

**NEWFOUNDLAND AND LABRADOR  
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

**AN ORDER OF THE BOARD**

**NO. A.I. 10(2018)**

1 **IN THE MATTER OF** the *Automobile*  
2 *Insurance Act*, RSNL 1990, c. A-22, (the  
3 “*Act*”), as amended and regulations  
4 thereunder; and  
5

6 **IN THE MATTER OF** an application by  
7 Novex Insurance Company for approval to  
8 implement a revised rating program for its  
9 Private Passenger Automobiles class  
10 of business.  
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13 **WHEREAS** on March 2, 2018 Novex Insurance Company applied to the Board for approval of a  
14 revised rating program for its Private Passenger Automobiles class of business; and  
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16 **WHEREAS** on April 19, 2018 the Board’s consulting actuaries, Oliver Wyman Limited, filed a  
17 report (“Oliver Wyman Report”) of findings with the Board; and  
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19 **WHEREAS** on April 24, 2018 Novex Insurance Company filed comments and an amended rating  
20 program in response to the Oliver Wyman Report; and  
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22 **WHEREAS** based on the record the Board finds that some proposals used by Novex Insurance  
23 Company in calculating its rate level indications have not been fully justified; and  
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25 **WHEREAS** substituting alternative assumptions will not reduce the rate indications below the  
26 proposed rates; and  
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28 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.  
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31 **IT IS THEREFORE ORDERED THAT:**  
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- 33 1. The revised rating program received April 24, 2018 from Novex Insurance Company is  
34 approved to be effective no sooner than June 1, 2018 for new business and July 1, 2018 for  
35 renewals.

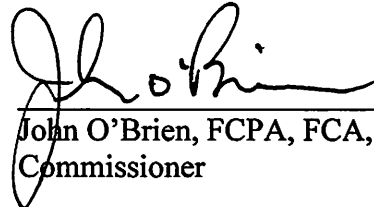
- 1 2. Novex Insurance Company will be required to pay the costs of the Board associated with this
- 2 filing, including the costs of the actuarial review.

**DATED** at St. John's, Newfoundland and Labrador, this 24<sup>th</sup> day of May, 2018.



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Darlene Whalen, P. Eng.  
Chair & CEO



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John O'Brien, FCPA, FCA, CISA  
Commissioner



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Cheryl Blundon  
Board Secretary