

# FINANCIAL SERVICES COMMISSION OF ONTARIO

## ***Section 410 Filing Guidelines - Expedited for Proposed Revisions to Automobile Insurance Rates and Risk Classification Systems***

### **A. GENERAL INFORMATION**

#### **Rate and Risk Classification System Legislation**

Sections 410 to 417 of the *Insurance Act* (the *Act*), R.S.O. 1990, Chap. I.8, as amended, set out the legislation pertaining to rates and risk classification systems for automobile insurance. As stated in Regulation 664, as amended, sections 410 to 417 of the *Act* apply to contracts and endorsements to contracts of automobile insurance on Ontario Automobile Policy (OAP) 1 or 2, but do not apply to contracts insuring "fleets". "Fleet" means a group of at least five vehicles that are under common ownership or management and that are used for business, commercial or public purposes.

The types of processes for approval and authorization of rates and risk classification systems are:

- ***Prior approval*** as set out in section 410; and
- ***File and use*** as set out in section 413 of the *Act*.

Under the **prior approval** process for private passenger automobile insurance, proposed changes to rates and risk classifications can be:

- subject to the **expedited** filing guidelines (refer to the *Section 410 Filing Guidelines - Expedited*) where the filing changes satisfy the criteria set out in regulation 664, Section 15.1; or
- subject to the **respond to market (R2M)** filing guidelines (refer to the *Section 410 Filing Guidelines - R2M*) where the filing changes satisfy the criteria established by the Superintendent (refer to Exhibit 1 of the *Technical Notes*); or
- subject to the **major** filing requirements (refer to the *Section 410 Filing Guidelines - Major*).

Under the **file and use** process, filings can be:

- subject to the **major** filing requirements (refer to the *Section 413 Filing Guidelines - Major*), where the filing is the initial application for the category, or the insurer satisfies the criteria established by the Superintendent (refer to Exhibit 4 of the *Technical Notes*) or where FSCO considers it appropriate in the circumstances; or
- subject to the **minor** filing requirements (refer to the *Section 413 Filing Guidelines - Minor*) in all other cases.

#### **Filing Requirements**

Section 410(3) provides that an application (filing) for approval of rates and a risk classification system shall be in a form approved by the Superintendent and shall be filed together with such information, material and

evidence as the Superintendent specifies.

These guidelines are to be used for filings made under section 410 for rates and risk classification systems that are subject to the expedited process based on the criteria outlined in regulation.

The purpose of these *Section 410 Filing Guidelines - Expedited* is to communicate to insurers the requirements of FSCO for expedited automobile insurance filings and to provide a systematic approach through which insurers may provide that information and thus facilitate the process of preparing as well as reviewing these filings.

In the case where the rating structure of a category of automobile insurance required to be filed under section 413 is dependent upon the insurer's private passenger automobile rates, complete section 8 under these guidelines. Otherwise, use the separate filing guidelines for section 413 filings.

There are also separate filing guidelines for filing changes to endorsement rates (other than OPCF 44R). Refer to the *Endorsements Filing Guidelines* package.

### **Required Rates and Risk Classification System Elements**

In order for an application to be approved, insurers must have filed rates and risk classification systems for the following:

- Optional accident benefits as set out in the *Statutory Accident Benefits Schedule (SABS)*. Optional benefits have been “packaged” and insurers must offer and file the rates and risk classification system for **all categories of automobile insurance** for the five “packaged” optional accident benefits as follows:
  - (a) increased income replacement benefit to \$600, \$800 or \$1,000 per week;
  - (b) increased death and funeral benefit;
  - (c) increased medical, rehabilitation, and attendant care benefit;
  - (d) increased caregiver and dependent care benefit; and
  - (e) indexation benefit.
- A \$300 deductible for physical damage coverages (collision, comprehensive, all perils and specified perils) and the direct compensation - property damage (DC-PD) coverage. This deductible level must be established for **all categories of automobile insurance** though an insured may choose to purchase a higher or lower deductible.
- A retiree's discount is mandatory on **only the private passenger automobile insurance category**. The discount must be a percentage of the basic accident benefits coverage rate for the automobile driven by the principal operator that is retired. The mandatory definition is as follows:

To qualify for the retiree's discount, the principal operator of the automobile to which the discount is assigned must:

- (a) be retired;  
and  
not earn or receive income from any office or employment;  
and  
not be engaged in any professional occupation;  
and  
not be operating a business;

and  
not have been employed for 26 weeks or more in the last 52 weeks;

and

- (b) be age 65 or older;  
or  
be in receipt of a pension under the *Canada Pension Plan* or the *Quebec Pension Plan*;  
or  
be in receipt of a pension registered under the *Income Tax Act, Canada*.

Insurers must also comply with the following requirements for insurance on private passenger automobiles in respect of the graduated licensing system:

- Level One drivers are not to be rated.
- Level Two drivers can be rated.
- For the purpose of determining driving experience, insurers must credit drivers for the time spent at Level One to a maximum of one year, and at Level Two to a maximum of one year.
- Novice drivers entering Level Two from Level One should receive a rate reduction of 10% for all coverages where the driver's experience is used as a rating factor, provided that the driver has had no chargeable convictions or at-fault accidents at Level One. This reduction is applicable for one year.
- Fully-licensed drivers who have progressed through the graduated licensing system should receive a rate reduction of 10% for all coverages where the driver's experience is used as a rating factor, provided that the driver has had no chargeable convictions or at-fault accidents at Level Two. This reduction is applicable for one year.
- Driver training discounts and credits should continue to apply.

#### Filing Format

Subject to the guidelines set forth in Section C, the filing should contain the informational sections, as outlined below, and in the order outlined below.

Section	Contents
1.	Table of Contents
2.	Summary of Information (Appendix A)
3.	Certificate of the Officer/Designate (Appendix B)
4.	Base Rates Changes
5.	Discount/Surcharge Changes (not applicable to expedited filing)
6.	Rating Rule Changes (not applicable to expedited filing)
7.	Final Rates/Rate Level Change

8.	Dependent Categories (if applicable)
9.	Manual Pages
10.	Rating Examples (Appendix C)

**Authorization Process**

Filings should be submitted to:

Financial Services Commission of Ontario  
 Rates and Classifications Unit  
 Automobile Insurance Analysis Division  
 Box 85, 16th Floor  
 5160 Yonge Street  
 North York ON M2N 6L9

Upon receipt of a filing, each insurer will receive an acknowledgement letter from FSCO. The filing will then be reviewed for completeness based on these filing guidelines and the insurer will be informed of any information required to complete the filing. Until such time as a filing is complete, the time periods in the Act do not begin to run.

