

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

AN ORDER OF THE BOARD

NO. A.I. 45(2024)

1 **IN THE MATTER OF** the **Automobile**
2 **Insurance Act**, RSNL 1990, c. A-22,
3 as amended and regulations
4 thereunder; and
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6 **IN THE MATTER OF** an application by
7 Elite Insurance Company for approval
8 to implement a revised rating program
9 for its Miscellaneous Vehicles -
10 Motorhomes category of automobile
11 insurance.
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14 **WHEREAS** on July 2, 2024 Elite Insurance Company (“Elite”) applied to the Board for approval of
15 a revised rating program under the Mandatory Simplified filing option for its Miscellaneous
16 Vehicles - Motorhomes category of automobile insurance; and
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18 **WHEREAS** Elite proposed an overall rate level change of +3.0% and the following rating program
19 changes:
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- 21 • Rating variable changes;
- 22 • New coverage offerings;
- 23 • Rating algorithm update;
- 24 • Deductible changes;
- 25 • Vehicle rate group changes;
- 26 • Discounts and surcharges changes;
- 27 • Endorsement changes;
- 28 • Minimum premium update; and
- 29 • Base rate off-balancing; and
30

31 **WHEREAS** Elite noted that its loss ratio has been volatile over the past 5 years, and added that it
32 was unable to perform an actuarial analysis in support of its proposal due to its limited exposure
33 count and lack of credible data; and

1 **WHEREAS** Elite noted that the purpose of the proposal was to increase pricing sophistication and
2 improve segmentation; and

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4 **WHEREAS** Elite provided rationale and support for its proposed rating program changes; and

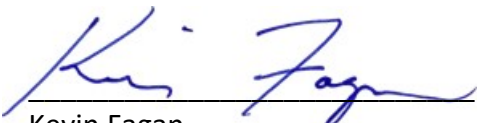
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6 **WHEREAS** the proposed rating program is filed in accordance with the Mandatory Simplified
7 Filing Guidelines; and


8
9 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the
10 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the
11 financial circumstances of the insurer, and do not violate the **Automobile Insurance Act** or the
12 **Insurance Companies Act** or the respective regulations thereunder.

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15 **IT IS THEREFORE ORDERED THAT:**

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17 1. The rating program received July 2, 2024 from Elite Insurance Company for its Miscellaneous
18 Vehicles - Motorhomes category of automobile insurance is approved to be effective no
19 sooner than December 1, 2024 for new business and February 1, 2025 for renewals.

DATED at St. John’s, Newfoundland and Labrador, this 25th day of July, 2024.


Kevin Fagan
Chair and Chief Executive Officer


Christopher Pike, LL.B., FCIP
Commissioner


Jo-Anne Galarneau
Executive Director and Board Secretary