

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

**AN ORDER OF THE BOARD**

**NO. A.I. 32(2020)**

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  
7 by CUMIS General Insurance Company  
8 for approval to implement a revised  
9 rating program for all vehicle types.  
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11  
12 **WHEREAS** effective January 1, 2020 changes to the Automobile Insurance Act and regulations  
13 thereunder came into effect which included mandatory reforms of the automobile insurance  
14 product; and  
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16 **WHEREAS** the mandatory reforms included the introduction of Direct Compensation Property  
17 Damage (“DCPD”) coverage for all vehicles and an increase in the deductible applicable to all  
18 pain and suffering awards from \$2,500 to \$5,000; and  
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20 **WHEREAS** on November 5, 2019 the Board implemented a simplified “Reform” filing option  
21 and Reform Filing Guidelines to expedite the approval of the mandatory reform changes; and  
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23 **WHEREAS** the Reform Filing Guidelines provide step-by-step procedures for splitting existing  
24 Board approved Third Party Liability rates into rates for Bodily Injury, Property Damage-Tort and  
25 DCPD sub-coverages as well as for reflecting the deductible increase into Bodily Injury rates; and  
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27 **WHEREAS** on June 2, 2020 CUMIS General Insurance Company applied to the Board for  
28 approval of a revised rating program under the Reform filing option for the following types of  
29 vehicles: (i) Private Passenger Automobiles, (ii) Motorcycles, (iii) All Terrain Vehicles, (iv)  
30 Motorhomes, (v) Snow Vehicles, (vi) Mopeds, (vii) Camping Trailers, and (viii) Utility Trailers;  
31 and  
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33 **WHEREAS** on June 15, 2020 CUMIS General Insurance Company filed revised filing  
34 documentation to correct a number of errors and omissions discovered; and

1 **WHEREAS** the revised rating program is consistent with the Reform Filing Guidelines and is  
2 supported; and

3  
4 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the  
5 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the  
6 financial circumstances of the insurer, and do not violate the Automobile Insurance Act or the  
7 Insurance Companies Act or the respective regulations thereunder.

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10 **IT IS THEREFORE ORDERED THAT:**

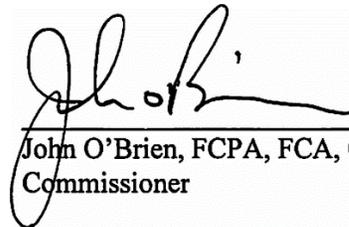
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- 12 1. The revised rating program received June 2, 2020 from CUMIS General Insurance Company  
13 for all vehicle types is approved to be effective no sooner than December 1, 2020 for new  
14 business and renewals.

**DATED** at St. John's, Newfoundland and Labrador, this 23<sup>rd</sup> day of June, 2020.



Darlene Whalen, P. Eng., FEC  
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA  
Commissioner



Cheryl Blundon  
Board Secretary