Once a filing is complete, FSCO will review the technical components of the filing. FSCO may request further information from the insurer.

Once an insurer has received notification of authorization from FSCO of its filing, it must:

- file one copy of its rate manual, containing the revised rates and risk classification system, with FSCO in hard copy format within 30 days (see Section 9 of the filing requirements); or
- file one copy of its rate manual, containing the revised rates and risk classification system, in an electronic format in an encapsulated postscript file within 30 days.

**If an insurer fails to file its rate manual within 30 days it may be subject to prosecution under the Insurance Act.**

**Note**

The Commission may receive access requests under the Freedom of Information and Protection of Privacy Act (FOIPOP Act) for any record in its custody or control. Section 17 of the FOIPOP Act recognizes that certain types of information supplied in confidence by third parties should be exempt from disclosure in the event of an access request if disclosure could result in the harms listed in Section 17. These types of information may include algorithms, base rates, differentials and any information included under Sections 4 through 7 of the filing requirements.

If you think that Section 17 of the FOIPOP Act might be applicable to a request for access to your rate filing, please list or stamp all of the pages of the filing that are confidential and give the reasons for the confidentiality. While this exercise does not guarantee that records will not be disclosed, it will be useful in assisting FSCO in responding to an access request.



## **B. DEFINITIONS**

### **Affiliated Insurers**

Two or more insurers are considered to be affiliated if any of the following criteria are met:

- i) one of the insurers is a subsidiary of another insurer
- ii) both are subsidiaries of the same body corporate
- iii) each of the insurers is controlled by the same person.

### **Allocated Loss Adjustment Expenses**

All external expenses that can be directly charged to a particular claim file, whether a loss payment is made or not, including:

- i) adjuster's accounts (including all disbursements) - excluding staff adjusters;
- ii) appraisal costs (including appraisal centre costs) - excluding staff appraisal costs or costs included under (i);
- iii) legal expenses including all first party legal costs charged to a particular claim file - excluding staff legal fees or costs or fees included under (i);
- iv) all other external claims expenses.

### **Category of Automobile Insurance**

For purposes of these filing guidelines, categories of automobile insurance include the following:

personal vehicles - private passenger automobiles  
personal vehicles - motorcycles  
personal vehicles - motor homes  
personal vehicles - trailer and camper units  
personal vehicles - off-road vehicles  
personal vehicles - motorized snow vehicles  
personal vehicles - historic vehicles  
commercial vehicles  
public vehicles - taxis and limousines  
public vehicles - other than taxis and limousines.

The above category titles should be used when possible. If subdivisions of the above categories have been made, the insurer should indicate within which of the above categories the subdivisions fall.

### **Coverage**

For the purposes of these filing guidelines, coverages include the following:

Liability - Bodily Injury  
Liability - Property Damage  
Accident Benefits  
Uninsured Automobile  
Direct Compensation - Property Damage  
Specified Perils  
Comprehensive

Collision or Upset  
All Perils  
Underinsured Motorist (OPCF 44R)

**Endorsement**

An endorsement (policy change form), approved by the Superintendent under section 227 of the *Act*, to a contract of automobile insurance. Standard Ontario endorsements are issued under a series of OPCF numbers. Non-standard endorsements, which must also be approved by the Superintendent, are uniquely identified by each insurer. For purposes of these filing guidelines, OPCF 44R is treated as a **coverage**, not as an endorsement.

**Expedited Approval**

Process of regulation in which insurers may have their risk classification systems or rates approved within thirty days after filing them with FSCO in accordance with Section 411 of the *Act*. An insurer must comply with criteria set out in regulation to be able to file under the expedited process. The expedited approval system applies to coverages, including OPCF 44R for personal vehicles - private passenger automobiles written on OAP 1, except those contracts written by the Facility Association. Contracts written on Ontario Policy Form 4, 6, 7, or 8, or contracts of automobile insurance that insure fleets or any endorsements on those contracts, are exempt from the file and use, expedited approval and prior approval systems of regulation.

**Equity**

Includes an insurer's capital stock, head office account, contributed surplus, earned surplus, and required reserves plus contingency and general reserves as reported in the insurer's P&C 1 or 2.

**File and Use**

Process of regulation in which insurers may use the risk classification systems or rates thirty days after filing them with FSCO in accordance with Section 413 of the *Act*. The file and use system applies to insurers, other than the Facility Association, for the following: endorsements (other than OPCF 44R on private passenger automobiles); categories of automobile insurance other than private passenger automobile insurance written on OAP 1; and all insurance written on OAP 2. Contracts written on Ontario Policy Form 4, 6, 7, or 8, or contracts of automobile insurance that insure fleets or any endorsements on those contracts, are exempt from the file and use, expedited approval, and prior approval systems of regulation. The Facility Association rates are not subject to file and use.

**Fleet**

Group of at least five vehicles that are under common ownership or management and that are used for business, commercial or public purposes.

**Investment Income**

All income attributable to the investment of policyholder supplied funds and shareholder supplied funds and surplus, **including** realized capital gains (and losses), net of investment expenses.

**Prior Approval**

Process of regulation in which insurers must have their rates and risk classification systems approved before use in accordance with Section 412 of the *Act*. The prior approval system applies to: insurance written by the Facility Association on OAP 1 or 2; coverages, including OPCF 44R, for personal vehicles - private passenger automobiles written on OAP 1. Contracts written on Ontario Policy Form 4, 6, 7, or 8, or contracts of automobile insurance that insure fleets or any endorsements on those contracts, are exempt from both the file and use and prior approval system

of regulation.

