

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

**AN ORDER OF THE BOARD**

**NO. A.I. 4(2021)**

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  
7 by The Sovereign General Insurance  
8 Company for approval to implement a  
9 revised rating program for its Private  
10 Passenger Automobiles category  
11 of automobile insurance.  
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14 **WHEREAS** on December 15, 2020, The Sovereign General Insurance Company (“Sovereign”) applied to the Board for approval of a revised rating program under the IAO filing option for its Private Passenger Automobiles category of automobile insurance; and  
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18 **WHEREAS** the IAO filing option may be used by insurers to adopt the most recent IAO rating program accepted for use by the Board; and  
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21 **WHEREAS** the IAO filing option may also be used to introduce deviations to the IAO rating program by insurers that are proposing to adopt or are currently using IAO rates; and  
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24 **WHEREAS** Sovereign proposed to adopt the IAO rating program for Private Passenger Automobiles accepted for use by the Board in Information Bulletin A.I. 2020-08 issued on September 14, 2020; and  
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28 **WHEREAS** Sovereign also proposed a number of deviations to the Board accepted IAO rating program; and  
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31 **WHEREAS** Sovereign noted that it did not have sufficient volume to justify a rating program based on company specific data; and  
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34 **WHEREAS** Sovereign provided rationale for its proposed deviations to the IAO rating program; and  
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1 **WHEREAS** the revised rating program is filed in accordance with the IAO Filing Guidelines and  
2 is supported; and

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4 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the  
5 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the  
6 financial circumstances of the insurer, and do not violate the *Automobile Insurance Act* or the  
7 *Insurance Companies Act* or the respective regulations thereunder.  
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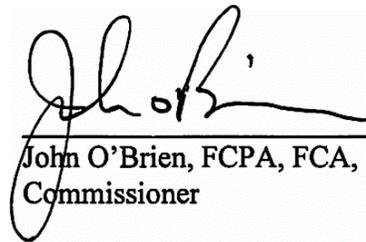
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10 **IT IS THEREFORE ORDERED THAT:**

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12 1. The revised rating program received December 15, 2020 from The Sovereign General  
13 Insurance Company for its Private Passenger Automobiles category of automobile insurance  
14 is approved to be effective no sooner than April 7, 2021 for new business and May 7, 2021 for  
15 renewals.

**DATED** at St. John's, Newfoundland and Labrador, this 18<sup>th</sup> day of February, 2021.



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



John O'Brien, FCPA, FCA, CISA  
Commissioner



Cheryl Blundon  
Board Secretary