

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

**AN ORDER OF THE BOARD**

**NO. A.I. 63(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  
10 Miscellaneous Vehicles category of  
11 automobile insurance.  
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13

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 the following  
16 types of Miscellaneous Vehicles: (i) All-Terrain Vehicles; (ii) Motorcycles; (iii) Mopeds; (iv)  
17 Snowmobiles; (v) Camper Units; (vi) Motorhomes; and (vii) Trailers; and  
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19 **WHEREAS** the IAO filing option may be used by insurers to adopt the most recent IAO rating  
20 program accepted for use by the Board; and  
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22 **WHEREAS** the IAO filing option may also be used to introduce deviations to the IAO rating  
23 program by insurers that are proposing to adopt or are currently using IAO rates; and  
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25 **WHEREAS** Sovereign proposed to adopt the IAO rating program for Miscellaneous Vehicles  
26 accepted for use by the Board in Information Bulletin A.I. 2020-06 issued on May 5, 2020; and  
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28 **WHEREAS** Sovereign proposed a number of deviations to the Board accepted IAO rating  
29 program; and  
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31 **WHEREAS** Sovereign noted that it did not have sufficient volume to justify a rating program  
32 based on company specific data; and  
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34 **WHEREAS** Sovereign provided rationale for its proposed deviations to the IAO rating program;  
35 and

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

- 11  
12 1. The revised rating program received July 14, 2020 from The Sovereign General Insurance  
13 Company for its Miscellaneous Vehicles category of automobile insurance is approved to be  
14 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 13<sup>th</sup> day of August, 2020.

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

  
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Christopher Pike, LL.B., FCIP  
Commissioner

  
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Cheryl Blundon  
Board Secretary