<b>Rate</b>	All amounts payable as premium under contracts of automobile insurance, or endorsements to such contracts, for an identified risk exposure. Rates may be expressed in terms of dollars and/or in terms of multiplicative or additive factors to be applied to a base premium amount. Rates are to include all provisions reflecting surcharges/discounts for applicable risk exposures. Rates are to be inclusive of commissions and other expense provisions used by the insurer, and are to be considered prior to the granting of policyholder dividends. Rates are subject to the provisions of sections 410 to 417 of the <i>Act</i> .
<b>Rate Differentials</b>	Multiplicative or additive factors/rates that are applied to the base rate for a particular territory to arrive at the rates for that territory, by class, limit of liability, deductible, etc.
<b>Rating Algorithm</b>	The manner in which base rates, rate differentials, and other surcharges/discounts are combined to arrive at the premium charged to an individual risk.
<b>Rating Rule</b>	A rule by which a risk is assigned to a specific rating cell or whether a discount or surcharge is applicable. Examples include rules by which territory, driver classification and vehicle rating group are assigned. Rating rules differ from underwriting rules which involve the decision to accept or decline a risk.
<b>Return on Equity</b>	The sum, on an after-tax basis, of underwriting and investment income divided by equity.
<b>Return on Equity (Proposed)</b>	The return on equity underlying the <b>proposed</b> rate change.
<b>Return on Equity (Target)</b>	The return on equity underlying the <b>actuarially indicated</b> rate change.
<b>Risk Classification System</b>	The elements used for the purpose of classifying risks in the determination of rates for a coverage or category of automobile insurance, including the variables, criteria, rules and procedures for that purpose.
<b>Territorial Base Rate</b>	The rate that serves as the starting point for each territory for developing all other rates by class, limit of liability, deductible, etc. It is the rate in the territory for that particular combination of class, limit of liability, deductible, etc. for which the multiplicative factors are all 1.00 and the additive factors are all zero.
<b>Unallocated Loss Adjustment Expenses</b>	All claims settlement and processing costs, excluding ALAE, but including staff adjusters, appraisers, advisors, lawyers, clerical support, and a portion of general expenses reasonably attributable to the claims function.
<b>Underwriting Profit Margin</b>	Direct premiums earned less discounted claims and adjustment expenses, less investment income earned on cash flow, less commissions and other acquisition expenses, less taxes (excluding income and real estate taxes), less general expenses (applicable to insurance operations) divided by direct premiums earned.
<b>Underwriting Profit Margin</b>	The underwriting profit margin underlying the <b>proposed</b> rate change.



**(Proposed)**

**Underwriting Profit Margin  
(Target)**

The underwriting profit margin underlying the **actuarially indicated** rate change.

**Underwriting Rules**

Those rules that govern the decision by an insurer to accept or decline a risk, coverage or endorsement. Such rules are subject to the provisions of sections 237 and 238 of the *Act*. Filing of such rules must be made using the Section 238 Filing Guidelines or, for endorsements, the Endorsements Filing Guidelines issued by FSCO.

## C. REQUIREMENTS FOR SECTION 410 FILINGS

### SECTION 1: TABLE OF CONTENTS

This section contains a listing of the contents of Sections 2 through 10 of the filing and should be in sufficient detail to serve as a reference, by page number, for the location of specific elements of the filing. The pages of the filing, including exhibits, should be put in a binder, numbered consecutively and dated on 8.5" by 11" three-hole punched paper. In addition, each section and subsection should be labelled according to the section and subsection numbering system outlined in this document.

### SECTION 2: SUMMARY OF INFORMATION

The summary section contains certain key information on the nature of the filed rate level or risk classification system changes. The form to be used is attached to this document as Appendix A.

Specific instructions to complete the Appendix are outlined below:

- In responding to Question 2, proposed effective dates are to be listed for both new and renewal business. This information is important in approving the filing. If there are any changes to the proposed effective dates you should notify us. In determining renewal dates, the notice periods set out in section 236 of the *Act* should be taken into consideration.
- In responding to Question 4, the premium weights should be disclosed in percentage terms and should be at the current rate level.
- In responding to Question 5a, prior rate level changes in the last eighteen months should be shown. The *All Coverages Combined Rate Level Change* should be based on the on-level premium weights that were applicable at the time of the rate change.
- In responding to Question 5b, the *Average Cumulative Rate Change* is to be calculated by:
  - taking the *All Coverages Combined Rate Level Change* from the response to question 4;
  - taking each *All Coverages Combined Rate Level Change* that occurred after January 1 of the year up to the proposed renewal effective date from the responses to question 5a,

and then using the following formula:

$$\left[ \prod (1 + i) (1 - d) \right] - 1$$

all  $i, d$

where:  $i$  = the proposed rate level increase or approved rate level increase(s) that occurred after January 1 of the year in which the proposed rate change is expected to be effective for renewal business; and

$d$  = the proposed rate level decrease or approved rate level decrease(s) that occurred after January 1 of the year in which the proposed rate change is expected to be effective for renewal business.

### SECTION 3: CERTIFICATE OF THE OFFICER/DESIGNATE

Each filing must be accompanied by an original signed authorized Certificate of the Officer/ Designate. A copy of the Officer/Designate form is attached as Appendix B. Authorized officers are the President, CEO, COO, CFO, or Chief Agent for Canada. Alternately the President, CEO, COO, or CFO may authorize a designate to sign the Certificate of the Officer/Designate. The Designate should be of Vice-President rank or above.

To designate an alternate, an original, signed letter of authorization must be submitted for our files. A copy of this authorization should be included with each filing where a designate will sign the certificate.

### SECTION 4: BASE RATES AND DIFFERENTIAL CHANGES

#### 4.a. Base Rates Changes

If the insurer is requesting changes to the base rates, the approach used in costing and a general narrative of the process must be outlined in detail. Under the expedited filing process, the percentage difference, for each territory used by the insurer, between the average of the existing rates for each coverage and the average of the proposed rates for that coverage is not more than 5 per cent higher or lower than the percentage difference, for all of Ontario, between the average of the existing rates for that coverage and the average of the proposed rates for that coverage (see Section 15.1(2)(4) of Regulation 664).

The required information should include: (i) a description of the proposed changes, (ii) the rationale for the proposed changes, (iii) the rate level effects of the proposed changes, and (iv) calculations that validate the rate level effect of the proposed changes based on the expected distribution of business.

#### 4.b. Differential Changes

No changes to differentials are allowed under the expedited filing process.

### SECTION 5: DISCOUNT/SURCHARGE CHANGES

No changes to discounts or surcharges are allowed under the expedited filing process.

### SECTION 6: RATING RULE CHANGES

No changes to rating rules are allowed under the expedited filing process.

### SECTION 7: FINAL RATES/RATE LEVEL CHANGE

Exhibits illustrating current and proposed base rates, current rating algorithm, current discounts/surcharges, and current differentials, **clearly identified as either current or proposed**, must be disclosed in this section, including any explanatory material in support of the proposed changes. **To facilitate the review process, all of 7.a. - 7.d. must be included even though the change may be only to base rate changes under this filing process.**

#### 7.a. Algorithm

An exhibit illustrating current algorithm must be disclosed in this section. The algorithm cannot be changed

under the expedited process.

**7.b. Base Rates**

Exhibits illustrating current and proposed base rates must be disclosed in this section.

**7.c. Differentials**

An exhibit illustrating current differentials must be disclosed in this section. Differentials cannot be changed under the expedited process.

