

A.I. 41 (2003)

**IN THE MATTER OF THE AUTOMOBILE
INSURANCE ACT, CHAPTER A - 22,
R.S.N. 1990**

AND

**IN THE MATTER OF AN APPLICATION BY
PriceWaterhouseCoopers
on behalf of
The Cosesco Insurance Company
TO IMPLEMENT REVISED RATES FOR ITS
PRIVATE PASSENGER CLASS OF BUSINESS**

WHEREAS, by application dated July 11, 2003 and amended October 24, 2003,
PricewaterhouseCoopers on behalf of The Cosesco Insurance Company applied to the Board for approval
to implement a revised rating program for its Private Passenger class of business, and

WHEREAS, upon preliminary review by Board staff, it was determined that a number of the
proposed or adjusted proposed base rates did not conform with the 2001 benchmark rate ranges of
acceptable rates, and

WHEREAS the applicant has submitted actuarial analysis in support of the establishment of rates
which do not conform with the benchmark rate ranges of acceptable rates, and

WHEREAS the Board, after due examination and analysis of the proposed rating program, finds that it should be approved as filed.

IT IS THEREFORE ORDERED THAT:

1. Board Order No. A.I. 21 (2002-2003) be and it is hereby rescinded.
2. Approval be and it is hereby granted Coseco Insurance Company for the implementation of a revised rating program for its Private Passenger class of business with base rates as follows:

| Territory | 1 | 2 | 3 |
|-----------------------|------------|-----------|-----------|
| Third Party Liability | \$ 1425.00 | \$ 722.00 | \$ 613.00 |
| Collision | 265.00 | 350.00 | 403.00 |
| Comprehensive | 145.00 | 139.00 | 148.00 |
| Specified Perils | 50.00 | 25.00 | 28.00 |
| Accident Benefits | 136.00 | 92.00 | 68.00 |
| Uninsured Motorist | 23.00 | 20.00 | 19.00 |

and differentials as submitted with this filing.

3. The following discounts are approved for use subject to the eligibility criteria set out in the company's underwriting manual:

| | Discount | Percentage | Coverages |
|-------|-----------------------------|-------------------|--|
| i. | Multi-Vehicle | 10% | Third Party Liability, and Collision: Classes 01, 02, 03, and 07, only |
| ii. | Claims-Free, Three-Year | 10% | Third Party Liability, Collision, Comprehensive, Specified Perils: Classes 01, 02, 03, and 07, only; Record 6, 7, and 8 |
| iii. | Package | 10% | Third Party Liability, Collision, Comprehensive, Specified Perils and Accident Benefits |
| iv. | Combined | 10% | Third Party Liability, Collision, Comprehensive, Specified Perils, Accident Benefits, and Uninsured Motorist |
| v. | Loyalty | 5% | Third Party Liability, Collision, Comprehensive, Specified Perils, Accident Benefits, and Uninsured Motorist |
| vi. | Qualified Employee | 5% | Third Party Liability, Collision, Comprehensive, Specified Perils, Accident Benefits, and Uninsured Motorist |
| vii. | Reliable Payment | 5% | Third Party Liability, Collision, Comprehensive, Specified Perils, Accident Benefits, and Uninsured Motorist |
| viii. | Advanced Driver Training | 5% | Third Party Liability, and Collision |
| ix. | Student | 40% | Third Party Liability, and Collision |

4. These rates shall be effective November 15, 2003 for new business and February 1, 2004 for renewals.

Dated at St. John's, Newfoundland and Labrador, this 29th day of October, 2003.

G. Fred Saunders
Commissioner

Robert Noseworthy,
Chairperson & Chief Executive Officer

Cheryl Blundon,
Board Secretary