage based on MSRP.

CAR Counsel Steven Torres advised the Committee on his review of Massachusetts statutory regulations that might apply to limitation of coverage with respect to a physical damage coverage cap. He advised that while the statute contains a requirement to offer physical damage coverage, there is no language that prohibits a payout limit under the statutory physical damage coverage obligations outlined in MGL c. 175 § 113H – Assigned Risk Plans.

Some committee members noted the small volume of claims experience greater than \$100,000 and questioned the need for a coverage limitation. Mr. Barry Tagen noted that the loss exposure, however, is significant. He further commented that due to the large volume of companies with LADAs and credit purchases, the risk of these large losses is not spread equitably among all Members. After discussion, the Committee reached consensus that a coverage limitation would be appropriate.

Discussion then focused on an appropriate coverage limitation. The Committee considered the coverage limitations adopted in contiguous states but agreed that the \$75,000 limit is low in light of the cost of the average vehicle. After discussion, the Committee unanimously voted to set the MAIP physical damage loss payable coverage limit at \$175,000 per vehicle.

As a result of their action, the Committee was informed that staff will draft amendments to the Rules of Operation and MAIP Insurance Manual and will provide applicable endorsement forms for consideration at the next meeting.

MSC

23.04 MAIP Policy Application Update – Risk Email Address

Ms. Wendy Browne informed the Committee that an assigned risk company had requested that the Committee consider adding the insured email address to the MAIP Policy Application and the associated data transfer record layout.

Ms. Browne noted that such a change to the record layout requires system resources by both CAR staff and the Assigned Risk Companies (ARC) and that CAR had reached out to the 8 ARCs currently receiving assignments to solicit input on the perceived benefits and costs. She reviewed the feedback received from the ARC's indicating that the responses varied from being favorable regardless of the cost to those that were unsure of the benefits and those that did not see any value in adding the new field. She also noted that the change would be substantial for those companies that utilize the MAIP XML option as compared to those companies that utilize the ACORD transfer option.

The Committee discussed the benefits of adding the email address, including the possibility of going paperless if the email address were provided, and the drawbacks, including the lack of data integrity of the email addresses that are currently provided through the supplemental applications.

Following additional discussion, the Committee agreed that further information should be obtained from companies about the cost associated with implementing this change. One member also inquired whether any decision to proceed would be impacted by statute relative to requiring proof of mailing. Finally, it was suggested that, to minimize future record changes, CAR solicit feedback regarding additional data elements that may be useful, such as cell phone number. As a result, CAR staff indicated that they would update the Committee with their findings, including any potential impacts to CAR manual language for discussion at its next meeting,

ADRIANNE DONOVAN
Residual Market Services Liaison

Boston, Massachusetts
February 2, 2023

January 25, 2023

Assigned Risk Producer Procedures Manual Updates

Memorandum of Changes

The following modifications are proposed to Chapter II – Assigned Risk Producer Responsibilities and Chapter IV – Assignment of an Application to an ARC:

Chapter II – Assigned Risk Producer Responsibilities

- Section A.6 – MAIP Stamp Requirements – language has been added to reference the availability and use of MAIP E-Stamps for vehicle registration certifications as an option in addition to the use of a MAIP wet stamp. Also, language has been added to specifically identify wet stamps in some procedures.

Chapter IV – Assignment of an Application to an ARC

- Section B.6 – MAIP Stamp – language has been added to reference the availability and use of MAIP E-Stamps for vehicle registration certifications as an option in addition to the use of a MAIP wet stamp.

be added to that individual's security profile. The agency's Security Administrator may add the locations by accessing the Detail Users page from the Manage Users function menu, clicking on the user's name and then adding the location.

- f. In order to assure that the tax identification information needed for the commission process is automatically provided to the company to which a MAIP application is assigned, the Security Administrator must make sure that agency tax information is entered into the MAIP system. This can be done via the Enter Tax ID function which is available on the Security Administration Menu. Tax identification information is maintained on an encrypted file and is only made available to ARCs via the transfer of assigned applications.

Note that some companies may also request agencies to complete additional forms.

5. Activation of MAIP Policy Application Access – Tutorial Requirements

Every individual securing a MAIP User ID and password must complete a MAIP Policy Application tutorial prior to being permitted to place business through the MAIP. The tutorial will educate individuals on how to enter, edit and submit policy applications for assignment to an ARC. Completion of the tutorial will satisfy the certification provision of Rule 31 – Assigned Risk Producer Requirements requiring electronic access to the MAIP.