**7.d. Discounts and Surcharges**

An exhibit illustrating current discounts and surcharges must be disclosed in this section. Discounts and surcharges cannot be changed under the expedited process.

**7.e. Calculation of Final Rates**

The filing must clearly describe and show how current manual territorial base rates are transformed into proposed manual territorial base rates through the application of the proposed rate change in combination with any off-balance.

**7.f. Calculation of Rate Level Change**

The filing must clearly describe and show how the rate level impact of changes to base rates, in combination with any off-balance which may be applied, are used to calculate the overall rate level change on a per coverage basis. This calculation should reconcile with the Proposed Overall Rate Level Change from Appendix A, Question 4.

**SECTION 8: SECTION 413 DEPENDENT CATEGORIES**

For those categories of automobile insurance that are dependent on the section 410 rate filing submitted, please provide the following:

- (i) the rate level effects of the proposed changes.
- (ii) the calculations that validate the rate level effect of the proposed changes,
- (iii) a copy of the rating rule that stipulates the linkage to the category of automobile insurance, and
- (iv) rating examples must be completed for the dependent category of automobile insurance. Rating examples are attached as Appendix C to the Section 413 filing guidelines.

**SECTION 9: MANUAL PAGES CONTAINING  
REVISED RATES AND RISK CLASSIFICATION SYSTEM**

A draft set of manual pages that contains the rates by territory and class, driving record, etc is optional at the time of submitting the filing.

However, a set of manual pages containing the approved rates and risk classification system **must** be submitted within 30 days after the rate filing has been authorized. The insurer should also provide a copy of the most current vehicle rate group tables if they have not already been filed with FSCO.

## SECTION 10: RATING EXAMPLES

Appendix C sets out eleven rating examples. Each insurer must file with FSCO those rating examples which would be affected by the filing. It should be noted that these rating examples may not be the same examples required in future filings. Also FSCO may require additional and/or different rating examples as a consequence of the review process.

The rating examples must be completed according to the risk description specified. Each insurer must provide both current and proposed rating criteria for each of the rating examples as required. The rating territories should be those as defined in the insurer's rate manual.

Any additional information pertaining to the rating example must be disclosed with a detailed description for each affected rating example.

Specific instructions and key assumptions that should be adopted when completing these rating examples are:

- All rates are to be stated on an annual basis. If annual policies are not issued, the rates should be converted to an annual basis.
- All risks should be rated strictly according to the information provided. **DO NOT** provide preferred rates unless the criteria as stated fit the eligibility rules for a preferred class. If so, provide only the preferred rates, and state so.
- Clearly identify all applicable surcharges/discounts that apply to each of the coverages.
- Unless stated explicitly in the profile, do not assume the operator has progressed through the graduated licensing system.
- The rating territories should be those as defined in the insurer's rate manual. For the Toronto (city) territory, assume the location is Yonge and Bloor (FSA M4Y). For all other cities, assume the location to be downtown (FSA's listed on risk profiles).
- Assume the same definitions as in the Facility Association Manual of Rules and Rates for major or minor convictions or an at-fault (chargeable) accident. Also assume the accident involved collision coverage only and that the claim was greater than \$1,000.
- If the insurer does not write a particular limit or deductible level for a described profile, provide the premiums using the closest limit/deductible and note the applicable limit/deductible on the profile.
- If the insurer provides group discounts, provide the individual non-group rate plus the rates with the highest discount applied.
- For multiple operator risks, provide premiums by coverage by operator using separate sheets. In addition, the total policy premium combining all operators should be submitted.
- If, based on the insurer's underwriting rules, a risk profile described in a specified rating example is not written, that fact is to be indicated, and rates need not be provided for that example. However, the insurer must explain why the rating example is not appropriate under the circumstances.
- If a rating example does not describe a unique rate, the insurer is to provide the highest and lowest rate that could be charged on the described risk, and disclose the assumption underlying the difference.

- Include the premiums for all perils only if collision and comprehensive are not offered.

Company Name: \_\_\_\_\_

Group Name: \_\_\_\_\_

Category of Insurance: Private Passenger Automobile

**SUMMARY OF INFORMATION**

1. Describe the proposed changes by checking the item that apply to this filing:

1. Base rate change, not due to off-balancing differential or discount changes, that is uniform by territory

or

2. Base rate change, not due to off-balancing differential or discount changes, that is **not** uniform by territory

2. Proposed effective date for **new** policies: \_\_\_\_\_

Proposed effective date for **renewal** policies: \_\_\_\_\_

*(Insurers should take into consideration the 45 day notice period to brokers and 30 day notice period to insureds required under section 236 of the Act in determining effective dates.)*

3. Indicate the distribution of risks by policy term:

3 month	_____	%
6 month	_____	%
12 month	_____	%
Other	_____	%
Total	_____	%

4. Please state the proposed rate level changes and premium weights using direct written premiums that have been adjusted to current rate level. If direct written premiums are not available, please use direct earned premiums.

Please indicate whether the changes by coverage are weighted by written or earned premiums by placing an "x" in the appropriate box, and state the source and date of data.

**direct written premium**                       **direct earned premium**

Source of  
Data:

Date of Data:

\_\_\_\_\_

<u>Coverage</u>	<u>Proposed Rate Level Change</u>	<u>Weights</u> (rounded to 2 decimals)
Liability - Bodily Injury	%	%
Liability - Property Damage	%	%
Accident Benefits	%	%
Uninsured Automobile	%	%
Direct Compensation - Property Damage	%	%
<b>All Compulsory Coverages</b>	%	%
Specified Perils	%	%
Comprehensive	%	%
Collision or Upset	%	%
All Perils	%	%
OPCF 44R	%	%
<b>All Optional Coverages</b>	%	%
<b>All Coverages Combined</b>	%	100.00%



5a. State the dates and rate level change percentages that were effective in the last eighteen months (please round the figures to two decimals):

<b>Effective Date for Renewal Business</b>				
<u>Coverage</u>	<u>Prior Change</u>	<u>2nd Prior Change</u>	<u>3rd Prior Change</u>	<u>4th Prior Change</u>
Liability - Bodily Injury	%	%	%	%
Liability - Property Damage	%	%	%	%
Accident Benefits	%	%	%	%
Uninsured Automobile	%	%	%	%
Direct Compensation - Property Damage	%	%	%	%
<b>All Compulsory Coverages</b>	%	%	%	%
Specified Perils	%	%	%	%
Comprehensive	%	%	%	%
Collision or Upset	%	%	%	%
All Perils	%	%	%	%
OPCF 44R	%	%	%	%
<b>All Optional Coverages</b>	%	%	%	%
<b>All Coverages Combined</b>	%	%	%	%

5b. State the *Average Cumulative Rate Change* for all coverages. It is based on the *All Coverages Combined Proposed Rate Level Change* (as stated in the response to question 4) and the *All Coverages Combined Rate Level Change(s)* (as stated in the response to question 5a), that occurred after January 1 of the year in which the proposed rate change is expected to be effective for renewal business.

