

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

AN ORDER OF THE BOARD

NO. A.I. 35(2020)

1 **IN THE MATTER OF** the *Automobile*
2 *Insurance Act*, RSNL 1990, c. A-22, as
3 amended, and regulations thereunder; and
4

5 **IN THE MATTER OF** an application by
6 Tokio Marine & Nichido Fire Insurance
7 Company Limited for approval to
8 implement a revised rating program for
9 its Private Passenger Automobiles
10 category of automobile insurance.
11
12

13 **WHEREAS** effective January 1, 2020 changes to the *Automobile Insurance Act* and regulations
14 thereunder came into effect which included mandatory reforms of the automobile insurance
15 product; and
16

17 **WHEREAS** the mandatory reforms included the introduction of Direct Compensation Property
18 Damage (“DCPD”) coverage for all vehicles and an increase in the deductible applicable to all
19 pain and suffering awards from \$2,500 to \$5,000; and
20

21 **WHEREAS** on May 29, 2020 Tokio Marine & Nichido Fire Insurance Company Limited applied
22 to the Board for approval of a revised rating program under the Reform filing option for its Private
23 Passenger Automobiles category of automobile insurance; and
24

25 **WHEREAS** Tokio Marine & Nichido Fire Insurance Company Limited has no relevant exposures
26 in the province and proposed to adopt the most recent rates and risk classification system of its
27 partner company, Northbridge General Insurance Corporation; and
28

29 **WHEREAS** in Order No. A.I. 24(2020) Northbridge General Insurance Corporation received
30 approval for a revised rating program for its Private Passenger Automobiles category of
31 automobile insurance effective November 21, 2020 for new business and renewals; and
32

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

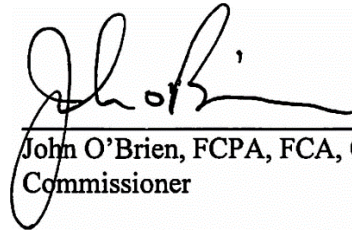
1 **IT IS THEREFORE ORDERED THAT:**

- 2
- 3 1. The revised rating program received May 29, 2020 from Tokio Marine & Nichido Fire
- 4 Insurance Company Limited for its Private Passenger Automobiles category of automobile
- 5 insurance is approved to be effective no sooner than November 21, 2020 for new business and
- 6 for renewals.

DATED at St. John's, Newfoundland and Labrador, this 23rd day of June, 2020.



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



John O'Brien, FCPA, FCA, CISA
Commissioner



Cheryl Blundon
Board Secretary