Once the tutorial has been completed, entry of the MAIP User ID will activate the MAIP Policy Application and the individual will then be able to enter policy application data.

6. MAIP Stamp Requirements

Upon completion of the ARP certification requirements specified in Section A.1. of this Chapter, each certified ARP office location will be provided with two MAIP wet stamps. MAIP E-Stamps are also available for vehicle registration certifications within the MAIP Policy Application, which includes instructions for use.

The MAIP stamp, once affixed to RMV forms, will provide proof of insurance to the RMV. The stamp will contain a MAIP agency

number specific to the office location as assigned by CAR and will contain lines for the name and company number of the ARC to which the policy is assigned and the ARP's signature. The RMV will be provided with a listing of all active and certified agency numbers. The MAIP stamps may be used on appropriate registration forms once an assignment to a company has been made. The ARP is required to assure that the accurate assigned company's name and three-digit company number appears legibly. ~~accurately and legibly print the assigned company's name and number on the stamped RMV form for acceptance at the RMV.~~

a. Authorization

Use of MAIP stamps is authorized by CAR specific to a particular agency and agency office location. The authorization is valid as long as the producer information on file at CAR remains unchanged, the agency license remains current and the producer maintains all certification requirements. Copying the MAIP wet stamp and/or unauthorized use of a MAIP stamp is prohibited and such action will result in the decertification of the producer and the producer's inability to place business through the MAIP.

Note that a the MAIP stamp may not be used as a courtesy to certify registration forms. A courtesy stamp may only be performed by a producer that represents the company insuring the applicant's vehicle, using that company's stamp.

b. Duplication, Replacement or Request for Additional Stamps

Any replacement or request for additional MAIP wet stamps must be approved by CAR. A MAIP Wet Stamp Request form may be found on the MAIP Producer page of CAR's website, under Forms (refer to Exhibit II-A-4).

c. Return of MAIP Stamps

An agency sale, merger, acquisition, termination, decertification or individual office location closing must be immediately reported to CAR. In any such case, all MAIP wet stamps must be promptly returned to CAR.

d. Power of Attorney

An Authorization to Certify Motor Vehicle Insurance Coverage form (refer to Exhibit II-A-5) may be used to grant (or revoke) licensed and non-licensed agency employees the authority to certify, through the use of the ARP's MAIP stamps, the existence of motor vehicle insurance coverage for risks assigned to an ARC. This form must be completed and signed by a licensed and certified agency principal. Such authority is extended only to those policies issued through the MAIP and produced in the course of the individual's employment agreement with the insurance agency. The Authorization to Certify Motor Vehicle Insurance Coverage form may be found on the MAIP Producer page of CAR's website, under Forms, using the Power of Attorney Authorization link.

7. Ongoing Assigned Risk Producer Requirements

An ARP is also responsible for fulfilling many ongoing requirements, several of which are listed below. Failure to do so will be grounds for revocation of certification. Refer to Rule 31.B. – Assigned Risk Producer Requirements of CAR's Rules of Operation for a complete list of all ARP requirements.

- a. Based upon the MAIP eligibility requirements outlined in Rule 26 – Policyholder Rights and Responsibilities of CAR's Rules of Operation, assure that all applications submitted for MAIP placement meet the established MAIP eligibility criteria.
- b. Assure that MAIP application information, and any additional or supplemental information is submitted on the proper forms and that each application is submitted accurately and in its entirety by taking the following steps:
 - (1) List all licensed operators in the household, including those not used for classifications purposes.
 - (2) Verify through the RMV Registration Inquiry System, the driver's license for each listed operator who holds a Massachusetts driver's license. The ARP must submit a photocopy of the license of any operator holding an out-of-state or a foreign driver's license with the new business application.

which contains either a company link or an email address for each ARC. Via these links, companies provide ARPs with information relative to their company rates, underwriting, billing, claims and SIU operations, pre-inspection requirements and inspection sites, premium deposit payment information and billing remittance address, supplemental application information requirements and any other information necessary for successful policy submission and maintenance.

6. MAIP Stamps

In order to provide proof of insurance to the RMV, all RMV forms must be stamped with a MAIP stamp.

The MAIP **wet** stamp will contain the MAIP Agency Number as assigned by CAR. **MAIP wet stamps** and will contain lines for the name and company number of the ARC to which the policy is assigned and the ARP's signature. The ARP is required to accurately and legibly print the assigned company's name and number on the stamped RMV form for acceptance at the Registry. Two **wet** MAIP stamps will be provided to each certified ARP office location.