The *Average Cumulative Rate Change* for all coverages is: \_\_\_\_\_%.

6a. Provide the direct written premium, the direct earned premium, the number of earned vehicles, and incurred losses for the most recent **complete** accident year for this category of insurance. (Note: At least one of direct written or direct earned premiums must be provided.)

<u>Coverage</u>	Year	Direct Written Premium	Direct Earned Premium	Incurred Losses	Number of Earned Vehicles
		000's	000's	000's	
Liability - Bodily Injury		\$	\$	\$	
Liability - Property Damage		\$	\$	\$	
Accident Benefits		\$	\$	\$	
Uninsured Automobile		\$	\$	\$	
Direct Compensation - Property Damage		\$	\$	\$	
<b>All Compulsory Coverages</b>		\$	\$	\$	
Specified Perils		\$	\$	\$	
Comprehensive		\$	\$	\$	
Collision or Upset		\$	\$	\$	
All Perils		\$	\$	\$	
OPCF 44R		\$	\$	\$	
<b>All Optional Coverages</b>		\$	\$	\$	
<b>All Coverages Combined</b>		\$	\$	\$	

6b. Provide the direct written premium, the direct earned premium, the number of earned vehicles, and incurred losses for the second most recent **complete** accident year for this category of insurance. (Note: At least one of direct written or direct earned premiums must be provided.)

<u>Coverage</u>	Year	Direct Written Premium	Direct Earned Premium	Incurred Losses	Number of Earned Vehicles
		000's	000's	000's	
Liability - Bodily Injury		\$	\$	\$	
Liability - Property Damage		\$	\$	\$	
Accident Benefits		\$	\$	\$	
Uninsured Automobile		\$	\$	\$	
Direct Compensation - Property Damage		\$	\$	\$	
<b>All Compulsory Coverages</b>		\$	\$	\$	
Specified Perils		\$	\$	\$	
Comprehensive		\$	\$	\$	
Collision or Upset		\$	\$	\$	
All Perils		\$	\$	\$	
OPCF 44R		\$	\$	\$	
<b>All Optional Coverages</b>		\$	\$	\$	
<b>All Coverages Combined</b>		\$	\$	\$	

6.c. Provide the Return on Equity that underlies the proposed rate level change, for this category of insurance, for all coverages combined: \_\_\_\_\_ %

6.d. What is the maximum rate change that a risk with compulsory and any physical damage coverages would receive, taking into consideration any previous rate changes effective since January 1 of this year and excluding the impact of CLEAR, if this rate filing was approved:

\_\_\_\_\_ %

6.e. What is the minimum rate change that a risk with compulsory and any physical damage coverages would receive, taking into consideration any previous rate changes effective since January 1 of this year and excluding the impact of CLEAR, if this rate filing was approved:

\_\_\_\_\_ %

7. Have any other changes been made to base rates, differentials, discounts, surcharges or rating rules within the past year that would impact a consumer on renewal, other than the changes proposed in this filing? If so, please describe.

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8. State other categories of automobile insurance that may be affected by the proposed rate change of this category of automobile insurance (e.g., motorhome rates that are dependent on private passenger rates), and the rate level change percentage (as per section 8 of the filing guidelines). All changes must be based solely on the changes associated with the dependent category. Any other changes not dependent must be submitted in a separate filing under Section 413 Filing Guidelines - Minor (or Section 413 Filing Guidelines - Major).

Dependent Category (check where applicable)	Filing included with this submission	If not included - state the expected filing date	Rate Level Change impact for each category (%)
Personal Vehicles - Motorcycles	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Personal Vehicles - Motorhomes	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Personal Vehicles - Trailers and Camper Units	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Personal Vehicles - Off-Road Vehicles	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Personal Vehicles - Motorized Snow Vehicles	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Personal Vehicles - Historic vehicles	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Commercial Vehicles	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Public Vehicles - Taxi and Limousines	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Public Vehicles - Other Than Taxi and Limousines	<input type="checkbox"/> Yes <input type="checkbox"/> No		
	<input type="checkbox"/> Yes <input type="checkbox"/> No		
	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Yes    No

\_\_\_\_\_

9. Individual to whom questions concerning this filing may be addressed:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone No.: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

## CERTIFICATE OF THE OFFICER/DESIGNATE

I, \_\_\_\_\_, \_\_\_\_\_  
*(Name of Officer)* *(Office held: President, CEO, COO, CFO,  
Chief Agent for Canada, or Designate)*

of \_\_\_\_\_ (the "Insurer")  
*(Official Name of Company)*

### CERTIFY THAT:

1. This rate filing is in respect of the private passenger automobile insurance category and the following dependent categories *(Please check all that apply):*

- Not Applicable
- Personal Vehicles - Motorcycles
- Personal Vehicles - Motorhomes
- Personal Vehicles - Trailer and Camper Units
- Personal Vehicles - Off-Road Vehicles
- Personal Vehicles - Motorized Snow Vehicles
- Personal Vehicles - Historic Vehicles
- Commercial Vehicles
- Public Vehicles - Taxis and Limousines
- Public Vehicles - Other than Taxis and Limousines.

to be effective as of \_\_\_\_\_ for new business and  
*(Date of Implementation)*

\_\_\_\_\_ for renewal business. *(Date  
of Implementation)*

2. I have knowledge of the matters that are the subject of this certificate.
3. The information and each document contained in the filing accompanying this certificate are complete and accurate.
4. The proposed rates are just and reasonable, do not impair the solvency of the Insurer, and are not excessive in relation to the financial circumstances of the Insurer.

