NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. A.I. 4(2012)

1   **IN THE MATTER OF** the *Automobile*
2   *Insurance Act*, RSNL 1990, c. A-22, as
3   amended (the "*Act*");
4
5   **<u>AND</u>**
6
7   **IN THE MATTER OF** an application by
8   The Sovereign General Insurance Company
9   to adopt IAO advisory rates for its Commercial
10 Vehicles and Interurban Trucks classes of business.
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12
13 **WHEREAS** on February 27, 2012 The Sovereign General Insurance Company applied to the
14 Board to adopt IAO advisory rates for its Commercial Vehicles and Interurban Trucks classes of
15 automobile insurance business; and
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17 **WHEREAS** The Sovereign General Insurance Company is a member company of IAO and is
18 licensed to write automobile insurance in the Province; and
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20 **WHEREAS** The Sovereign General Insurance Company does not possess sufficient company
21 loss experience to prepare an independent actuarially based filing for these classes of business;
22 and
23
24 **WHEREAS** The Sovereign General Insurance Company proposes to introduce differentials for
25 higher deductibles in the range of $5,500 to $15,000 not provided by IAO; and
26
27 **WHEREAS** The Sovereign General Insurance Company proposes to continue using the $10M
28 limit differential that was approved for use by the Board in Order A.I. 7(2008) which differential
29 is not provided for in the IAO advisory rates; and
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31 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.

IT IS THEREFORE ORDERED THAT:

1. The application of The Sovereign General Insurance Company to adopt IAO advisory rates for its Commercial Vehicles and Interurban Trucks classes of business is approved to be effective no sooner than June 4, 2012 for new business and July 17, 2012 for renewals.

Dated at St. John's, Newfoundland and Labrador, this 12th day of April 2012

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Dwanda Newman, LL.B.
Commissioner

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James Oxford
Commissioner

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Cheryl Blundon
Board Secretary