

FINANCIAL SERVICES COMMISSION OF ONTARIO

Other than Private Passenger Filing Guidelines - Minor 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".

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

- **Prior approval**; and
- **File and use**.

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

- subject to the **major** filing requirements (refer to the *Other than Private Passenger Automobile Filing Guidelines - Major*);

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

- subject to the **major** filing requirements (refer to the *Other than Private Passenger Automobile 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 *Other than Private Passenger Automobile Filing Guidelines - Minor*) in all other cases.

Filing Requirements

The legislation provides that a filing for authorization 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. In general, *Other than Private Passenger Automobile Filing Guidelines - Minor* are to be used for filings for rates and risk classification systems that are subject to file and use authorization under legislation. Where FSCO considers it necessary, an insurer may be requested to file full actuarial indications and documentation in accordance with the *Other than Private Passenger Automobile Filing Guidelines - Major*. An insurer that is filing rates for the first time for a category other than private passenger auto must also use the *Other than Private Passenger Automobile Filing Guidelines - Major*.

The purpose of the *Other than Private Passenger Automobile Filing Guidelines - Minor* is to communicate to insurers the requirements of FSCO for file and use 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.

There are separate guidelines for changes to private passenger automobile insurance rates and risk classification systems (refer to the *Private Passenger Automobile Filing Guidelines*). In the case where the rating structure of a category of automobile insurance required to be filed under legislation is dependent upon the insurer's private passenger automobile rates, complete section 8 under the *Private Passenger Automobile Filing Guidelines*.

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

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 \$500 deductible for collision and a \$300 deductible for other physical damage coverages (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.

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 and Differential Changes
5.	Discount/Surcharge Changes
6.	Rating Rule Changes
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
Automobile Insurance Services Branch
Rates and Classifications
Box 85, 16th Floor
5160 Yonge Street
Toronto ON M2N 6L9

Filings can also be submitted through the Internet via the Automated Rates and Classifications Technical Communication Information System (ARCTICS), provided the Insurer is registered with FSCO for access to this system.

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 legislation 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 its rate manual, containing the revised rates and risk classification system, including rating rule changes if applicable, with FSCO in **hard copy and electronic format (e-mail or CD)** within 30 days (see Section 9 of the filing requirements).

If an insurer fails to file its rate manual within 30 days it may be subject to prosecution.

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 <i>Act</i> , 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 legislation. 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 <i>Act</i> . 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; 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 and if leased for a period in excess of 30 days are leased to the same insured.
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 legislation. 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.
Rate	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 legislation.
Rate Differentials	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.
Rating Algorithm	The manner in which base rates, rate differentials, and other surcharges/discounts are combined to arrive at the premium charged to an individual risk.
Rating Rule	A rule by which a risk is assigned to a specific rating cell or by which a discount or surcharge is applied. Examples include rules by which territory, driver classification and vehicle rating group are assigned. Rating rules differ from underwriting rules that involve the decision to accept or decline a risk.
Return on Equity	The sum, on an after-tax basis, of underwriting and investment income divided by equity.
Return on Equity (Proposed)	The return on equity underlying the proposed rate change.
Return on Equity (Target)	The return on equity underlying the actuarially indicated rate change.
Risk Classification System	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.
Territorial Base Rate	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.
Unallocated Loss Adjustment Expenses	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.
Underwriting Profit Margin	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.
Underwriting Profit Margin (Proposed)	The underwriting profit margin underlying the proposed rate change.
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 <i>Act</i> . Filing of such rules must be made using the <i>Section 238 Filing Guidelines</i> or, for endorsements, the <i>Endorsements Filing Guidelines</i> issued by FSCO.

C. GUIDELINES FOR OTHER THAN PRIVATE PASSENGER AUTOMOBILE – MINOR FILING

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. If filing by hard copy, 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. All data used in the Actuarial Support section (Section 4) should reconcile to the information presented in Appendix A.

