



NEWFOUNDLAND AND LABRADOR  
**BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**  
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador  
Canada, A1A 5B2

**DIRECTIVE A.I. 2013-03**

**ISSUED:** October 21, 2013

**TO:** All insurers, including Facility Association, transacting the business of automobile insurance in the province of Newfoundland and Labrador

**SUBJECT:** 2013 CLEAR Rate Group Table

The Board advises that the 2013 CLEAR rate group table has been approved for use by insurers writing automobile insurance business in the Province. Companies wishing to adopt the 2013 CLEAR rate group table can do so by making a CLEAR Category 1 Simplified filing where the requirements outlined below are met:

- 1) Where the filing company is currently using the 2012 CLEAR rate group table and **HAS** submitted for the Board's review a full Category 2 actuarially justified filing between **January 1, 2013 and October 1, 2013**, the 2013 CLEAR rate group table may be adopted with no base rate adjustment required.
- 2) Where the filing company is currently using the 2012 CLEAR rate group table but **HAS NOT** submitted for the Board's review a full Category 2 actuarially justified filing between **January 1, 2013 and October 1, 2013**, the 2013 CLEAR table may be adopted by applying the following base rate adjustment factors:

Coverage	Rate Group Drift	Loss Trend	Base Rate Adjustment
<b>Collision</b>	3.15%	5.0%	1.5%
<b>Comprehensive</b>	5.46%	6.5%	0.6%
<b>Specified Perils</b>	5.46%	6.5%	0.6%

Insurers that do not wish to use the Board's base rate adjustment factors may provide a detailed calculation of their own factors using company specific experience. Adjustments other than those provided in the table above will be subject to review by the Board's actuarial consultants.

- 3) Where the filing company is using a rate group table older than 2012 CLEAR, the 2013 CLEAR rate group table may be adopted by applying an annual base rate adjustment for each year in which the table was not updated by the company. In such cases, direct contact with

the Board's actuarial consultants is recommended prior to filing to determine the appropriate base rate adjustment factors to be used.

Updates to the CLEAR rate group table can also be processed as a comprehensive Category 2 actuarially justified filing. This method must be selected if the company wishes to make changes to rating elements other than the rate group table that will result in any increase in any rate for any insured.

Full instructions for all rate filing categories can be found in the Board's Filing Guidelines at <http://www.pub.nl.ca/insurance.htm>.

Should you have any questions regarding this matter please contact Ryan Oake, Regulatory Analyst, at [roake@pub.nl.ca](mailto:roake@pub.nl.ca).

Yours truly,

A handwritten signature in blue ink that reads "C Blundon". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Cheryl Blundon  
Board Secretary