\_\_\_\_\_  
Signature of Officer/Designate

\_\_\_\_\_  
Date, Location

Company Name: \_\_\_\_\_

**CASE 1**

**Risk Description**

- ⊗ Adult, age 70, qualifies for retirees discount
- ⊗ No chargeable accidents or convictions in last 10 years
- ⊗ New business application to company

- ⊗ Licensed 50 years, class G licence
- ⊗ Pleasure use only, annual mileage under 10,000 km.
- ⊗ 1997 Chevrolet Lumina 4 door (VICC Code 5589)

**Coverages**

- ⊗ Liability and OPCF 44R - \$1,000,000
- ⊗ Basic Accident Benefits, Uninsured Automobile
- ⊗ Direct Compensation - Property Damage - no deductible
- ⊗ Collision and Comprehensive - \$300 deductible

Territory	Liability - BI	Liability -	AB	UA	DC-PD	Coll	Comp	OPCF 44R	Total
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay-(P7K) Current									
Proposed									
% +/- to Current Rates									

**Risk Description**

**CASE 2**

Company Name: \_\_\_\_\_

Operator # 1

- ⇒ Male, age 40 (hus.), licensed 24 years, class G licence
- ⇒ No chargeable accidents or convictions in last 6 years
- ⇒ Drive to work, 10km. one way, annual mileage<16,000 km.
- ⇒ 1998 Jeep Grand Cherokee Limited 4WD (VICC Code 7182)
- ⇒ New business application to company

Operator #2

- ⇒ Female, age 39 (wife), licensed 20 years, class G licence
- ⇒ No chargeable accidents or convictions in last 6 years
- ⇒ Drive to work, 20km. one way, ann. mileage<20,000 km.
- ⇒ 1998 Dodge Neon 4 door (VICC Code 2261)
- ⇒ New business application to company

Coverages

- ⇒ Liability and OPCF 44R - \$1,000,000
- ⇒ Basic Accident Benefits, Uninsured Automobile
- ⇒ Direct Compensation - Property Damage - no deductible
- ⇒ Collision and Comprehensive - \$300 deductible

Territory	Liability- BI	Liability-PD	AB	UA	DC-PD	Coll	Comp	OPCF 44R	Total
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay - (P7K)Current									
Proposed									
% +/- to Current Rates									

CASE 3



Company Name: \_\_\_\_\_

**Risk Description**

- ⇒ Male, single, age 19
- ⇒ Licensed 3 years, 1 year with class G licence, Owner and Principal Operator
- ⇒ Commute - 5 km. one way, annual mileage under 12,000 km.
- ⇒ 1997 Pontiac Grand Am GT 2 door (VICC Code 6488)
- ⇒ New business application to company

**Coverages**

- ⇒ Liability and OPCF 44R - \$500,000
- ⇒ Basic Accident Benefits, Uninsured Automobile
- ⇒ Direct Compensation - Property Damage - no deductible
- ⇒ Collision and Comprehensive - \$300 deductible

Territory	Liability- BI	Liability-PD	AB	UA	DC-PD	Coll	Comp	OPCF 44R	Total
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay-(P7K) C									
Proposed									
% +/- to Current Rates									

Company Name: \_\_\_\_\_

**CASE 4**

**Risk Description**

- ⇒ Single Male, age 24
- ⇒ Licensed 6 years, class G licence
- ⇒ No chargeable accidents in last 5 years
- ⇒ 2 minor convictions in last 3 years

- ⇒ Commute - 5 km. one way, annual mileage under 12,000 km.
- ⇒ 1994 Ford F150 Pickup 2WD (VICC Code 3629)
- ⇒ New business application to company

**Coverages**

- ⇒ Liability and OPCF 44R - \$200,000
- ⇒ Basic Accident Benefits, Uninsured Automobile
- ⇒ Direct Compensation - Property Damage - no deductible
- ⇒ Collision and Comprehensive - \$300 deductible

Territory	Liability - BI	Liability -PD	AB	UA	DC-PD	Collision	Comp	OPCF 44R	Total
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay-(P7K) C									
Proposed									
% +/- to Current Rates									

Coverages

**CASE 5**

Company Name: \_\_\_\_\_

**Risk Description**

- ⇒ Adult, age 40, principal operator, licensed 20 years, cl. G
- ⇒ No chargeable accidents or convictions in last 10 years
- ⇒ Drive to work, 8 km one way, annual mileage <16,000 km.
- ⇒ 1996 Chevrolet Corsica 4 door (VICC Code 5583)
- ⇒ New business application to company

- ⇒ Single male, age 18, occasional operator
- ⇒ Licensed 2 yrs 1 year G1, 1 year G2, newly licensed as G
- ⇒ No chargeable accidents or convictions since licensed

- ⇒ Liability and OPCF 44R - \$500,000
- ⇒ Basic Accident Benefits; Uninsured Automobile
- ⇒ Direct Compensation - Property Damage - no deductible
- ⇒ Comprehensive - \$300 deductible

Territory	Liability - BI	Liability - PD	AB	UA	DC-PD	Collision	Comp	OPCF 44R	Total
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay-(P7K) C									
Proposed									
% +/- to Current Rates									

Company Name: \_\_\_\_\_

**Risk Description**

Operator 1

- ☞ Male, age 45 (husband)
- ☞ Licensed 25 years, class G licence
- ☞ No chargeable accidents or convictions in last 10 years
- ☞ Drive to work - 50 km. one way, annual mileage < 40,000 km.
- ☞ 1999 Honda Accord EX 4 door (VICC Code 0213)
- ☞ New business application to company

Operator #1a

- ☞ Single male, age 19
- ☞ Licensed 3 years with driver training: 1 year G1, 2 years G2, newly licensed as G
- ☞ 1 minor conviction at G2 level

**CASE 6**

Operator #2

- ☞ Female, age 40 (wife)
- ☞ Licensed 20 years, class G licence
- ☞ No chargeable accidents or convictions in the last 6 years
- ☞ Pleasure use only, annual mileage < 10,000 km.
- ☞ 1996 Plymouth Voyager (VICC Code 2646)
- ☞ New business application to company

Operator #2a

- ☞ Female, age 22
- ☞ Licensed 2 years without driver training: 1 year G1, 1 year G2, newly licensed as G
- ☞ No chargeable accidents or convictions since licensed

**Coverages**

- ☞ Liability and OPCF 44R- \$1,000,000
- ☞ Basic Accident Benefit, Uninsured Automobile
- ☞ Direct Compensation-Property Damage - no deductible
- ☞ Collision and Comprehensive - \$300 deductible

Territory	Liability		AB	UA	DC-PD	Coll	Comp	OPCF 44R	Total
	BI	PD							
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									

Company Name: \_\_\_\_\_

Territory	Liability		AB	UA	DC-PD	Coll	Comp	OPCF 44R	Total
	BI	PD							
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay-(P7K) C									
Proposed									
% +/- to Current Rates									