Specific instructions to complete the Appendix are outlined below:

- In responding to Question 1, check **all** the items that are applicable to the filing. While 1.1 and 1.2 are mutually exclusive, other changes (listed in 1.3 through 1.7) may be applicable.
- In responding to Question 2, proposed effective dates are to be listed for both new and renewal business. This information is important in reviewing trend assumptions and also 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 indicated rate level change for each coverage, and on an all coverages combined basis, must be disclosed under the following circumstances:
 - where changes to base rates are being proposed, except if such changes to base rates result solely from off-balancing differential or discount changes; or
 - where changes to differentials are being proposed if such changes result in an overall rate level change.
- In responding to Question 4, the impact of **all** proposed changes to rates or rules, including base rate changes, differential changes, discount or surcharge changes, and rating rule changes, must be disclosed under the proposed rate level change column. The impact by coverage must be calculated and disclosed.
- 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 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 within the 12 months before the proposed rate change is expected to be effective for renewal business from the responses to question 5a,

and then using the following formula:

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

all i, d

where: i = the proposed rate level increase or approved rate level increase(s) that occurred within the 12 months before 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 within the 12 months before the proposed rate change is expected to be effective for renewal business.

- In responding to question 9, please refer to the definition of underwriting profit margin in these guidelines.
- In responding to questions on dislocation (Questions 12a through 12c), the insurer should take into account any capping procedure that has been identified in the response to Question 11.

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.

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

If the insurer is requesting changes to the differentials, the approach used in costing and a general narrative of the process must be outlined in detail.

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.

SECTION 5: DISCOUNT/SURCHARGE CHANGES

If the insurer is requesting changes in the amount or value of a discount or surcharge, or is introducing a new discount or surcharge, the approach used in costing and a general narrative of the process must be outlined in detail.

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.

SECTION 6: RATING RULE CHANGES

Rating rules are those rules or definitions by which a risk is assigned to a specific rating cell or by which a discount or surcharge is applied. Examples include rules by which territory, vehicle use or driving record are assigned. Rating rules are part of an insurer's risk classification system and must be filed according to these guidelines.

Note that underwriting rules, which are those rules used to govern the decision to accept or decline a risk or a coverage, deductible level, or liability limit, must be filed using the *Section 238 Guidelines for Filing Underwriting Rules* and not under these filing guidelines.

Rate manual pages that describe changes to rating rules or definitions must be included with the filing under Section 9 of these guidelines.

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.

6.a. Rating Rule Changes for Classification Variables

Any change to a rating rule for a particular classification must be disclosed in this section. A current and a proposed distribution of the class that is affected by the rating rule change must be provided to determine the average premium change (shift) and impact on the overall rate level. All assumptions and detailed calculations must be provided to support the rate level change.

6.b. Rating Rule Changes for Discounts and Surcharges

Any change to a rating rule for a particular discount or surcharge must be disclosed in this section. Also the rating rule applicable to a newly proposed discount or surcharge must be disclosed in this section. A current and a proposed distribution of the business that is affected by the rating rule change must be provided to determine the average premium change (shift) and impact on the overall rate level. Also all assumptions and the rationale to support the use of the rating rule must be disclosed.

SECTION 7: FINAL RATES/ RATE LEVEL CHANGE

Exhibits illustrating current and proposed rating algorithms, base rates, discounts/surcharges, and 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 to only one of the elements.**

7.a. Algorithm

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

7.b. Base Rates

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

7.c. Differentials

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

7.d. Discounts and Surcharges

Exhibits illustrating current and proposed discounts and surcharges must be disclosed in this section.

7.e. Calculation of Final Rates

The filing must clearly describe and show how current territorial base rates are transformed into proposed 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, differentials and discounts or surcharges, 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: DEPENDENT CATEGORIES

For those categories of automobile insurance that are dependent on the 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) Section 10 - rating examples must be completed for the dependent category of automobile insurance. Rating examples are attached as Appendix C.

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

A draft set of manual pages containing all proposed rating rule changes or definition changes must be provided in the filing. A draft set of rate manual pages that contain the rates by territory, class, driving record, vehicle rate group table etc is optional at the time of submitting the filing. Any proposed changes to the manual pages should be denoted by a side bar (|).

