

A.I. 18 (2002-2003)

IN THE MATTER OF THE AUTOMOBILE
INSURANCE ACT, CHAPTER A - 22,
R.S.N. 1990

AND

IN THE MATTER OF AN APPLICATION BY
Traders General Insurance Company
TO IMPLEMENT REVISED RATES FOR ITS
PRIVATE PASSENGER CLASS OF BUSINESS.

WHEREAS, by application received March 20, 2002, Traders General
Insurance Company applied to the Board for approval to implement a revised rating
program for its Private Passenger class of business, and

WHEREAS upon preliminary review, it was determined that a number of
the proposed or adjusted proposed base rates did not conform with the 2001 benchmark
rate ranges of acceptable rates, and

WHEREAS the applicant has submitted actuarial analysis in support of the
establishment of rates which do not conform with the benchmark rate ranges of
acceptable rates, and

WHEREAS the Board, after due examination and analysis of the proposed rating program, finds that it should be approved as filed.

IT IS THEREFORE ORDERED THAT:

1. Order No. A.I. 23 (2001-2002) be and it is hereby rescinded.
2. The following base rates are hereby approved for use by the company:

Territory	1	2	3
Third Party	\$ 1116.07	\$ 558.73	\$ 392.72
Collision	204.63	217.48	214.87
Comprehensive	118.04	93.60	111.93
All Perils	280.77	277.85	287.07
Specified Perils	39.00	22.00	19.00
Accident Benefits	103.00	92.00	92.00
Uninsured Motorist	24.00	13.00	9.00

and differentials as submitted with this filing.

3. The following discounts are approved for use subject to the eligibility criteria set out in the company's underwriting manual:

i. multi-vehicle	10%	third party liability, collision, accident benefits, & uninsured motorist
ii. mature driver	10%	third party liability, collision, accident benefits, uninsured motorist, comprehensive, & specified perils – driving record 6 – classes 01, 02, 03 and 07
iii. student	50%	third party liability & collision – classes 05 and 06 only
iv. package	5%	third party liability, collision, comprehensive, specified perils, & accident benefits – classes 01, 02, 03 and 07
v. short-commute	10%	<u>class 02</u> : third party liability, collision, uninsured motorist, & accident benefits
vi. preferred driver	10%	third party liability, collision, comprehensive, specified perils, uninsured motorist, & accident benefits – driving record 6 – classes 01, 02, 03 and 07

4. The rates established by way of this Order are to be implemented on August 1, 2002 for new business and no later than September 1, 2002 for renewals.

Dated at St. John's, Newfoundland and Labrador, this 12th day of June, 2002.

Robert Noseworthy
Chairperson & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chairperson

G. Cheryl Blundon,
Board Secretary