Company Name: \_\_\_\_\_

**Risk Description**

Operator # 1

- ⇒ Male, age 38 (husband), Licensed 20 years, class G licence
- ⇒ No chargeable accidents or convictions in last 6 years
- ⇒ Drive to work, 10km. one way, annual mileage<16,000 km.
- ⇒ New business application to company
- ⇒ 1998 Ford Taurus LX 4 door (VICC Code 3427)

Operator #2

- ⇒ Female, age 35 (wife), Licensed 15 yrs, class G licence
- ⇒ No chargeable accidents or convictions in the last 6 years

**CASE 7**

Coverages

- ⇒ Liability and OPCF 44R - \$1,000,000
- ⇒ Basic Accident Benefits, Uninsured Automobile
- ⇒ Direct Compensation -Property Damage - no deductible
- ⇒ Collision and Comprehensive - \$300 deductible

Territory	Liability - BI	Liability -PD	AB	UA	DC-PD	Collision	Comp	OPCF 44R	Total
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay-(P7K) C									
Proposed									
% +/- to Current Rates									

Company Name: \_\_\_\_\_

**CASE 8**

**Risk Description**

- ⇒ Adult, age 40
- ⇒ Licensed 20 years, class G licence
- ⇒ 1 chargeable accident in last 5 years  
(Accident last year - 1 year accident free)
- ⇒ 1 major conviction in last 3 years
- ⇒ 1998 Toyota Camry 4 Cyl 4 door (VICC Code 0450)

- ⇒ Drive to work - 8 km., one way
- ⇒ Annual mileage < 16,000 km.
- ⇒ New business application to company

**Coverages**

- ⇒ Liability and OPCF 44R - \$1,000,000
- ⇒ Basic Accident Benefits, Uninsured Automobile
- ⇒ Direct Compensation - Property Damage - no deductible
- ⇒ Collision - \$500 deductible
- ⇒ Comprehensive - \$300 deductible

Territory	Liability- BI	Liability-PD	AB	UA	DC-PD	Coll	Comp	OPCF 44R	Total
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay-(P7K) C									
Proposed									
% +/- to Current Rates									

**CASE 9**

Company Name: \_\_\_\_\_

**Risk Description**

- ⇒ Female, age 23, licensed 6 years
- ⇒ Class G licence (without driver training)
- ⇒ 1 chargeable accident in last year (0 years accident free) deductible
- ⇒ 1 minor conviction in last 3 years

- ⇒ Drive to work - 8 km. one way, annual mileage < 16,000 km.
- ⇒ 1999 Dodge Neon 2DR (VICC Code 2262)
- ⇒ New business application to company

**Coverages**

- ⇒ Liability and OPCF 44R - \$500,000
- ⇒ Basic Accident Benefits, Uninsured Automobile
- ⇒ Direct Compensation - Property Damage - no deductible
- ⇒ Collision and Comprehensive - \$300 deductible

Territory	Liability- BI	Liability - PD	AB	UA	DC-PD	Coll	Comp	OPCF 44R	Total
Toronto - (M4Y) Current									
Proposed									
% +/- to Current Rates									
Hamilton - (L8V) Current									
Proposed									
% +/- to Current Rates									
Ottawa - (K1Y) Current									
Proposed									
% +/- to Current Rates									
London - (N6A) Current									
Proposed									
% +/- to Current Rates									
Windsor - (N8W) Current									
Proposed									
% +/- to Current Rates									
Brockville - (K6V) Current									
Proposed									
% +/- to Current Rates									
Sudbury - (P3E) Current									
Proposed									
% +/- to Current Rates									
Thunder Bay-(P7K) C									
Proposed									
% +/- to Current Rates									



Company Name: \_\_\_\_\_

**CASE 10**

**Risk Description**

Operator #1

- ⇒ Male, age 45 (husband)
- ⇒ Licensed 25 years, class G licence
- ⇒ No chargeable accidents or convictions in last 10 years
- ⇒ Drive to work - 50 km. one way, annual mileage < 40,000 km.
- ⇒ 1999 Honda Accord EX 4 door (VICC Code 0213)
- ⇒ New business application to company

Operator #1a

- ⇒ Single male, age 19
- ⇒ Licensed 3 years with driver training: 1 year G1, 2 years G2, newly licensed as G
- ⇒ 1 minor conviction at G2 level

Operator #2

- ⇒ Female, age 40 (wife)
- ⇒ Licensed 20 years, class G licence
- ⇒ No chargeable accidents or convictions in the last 6 years
- ⇒ Pleasure use only, annual mileage < 10,000 km.
- ⇒ 1996 Plymouth Voyager (VICC Code 2646)
- ⇒ New business application to company

Operator #2a

- ⇒ Female, age 22
- ⇒ Licensed 2 years without driver training: 1 year G1, 1 year G2, newly licensed as G
- ⇒ No chargeable accidents or convictions since licensed

**Coverages**

- ⇒ Income replacement at \$600, \$800, and \$1,000
- ⇒ Medical, Rehab, and Attendant Care
- ⇒ Caregiver and Dependant Care
- ⇒ Funeral and Death
- ⇒ Indexation

Territory	Income Replacement (IR)			Medical, Rehab & Att. Care	Caregiver and Dependant Care	Funeral and Death	Indexation			Total		
	\$600 (1a)	\$800 (1b)	\$1,000 (1c)				\$600 -IR & Other Benefits (5a)	\$800 -IR & Other Benefits (5b)	\$1,000 -IR & Other Benefits (5c)	\$600 (1a)+(2)+(3)+(4)+(5a)	\$800 (1b)+(2)+(3)+(4)+(5b)	\$1,000 (1c)+(2)+(3)+(4)+(5c)
Toronto - Current												
(M4Y) Proposed												
% +/- to Current												

Notes: In (1a), (1b), and (1c), record only the cost of income replacement, non-indexed.

In (5a) record the cost of indexation of income replacement at \$600, Medical, Rehabilitation and Attendant Care, and Caregiver and Dependant Care.

In (5b) record the cost of indexation of income replacement at \$800, Medical, Rehabilitation and Attendant Care, and Caregiver and Dependant Care.

In (5c) record the cost of indexation of income replacement at \$1,000, Medical, Rehabilitation and Attendant Care, and Caregiver and Dependant Care.

