

# Alberta

AUTOMOBILE INSURANCE  
BOARD

7th Floor, Capitol Square, 10065 - Jasper Avenue, Edmonton, Alberta, Canada T5J 3B1 403/427-5428

December 22, 1983

CIRCULAR 3-83

TO: ALL INSURERS TRANSACTING AUTOMOBILE  
INSURANCE IN THE PROVINCE OF ALBERTA

RE: SHORT RATE CANCELLATION PENALTIES

Effective February 1, 1984, no insurer will be allowed to charge Short Rate earned premiums in excess of those shown in the attached annual and six month tables.

Insurers who are now charging in accordance with these tables, or charging a lesser retained factor are not required to respond. All other insurers must acknowledge this directive, file amended tables and manual pages with the Board prior to February 1, 1984.

The Board is considering for implementation in 1984, a pro rata table for short term cancellations plus a fixed dollar penalty.

The Board invites submissions from the Industry as to the appropriate penalty to be added to the pro rata retained premium.

ALBERTA AUTOMOBILE INSURANCE BOARD

(Original Signed)

Edwin Collins, F.I.I.C.  
Secretary to the Board

SHORT RATE TABLE A - ANNUAL POLICIES

Days Policy in Force	% of Premium Retained	Days Policy in Force	% of Premium Retained	Days Policy in Force	% of Premium Retained	Days Policy in Force	% of Premium Retained
1-3	8	93-96	32	185-188	56	277-280	80
4-7	9	97-99	33	189-192	57	291-294	81
8-11	10	100-103	34	193-195	58	295-298	82
12-15	11	104-107	35	196-199	59	299-292	83
16-19	12	108-111	36	200-203	60	293-296	84
20-23	13	112-115	37	204-207	61	297-299	85
24-26	14	116-119	38	208-211	62	300-303	86
27-30	15	120-122	39	212-215	63	304-307	87
31-34	16	123-126	40	216-219	64	308-311	88
35-38	17	127-130	41	220-222	65	312-315	89
39-42	18	131-134	42	225-228	66	316-318	90
43-46	19	135-138	43	227-230	67	319-322	91
47-49	20	139-142	44	231-234	68	323-326	92
50-53	21	143-146	45	235-238	69	327-330	93
54-57	22	147-149	46	239-242	70	331-334	94
58-61	23	150-153	47	243-245	71	335-338	95
62-65	24	154-157	48	246-249	72	339-341	96
66-69	25	158-161	49	250-253	73	342-345	97
70-73	26	162-165	50	254-257	74	346-349	98
74-76	27	166-169	51	258-261	75	350-353	99
77-80	28	170-172	52	262-265	76	354-365	100
81-84	29	173-176	53	266-268	77		
85-88	30	177-180	54	269-272	78		
89-92	31	181-184	55	273-276	79		

SHORT RATE TABLE B - SIX MONTH POLICIES

Days Policy in Force	% of Premium Retained	Days Policy in Force	% of Premium Retained	Days Policy in Force	% of Premium Retained	Days Policy in Force	% of Premium Retained
1	15	46-47	38	93-94	61	140-141	84
2-3	16	48-49	39	95-96	62	142-143	85
4-5	17	50-51	40	97-98	63	144-145	86
6-7	18	52-53	41	99-100	64	146-147	87
8-9	19	54-55	42	101-102	65	148-149	88
10-11	20	56-57	43	103-104	66	150-151	89
12-13	21	58-59	44	105-106	67	152-153	90
14-15	22	60-62	45	107-108	68	154-155	91
16-17	23	63-64	46	109-110	69	156-157	92
18-19	24	65-66	47	111-112	70	158-159	93
20-21	25	67-68	48	113-114	71	160-161	94
22-23	26	69-70	49	115-116	72	162-163	95
24-25	27	71-72	50	117-118	73	164-165	96
26-27	28	73-74	51	119-120	74	166-167	97
28-29	29	75-76	52	121-123	75	168-169	98
30-31	30	77-78	53	124-125	76	170-171	99
32-33	31	79-80	54	126-127	77	172-184	100
34-35	32	81-82	55	128-129	78		
36-37	33	83-84	56	130-131	79		
38-39	34	85-86	57	132-133	80		
40-41	35	87-88	58	134-135	81		
42-43	36	89-90	59	136-137	82		
44-45	37	91-92	60	138-139	83		

These tables are not applicable for Third Party Liability; Accident Benefits and Collision to MOTORCYCLES, MOPEDS and MOTORIZED SNOW VEHICLES because other ALBERTA AUTOMOBILE INSURANCE BOARD Bulletins make special provisions for the said classes.