A final set of manual pages in hard copy and electronic format (e-mail or CD) containing the approved rates and risk classification system must be submitted within 30 days after approval of the rate filing. A cover page must be provided referencing the approved filing as well as contact information. The entire rate manual must always be submitted. The files submitted electronically should be organized in a logical order and labelled descriptively. All rate manual pages must include the date of print, effective dates of proposed rates and page numbers, accordingly.

SECTION 10: RATING EXAMPLES

Each insurer must file with FSCO the rating examples reflecting the rates it is proposing to charge. Please refer to the Other than Private Passenger Automobile Major Filing Guidelines - Appendix C for the rating examples.

Company Name: _____

Group Name: _____

Category of Insurance: _____

SUMMARY OF INFORMATION

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

- 1. Base rate change, not due to off-balancing differential or discount changes, that is uniform by territory
- 2. Base rate change, not due to off-balancing differential or discount changes, that is **not** uniform by territory
- 3. Change to classification, limit of liability, deductible or other rate differentials
- 4. Change to rating rules
- 5. Changes to the amount of, or adding or deleting, discounts or surcharges
- 6. Algorithm change
- 7. Other (*specify*)

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	_____ %	_____ %
All Compulsory Coverages	_____ %	_____ %
Specified Perils	_____ %	_____ %
Comprehensive	_____ %	_____ %
Collision or Upset	_____ %	_____ %
All Perils	_____ %	_____ %
OPCF 44R	_____ %	_____ %
All Optional Coverages	_____ %	_____ %
All Coverages Combined	_____ %	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):

Effective Date for Renewal Business	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<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	%	%	%	%
All Compulsory Coverages	%	%	%	%
Specified Perils	%	%	%	%
Comprehensive	%	%	%	%
Collision or Upset	%	%	%	%
All Perils	%	%	%	%
OPCF 44R	%	%	%	%
All Optional Coverages	%	%	%	%
All Coverages Combined	%	%	%	%

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 within the 12 months before 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: Both direct written and 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		\$	\$	\$	
All Compulsory Coverages		\$	\$	\$	
Specified Perils		\$	\$	\$	
Comprehensive		\$	\$	\$	
Collision or Upset		\$	\$	\$	
All Perils		\$	\$	\$	
OPCF 44R		\$	\$	\$	
All Optional Coverages		\$	\$	\$	
All Coverages Combined		\$	\$	\$	

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: Both direct written and 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	\$	\$	\$		
All Compulsory Coverages	\$	\$	\$		
Specified Perils	\$	\$	\$		
Comprehensive	\$	\$	\$		
Collision or Upset	\$	\$	\$		
All Perils	\$	\$	\$		
OPCF 44R	\$	\$	\$		
All Optional Coverages	\$	\$	\$		
All Coverages Combined	\$	\$	\$		

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.

8. State other categories of automobile insurance that may be affected by the proposed rate change of this category of automobile insurance (e.g., public vehicle rates that are dependent on commercial vehicle 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 *Other than Private Passenger Filing Guidelines - Minor* (or *Other than Private Passenger 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		

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, or Chief Agent for Canada)
 of _____ (the "Insurer")
 (Official Name of Company)

CERTIFY THAT:

1. This rate filing is in respect of _____ and the following
 (Category of Automobile Insurance)
 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 changes requested are in compliance with the Other Than Private Passenger Automobile – Minor Filing Guidelines requirements.
4. The information and each document contained in the filing accompanying this certificate are complete and accurate in all material respects.
5. I have satisfied myself that 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.
6. If the filing is approved, all premiums (including all fees, discounts, surcharges and other components comprising such premiums) quoted and charged by the Insurer will at all times and in all material respects accurately reflect and conform to the filing as approved, whether such premiums are calculated manually or otherwise.
7. I have informed myself as to the Insurer’s business systems and processes and confirm that any system or process changes that may be required to enable the Insurer to comply with paragraph 6 above will be adequately tested in advance and fully communicated to staff and intermediaries and implemented by the Insurer in a timely manner.

 Signature of Officer

 Date, Location