

BROKER BULLETIN

TO: All Agents and Brokers

DATE: March 15, 2021

FROM: Warren Ting, B.A.(Hons.), FCIP, CRM
Vice President, Underwriting

RE: Automobile Rules & Rate Filing Changes – Effective May 1, 2021

It has been a while since any automobile rules and/or rate filings has been done with FSRA because filings were put on hold due to the COVID pandemic. As a result, the upcoming May 1st, 2021 filing will be a significant one with many changes so it is important that we give you a summary of the changes coming up. The full details of the changes are in our updated Auto Manual in which you can find online on our website. Here are some of the updates from the FSRA filing:

Automobile Manual Format Changes

- The new auto manual has been reformatted to make it easier to find the information you require. The sections to the manual have been streamlined to take out some duplication of information.

Private Passenger Automobile

- 2021 CLEAR rate group tables for PPA have been updated
- Multiple Vehicles and Multiple Operators: Each driver must be assigned as a principal operator to a vehicle and each occasional driver must be assigned to a vehicle used most until all are assigned
- Neutral Gender: Class 05, 18, and 19 can be classified as either gender Female “F” or Neutral “X”
- Accident Forgiveness for 5* will be removed. Following a chargeable accident, driving record will be dropped to 0* at the next renewal. Only accidents in the current term (May 1st) or later will drop driving record

Automobile Discounts & Surcharges

- genNow! & Graduated Licensing Discount: Criteria updated to be based on drivers with no at-fault accidents, no convictions and no license suspensions
- Long term Policyholder Discount: Available on Commercial vehicles based on eligibility requirements
- Partial Commute Discount: Short distance OR commuting 3 days or less (can be in combination with Long Distance surcharge)
- Theft Deterrent Discount will no longer be available
- Accident Surcharge will trigger on 2 at-faults instead of 3 at-faults within a three year period
- Underage Operator Surcharge will be available for light and heavy commercial vehicles

Convictions Update

- Distracted Driving (DRD) and Handheld Device (HHD & CPV) has been added to the **Major** list
- “Grandfathering” of existing convictions – If a conviction existed on the driver prior to the renewing term the rules will not force a change of severity. Only newly added convictions are subject to the major surcharge
- Fraud has been added to the **Criminal Code/Serious** list

To the broker principals, please forward this message to all team members at your brokerage.

If you have any questions or comments, please feel free to contact us. Thank you for your continued business and support at HTM!