

A.I.23 (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
The Personal Insurance Company of Canada
TO IMPLEMENT REVISED RATES FOR ITS
PRIVATE PASSENGER AND MISCELLANEOUS CLASSES OF BUSINESS.

WHEREAS, by application received April 3, 2002, The Personal
Insurance Company of Canada applied to the Board for approval to implement a revised
rating program for its Private Passenger and Miscellaneous classes 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 revised proposed rating program, finds that it should be approved.

IT IS THEREFORE ORDERED THAT:

1. Order No. A.I. 57 (2001-2002) be and it is hereby rescinded.
2. Approval be and it is hereby granted The Personal Insurance Company of Canada for the implementation of a revised rating program for its Private Passenger class of business with base rates as follows:

Territory	1	2	3
Third Party	\$ 922.17	\$ 477.68	\$ 366.10
Collision	196.67	191.95	215.35
Comprehensive	112.71	104.26	114.18
All Perils	278.95	268.06	298.70
Specified Perils	63.34	32.18	35.91
Accident Benefits	73.00	41.68	47.96
Uninsured Motorist	29.00	8.99	6.99

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. no-claims	10%	All coverage Classes 01, 02, 23, 03 and 07 only
ii. multi-vehicle	10%	All coverage Classes 01, 02, 23, 03 and 07 only
iii. age: <u>primary operator</u>		
30 – 34 years	5%	All coverage
35 – 54 years	8%	Classes 01, 02, 23, 03 and 07 only
Over 54 years	14%	
iv. short commute	7%	Third Party Liability, Territory 1
	3%	Third Party Liability, Territory 2 and 3
	7%	Collision, Territory 1
	5%	Collision, Territory 2 and 3
v. driving experience	8%	All Coverages – Classes 01, 02, 23, 03, and 07 only
vi. anti-theft	15%	Comprehensive and Specified Perils

4. Approval be and it is hereby granted The Personal Insurance Company of Canada for the implementation of a revised Miscellaneous classes rating program as submitted with this filing.

5. These rates shall be effective from October 1, 2002 for new business and December 15, 2002 for renewals.

Dated at St. John's, Newfoundland and Labrador, this 21st day of August, 2002.

Robert Noseworthy
Chairperson & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chairperson

Cheryl Blundon
Board Secretary