

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

AN ORDER OF THE BOARD

NO. A.I. 61(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 The Sovereign General Insurance
8 Company for approval to implement a
9 revised rating program for its Private
10 Passenger Vehicles category of
11 automobile insurance.
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14 **WHEREAS** on July 14, 2020 The Sovereign General Insurance Company (“Sovereign”) applied
15 to the Board for approval of a revised rating program under the IAO filing option for its Private
16 Passenger Vehicles category of automobile insurance; and
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18 **WHEREAS** the IAO filing option may be used by insurers to adopt the most recent IAO rating
19 program accepted for use by the Board; and
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21 **WHEREAS** the IAO filing option may also be used to introduce deviations to the IAO rating
22 program by insurers that are proposing to adopt or are currently using IAO rates; and
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24 **WHEREAS** Sovereign proposed to adopt the IAO rating program for Private Passenger Vehicles
25 accepted for use by the Board in Information Bulletin A.I. 2020-06 issued on May 5, 2020; and
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27 **WHEREAS** Sovereign also proposed a number of deviations to the Board accepted IAO rating
28 program; and
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30 **WHEREAS** Sovereign noted that it did not have sufficient volume to justify a rating program
31 based on company specific data; and
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33 **WHEREAS** Sovereign provided rationale for its proposed deviations to the IAO rating program;
34 and

1 **WHEREAS** the revised rating program is filed in accordance with the IAO Filing Guidelines and
2 is supported; and

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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 July 14, 2020 from The Sovereign General Insurance
13 Company for its Private Passenger Vehicles category of automobile insurance is approved to
14 be effective no sooner than October 13, 2020 for new business and November 12, 2020 for
15 renewals.

DATED at St. John’s, Newfoundland and Labrador, this 13th day of August, 2020.



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



Christopher Pike, LL.B., FCIP
Commissioner



Cheryl Blundon
Board Secretary