

1 **A.I. 15 (2006)**

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4 **IN THE MATTER OF** THE *Automobile,*
5 *Insurance Act*, R.S.N.L. 1990, c. A-22, as
6 amended (the “*Act*”)
7

8 **AND**

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10 **IN THE MATTER OF** an application by
11 Royal & Sun Alliance Insurance Company of Canada
12 (the “Applicant”) to implement revised rates
13 for its Private Passenger class of business.
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16 **WHEREAS** on September 01, 2005 the Applicant submitted for the Board’s review and
17 decision a Category 2 automobile insurance rate filing; and
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19 **WHEREAS** on March 30, 2006, following review by the Board of the supporting
20 material, responses to information requests, consultants’ reports and all other information
21 relevant to the filing, the Board issued Order No. A.I. 3 (2006); and
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23 **WHEREAS** Order No. A.I. 3 (2006) set out the Board’s findings in respect to the filing
24 and requiring the Applicant to resubmit a revised rate proposal based on indications flowing
25 from the findings of the Board; and
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27 **WHEREAS** on April 20, 2006 the Applicant resubmitted its rate proposal based on the
28 Board’s findings; and

1 **WHEREAS** on May 3, 2006 the Applicant revised its April 20, 2006 submission to
2 address certain issues; and

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4 **WHEREAS** on May 3, 2006 the Board's actuarial consultants reported that the revised
5 rate proposal was based on the factors and parameters determined by the Board to be reasonable
6 and supported by the information submitted in connection with the filing; and

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8 **WHEREAS** the Board is satisfied that the revised rate proposal reflects rates no higher
9 than justified on the basis of the available information.

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11 **IT IS THEREFORE ORDERED THAT:**

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13 1. The revised rate proposal received by the Board on April 20, 2006 and amended on May
14 3, 2006 is approved with base rates as follows:

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Coverage	Territory 1	Territory 2	Territory 3
Third Party Liability	1177.62	550.44	369.62
Collision	178.70	162.55	185.23
Comprehensive	75.48	60.50	72.64
Specified Perils	43.14	23.32	22.22
All Perils	245.89	214.63	248.66
Accident Benefits	126.46	96.50	106.77
Uninsured Motorist	19.91	19.91	19.91

16 2. The base rates for each type of coverage shall be effective for new and renewal business
17 no sooner than May 15, 2006 and no later than July 31, 2006.

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1 3. Notwithstanding Clause 2 above, in cases where a rate decreases as a result of this Order
2 or where otherwise prescribed by legislation, the decreased rate shall be considered to be
3 effective as of August 1, 2005 as set out in legislation.

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DATED at St. John's, Newfoundland and Labrador, this 4th day of May 2006.

Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary