

Rating error for Individually Rated Commercial Auto

We've discovered a rating error as part of our March Ontario Personal Auto offering that impacts Individually Rated Commercial Auto (IRCA) vehicles with a policy effective date between March 25, 2024 – May 17, 2024 (new business) and May 18, 2024 – July 10, 2024 (renewals).

We know that 392 new business policies were impacted by this error and 1,624 potential renewal policies have been impacted, including those in the quote stage. The average premium impact was about \$35.

We immediately notified FSRA and received approval on our plan to provide premium refunding for the overcharge and an additional interest rate benefit for the overcharge's time period.

Impacted customers will be notified in writing within the next two weeks, along with an updated billing notice showing either the new schedule of payments or the refund balance. The amount applied will be in the note put in Guidewire PolicyCenter. Customers can expect their refund in the next four to six weeks.

What can customers expect?

Direct Bill:

A billing notice will first be sent to the customer followed by the billing adjustment:

- Direct Bill One & Three Pay: if there's an outstanding balance, the credit is applied to the next invoice due until used up. Any excess is refunded via cheque.
- Monthly Pay: if there's an outstanding balance, the credit is applied to the next invoice due until used up. Any excess is refunded via cheque or EFT Deposit sent directly to the customer.

Agency Bill:

- Cheque will be sent directly to customers with "Rate refund" indicated on the cheque stub.

Your business development representative will be able to tell you which of your customers, if any, have been impacted. We apologize for any inconvenience this may have caused and please reach out your business development representative if you have any questions.