

A.I. 18(2006)

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

5 **AND**
6

7 **IN THE MATTER OF** an application by
8 Traders General Insurance Company
9 (the “Applicant”) for a rehearing in relation
10 to its application to implement revised rates
11 for its Private Passenger class of business
12 (the “Application”).
13

14
15 **WHEREAS** on May 1, 2006 the Applicant filed an application for a rehearing in
16 respect of the implementation of revised rates for the Applicant; and
17

18 **WHEREAS** the Application, among other things, seeks an Order of the Board
19 approving rate changes for the Applicant’s private passenger class of business; and
20

21 **WHEREAS** the Applicant also proposes to change the method used to calculate
22 its All Perils premium from 100% of the Collision rate and 90% of the Comprehensive
23 rate level to 100% of both the Collision and Comprehensive rate at the same deductible
24 level; and
25

26 **WHEREAS** on May 5, 2006 the Board’s actuarial consultants reported that the
27 revised rate proposal was based on the factors and parameters determined by the Board to
28 be reasonable and supported by the information submitted in connection with the filing;
29 and
30

1 **WHEREAS** the Board is satisfied that the revised rate proposal reflects rates
 2 which are no higher than justified on the basis of the available information; and

3
 4 **WHEREAS** remaining issues set out in the Application will be addressed in a
 5 subsequent order of the Board.

6
 7 **IT IS THEREFORE ORDERED THAT:**

- 8
 9 1. The revised rate proposal received by the Board on May 1, 2006 is approved with
 10 base rates as follows:

11

Coverage	Territory 1	Territory 2	Territory 3
Third Party Liability	\$1033.39	\$512.37	\$360.13
Collision	\$107.72	\$107.04	\$119.18
Comprehensive	\$59.90	\$47.49	\$56.79
Specified Perils	\$29.63	\$16.71	\$14.43
All Perils	\$	\$	\$
Accident Benefits	\$94.00	\$78.00	\$78.00
Uninsured Motorist	\$21.00	\$11.00	\$8.00

- 12 2. The base rates for each type of coverage shall be effective for new and renewal
 13 business no sooner than May 17, 2006 and no later than August 1, 2006.
 14
 15 3. Notwithstanding Clause 2 above, in cases where a rate decreases as a result of this
 16 Order or where otherwise prescribed by legislation, the rate shall be considered to
 17 be effective as of August 1, 2005 as set out in legislation.

DATED at St. John's, Newfoundland and Labrador, this 9th day of May 2006.

Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

Barbara Thistle
Assistant Board Secretary