MAIP E-Stamps are also available for authorized use and can be found in the E-Stamp section of the MAIP Policy Application. The ARP is required to accurately select the correct E-Stamp for the assigned company and three-digit company number and apply an authorized signature for use with an RMV form.

Note that ~~the~~ MAIP stamps may not be used as a courtesy to certify registration forms. A courtesy stamp may only be performed by another producer that represents the company insuring the applicant's vehicle, using that company's stamp.

For additional information regarding the authorization of stamp use, the duplication, replacement or request for additional stamps, the return of MAIP **wet** stamps and the use of the Authorization to Certify Motor Vehicle Insurance Coverage form, refer to Chapter II of this Manual.

7. Documents to be Provided to the Assigned ARC

Within two business days of policy assignment, the ARP must provide the assigned ARC with the following:

January 25, 2023

Private Passenger Residual Market Automobile Insurance Manual Updates

Memorandum of Changes

The following modifications are proposed to Section II – Private Passenger Automobiles – Rule 27 Private Passenger Definition:

- Section B – the definition of the vehicle type has been expanded to include SUV
- Section B.1 – in conjunction with changes to 540 CRM plate definition to indicate that a pick-up truck or cargo van weighing less than 16,000 pounds can now have a private passenger plate, the gross vehicle weight has been updated from 10,000 pounds to 16,000 to maintain consistency with Registry procedures.

SECTION II - PRIVATE PASSENGER AUTOMOBILES

RULE 27. PRIVATE PASSENGER DEFINITION

- A. A motor vehicle of the private passenger or station wagon type that is owned or leased under contract for a continuous period of at least twelve months by one or more individuals, excluding (1) partnerships, (2) corporations, (3) unincorporated business associations, and (4) other legal business entities with a federal employer identification number, and is not used as a public or livery conveyance nor rented to others. A vehicle which meets the conditions of Rule 31, regarding the transportation of fellow employees, students or others for consideration, is included in this definition, provided such vehicle is not registered for carrying passengers for hire.
- B. A motor vehicle that is a pick-up, ~~or~~ van, or SUV that is owned or leased under contract for a continuous period of at least 12 months by one or more individuals, excluding (1) partnerships, (2) corporations, (3) unincorporated business associations, and (4) other legal business entities with a federal employer identification number, and
1. has a gross vehicle weight rating of less than ~~10,000~~ 16,000 pounds or has a vehicle rating group assigned to it by the Automobile Insurers Bureau of MA (AIB), and
 2. is not used for the delivery or transportation of goods or materials unless such use is incidental to the insured's business of installing, maintaining or repairing furnishings or equipment.
- C. Gross Vehicle Weight Rating means the value specified by the manufacturer as the loaded weight of a single vehicle.
- D. An eligible vehicle under this rule whose title has been transferred to a trust may be insured under a policy issued by assignment through the MAIP, subject to the following requirements: the grantor of the trust must be an individual or lawfully married individuals residing in the same household, and must be the only insured(s) named in Item 1 of the Coverage Selections Page. All vehicle(s) insured under the policy must be owned by the trust. A vehicle owned by a trust in which the grantor is a partnership or corporation must be written under a commercial auto policy.

If a motor vehicle is leased as described in the foregoing paragraphs, and the lessee is obtaining the insurance, the policy must be issued to the lessee as named insured and Endorsement M-0070-S, "Coverage For Anyone Renting An Auto To You," must be attached to the policy.

RULE 28. PRIVATE PASSENGER CLASSIFICATIONS

A. Operator Classes

- 10 Experienced Operator.** The operator has been licensed at least six years and is under the age of 65 and the automobile is not used in the occupation, profession or business of the insured.
- 15 Experienced Operator - age sixty-five or more.** The operator has been licensed at least six years and is sixty-five years of age or more and the automobile is not used in the occupation, profession or business of the insured.
- 17 Inexperienced Principal Operator - licensed three or more years.** The operator of the automobile has been licensed at least three years and less than six years and is the principal operator of the automobile.
- 18 Inexperienced Occasional Operator - licensed three or more years.** The operator has been licensed at least three years and less than six years and is not the principal operator of the automobile.
- 20 Inexperienced Principal Operator - licensed less than three years. No driver training.** The operator has been licensed less than three years, is the principal operator of the automobile, and has not completed a Satisfactory Driver Training Program.
- 21 Inexperienced Occasional Operator - licensed less than three years. No driver training.** The operator has been licensed less than three years, is not the principal operator of the automobile, and has not completed a Satisfactory Driver Training Program.