A. I. 20 (2003)

IN THE MATTER OF the *Insurance Companies Act* R.S.N. 1990, c. I-10, and the *Automobile Insurance Act,* R.S.N. 1990, c. A-22 as amended, and

IN THE MATTER OF an application by Facility Association for approval of revised rates to be charged for private passenger and commercial automobile insurance policies issued through Facility Association, pursuant to Section 102 of the *Insurance Companies Act*.

BEFORE:

G. Fred Saunders,
Commissioner (Presiding Chair)

Gerard Martin, Q.C.,
Commissioner.

Don R. Powell, C.A.,
Commissioner.

WHEREAS on September 6, 2002 Facility Association filed with the Board an application for approval of revised rates to be charged private passenger and commercial automobile insurance policy holders insured by servicing carriers on behalf of Facility in all areas of the Province; and

WHEREAS after hearing the matter, the Board, on April 9, 2003, issued Order A.I. 8 (2003) directing amongst other things, that Facility make changes as outlined in the Order to certain assumptions and methodologies and to refile with the Board rate indications based on those changes; and

WHEREAS the original effective date for implementation of revised rates of February 1, 2003 could not be attained as the date had passed; and

WHEREAS Facility indicated a requirement of a minimum of 90 clear days between the date of approval of revised rates and the implementation date thereof; and

WHEREAS the delay in implementation date also required an adjustment to the indicated rate changes due to the application of a trend factor; and

WHEREAS the Board has permitted Facility to alter the refiled rates to account for the trend factor for the time lapse between the original effective date of February 1, 2003 and the effective date of the refiled rates; and

WHEREAS on April 28, 2003 Facility refiled its proposed rate changes reflecting the changes directed by the Board and including an adjustment for trend to the revised rates effective date of September 1, 2003; and

WHEREAS the Board's Actuarial Consultant reviewed the refiled rates and confirmed that the directions as contained in order A.I. 8 (2003) were incorporated into the revised rates; and

WHEREAS the Board has considered all information before it.

IT IS THEREFORE ORDERED THAT:

1. **Approval be and it is hereby granted, Facility Association for revised private passenger and commercial automobile insurance rates for policies issued through its servicing carriers as submitted to the Board on April 28, 2003 and more particularly as follows:**

Private Passenger Rates						
Rating Territory	**Liability**	**Accident Benefits**	**Uninsured Motorist**	**Collision**	**Comprehensive**	**Specified Perils**
1 (004)	2189.87	108	36	286.95	107.42	53.01
2 (005, 007)	945.23	108	36	278.70	76.92	37.96
3 (006)	848.43	108	36	343.21	91.82	45.31

Commercial Rates						
Rating Territory	**Liability**	**Accident Benefits**	**Uninsured Motorist**	**Collision**	**Comprehensive**	**Specified Perils**
1 (004)	1104.42	65	19	481.48	203.10	106.63
2.(005, 007)	1104.42	65	19	481.48	203.10	106.63
3 (006)	1104.42	65	19	481.48	203.10	106.63

These rates shall be subject to the criteria contained in Facility's underwriting manual where the criteria are in compliance with this Order or A.I. 8 (2003) and shall also be subject to a multi-vehicle discount as provided for in Rule 59 of the same manual.

Dated at St. John's, Newfoundland and Labrador, this 14th day of May 2003.

G. Fred Saunders,
Commissioner (Presiding Chair)

Gerard Martin, Q.C.,
Commissioner.

Don R. Powell, C.A.,
Commissioner.

G. Cheryl Blundon,
Board Secretary.