

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. A.I. 73(2023)

1 **IN THE MATTER OF** the **Automobile**
2 **Insurance Act**, RSNL 1990, c. A-22,
3 as amended, and regulations
4 thereunder; and
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6 **IN THE MATTER OF** an application by
7 Intact Insurance Company for approval
8 to implement a portfolio transfer
9 capping program for its Private
10 Passenger Automobiles category of
11 automobile insurance.
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14 **WHEREAS** on November 2, 2023 Intact Insurance Company (“Intact”) applied to the Board under
15 the Supplemental filing option for a portfolio transfer capping program for its Private Passenger
16 Automobiles category of automobile insurance; and
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18 **WHEREAS** Intact proposed various capping provisions applicable to portfolio transfers to limit
19 premium dislocation for policyholders and protect the client experience; and
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21 **WHEREAS** the proposed capping provisions are limited to premium increases only thereby
22 maintaining the full benefit of any premium decreases for policyholders; and
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24 **WHEREAS** the capping provisions are applicable for only one year so that risks will converge to
25 system premium rapidly; and
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27 **WHEREAS** Intact requested that the proposal be approved as a program such that the proposed
28 capping provisions will be applicable with each portfolio transfer and not require separate filings
29 to the Board; and
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31 **WHEREAS** Intact requested that the proposed capping program remain in effect until further
32 notice is given to the Board; and

1 **WHEREAS** the proposal is filed in accordance with the Supplemental Filing Guidelines; and

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3 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the
4 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the
5 financial circumstances of the insurer, and do not violate the **Automobile Insurance Act** or the
6 **Insurance Companies Act** or the respective regulations thereunder.


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9 **IT IS THEREFORE ORDERED THAT:**

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11 1. The proposed portfolio transfer capping program for its Private Passenger Automobiles
12 category of automobile insurance received on November 2, 2023 from Intact Insurance
13 Company is approved to be effective no sooner than January 1, 2024.

DATED at St. John's, Newfoundland and Labrador, this 15th day of December 2023.


Kevin Fagan
Chair and Chief Executive Officer


John O'Brien, FCPA, FCA, CISA
Commissioner


Christopher Pike, LL.B., FCIP
Commissioner


Jo-Anne Galarneau
Executive Director and Board Secretary