Category of Automobile Insurance: **Personal Vehicles - Private Passenger Automobiles**

Appendix C

Company Name: \_\_\_\_\_

**CASE 11**

**Risk Description**

**Operator # 1**

- ⇒ Male, age 38 (husband), Licensed 20 years, class G licence
- ⇒ No chargeable accidents or convictions in last 6 years
- ⇒ Drive to work, 10 km. one way, annual mileage < 16,000 km.
- ⇒ New business application to company
- ⇒ 1998 Ford Taurus LX 4 door (VICC Code 3427)

**Operator #2**

- ⇒ Female, age 35 (wife), Licensed 15 years, class G licence
- ⇒ No chargeable accidents or convictions in the last 6 years

**Coverages**

- ⇒ Income replacement at \$600, \$800, and \$1,000
- ⇒ Medical, Rehab, and Attendant Care
- ⇒ Caregiver and Dependant Care
- ⇒ Funeral and Death
- ⇒ Indexation

Territory	Income Replacement (IR)			Medical, Rehab & Att. Care	Caregiver and Dependant Care	Funeral and Death	Indexation			Total		
	\$600 (1a)	\$800 (1b)	\$1,000 (1c)				\$600 -IR & Other Benefits (5a)	\$800 -IR & Other Benefits (5b)	\$1,000-IR & Other Benefits (5c)	\$600 (1a)+(2)+(3)+(4)+(5a)	\$800 (1b)+(2)+(3)+(4)+(5b)	\$1,000 (1c)+(2)+(3)+(4)+(5c)
Toronto - Current												
(M4Y) Proposed												
% +/- to Current												

Notes: In (1a), (1b), and (1c), record only the cost of income replacement, non-indexed.  
 In (5a) record the cost of indexation of income replacement at \$600, Medical, Rehabilitation and Attendant Care, and Caregiver and Dependant Care.  
 In (5b) record the cost of indexation of income replacement at \$800, Medical, Rehabilitation and Attendant Care, and Caregiver and Dependant Care.  
 In (5c) record the cost of indexation of income replacement at \$1,000, Medical, Rehabilitation and Attendant Care, and Caregiver and Dependant Care.

Category of Automobile Insurance: **Personal Vehicles - Private Passenger Automobiles**

Appendix C

Company Name: \_\_\_\_\_

**Risk Profiles Rating Criteria**

Case	Territory	Rating Territory		Operator	Rate Class		Driving Record		Vehicle Rate Group						Discount/Surcharge	
		curr	prop		curr	prop	curr	prop	AB		DC-PD & Coll		Comp/SP		curr	prop
									curr	prop	curr	prop	curr	prop		
1	Toronto (M4Y)															
	Hamilton (L8V)															
	Ottawa (K1Y)															
	London (N6A)			Operator												
	Windsor (N8W)															
	Brockville (K6T)															
	Sudbury (P3E)															
	Thunder Bay (P7K)															
2	Toronto (M4Y)															
	Hamilton (L8V)															
	Ottawa (K1Y)			Operator #1												
	London (N6A)															
	Windsor (N8W)															
	Brockville (K6T)			Operator #2												
	Sudbury (P3E)															

Category of Automobile Insurance: **Personal Vehicles - Private Passenger Automobiles**

Appendix C

Company Name: \_\_\_\_\_

Case	Territory	Rating Territory		Operator	Rate Class		Driving Record		Vehicle Rate Group						Discount/Surcharge	
		curr	prop		curr	prop	curr	prop	AB		DC-PD & Coll		Comp/SP		curr	prop
									curr	prop	curr	prop	curr	prop		
	Thunder Bay (P7K)															
3	Toronto (M4Y)															
	Hamilton (L8V)															
	Ottawa (K1Y)															
	London (N6A)			Operator												
	Windsor (N8W)															
	Brockville (K6T)															
	Sudbury (P3E)															
	Thunder Bay (P7K)															
4	Toronto (M4Y)															
	Hamilton (L8V)															
	Ottawa (K1Y)															
	London (N6A)			Operator												
	Windsor (N8W)															
	Brockville (K6T)															
	Sudbury (P3E)															

Category of Automobile Insurance: **Personal Vehicles - Private Passenger Automobiles**

Appendix C

Company Name: \_\_\_\_\_

Case	Territory	Rating Territory		Operator	Rate Class		Driving Record		Vehicle Rate Group						Discount/Surcharge	
		curr	prop		curr	prop	curr	prop	AB		DC-PD & Coll		Comp/SP		curr	prop
									curr	prop	curr	prop	curr	prop		
	Thunder Bay (P7K)															
5	Toronto (M4Y)															
	Hamilton (L8V)															
	Ottawa (K1Y)			Operator #1												
	London (N6A)															
	Windsor (N8W)															
	Brockville (K6T)			Operator #1a												
	Sudbury (P3E)															
	Thunder Bay (P7K)															
6	Toronto (M4Y)															
	Hamilton (L8V)			Operator #1												
	Ottawa (K1Y)			Operator #1a												
	London (N6A)															
	Windsor (N8W)			Operator #2												
	Brockville (K6T)			Operator #2a												
	Sudbury (P3E)															

Category of Automobile Insurance: **Personal Vehicles - Private Passenger Automobiles**

*Appendix C*

Company Name: \_\_\_\_\_

Case	Territory	Rating Territory		Operator	Rate Class		Driving Record		Vehicle Rate Group						Discount/Surcharge	
		curr	prop		curr	prop	curr	prop	AB		DC-PD & Coll		Comp/SP		curr	prop
									curr	prop	curr	prop	curr	prop		
	Thunder Bay (P7K)															
7	Toronto (M4Y)															
	Hamilton (L8V)			Operator #1												
	Ottawa (K1Y)			Operator #2												
	London (N6A)															
	Windsor (N8W)															
	Brockville (K6T)															
	Sudbury (P3E)															
	Thunder Bay (P7K)															
8	Toronto (M4Y)															
	Hamilton (L8V)															
	Ottawa (K1Y)															
	London (N6A)			Operator												
	Windsor (N8W)															
	Brockville (K6T)															
	Sudbury (P3E)															

Category of Automobile Insurance: **Personal Vehicles - Private Passenger Automobiles**

*Appendix C*

Company Name: \_\_\_\_\_

Case	Territory	Rating Territory		Operator	Rate Class		Driving Record		Vehicle Rate Group						Discount/Surcharge	
		curr	prop		curr	prop	curr	prop	AB		DC-PD & Coll		Comp/SP		curr	prop
									curr	prop	curr	prop	curr	prop		
	Thunder Bay (P7K)															
9	Toronto (M4Y)															
	Hamilton (L8V)															
	Ottawa (K1Y)															
	London (N6A)			Operator												
	Windsor (N8W)															
	Brockville (K6T)															
	Sudbury (P3E)															
	Thunder Bay (P7K)															