



FACILITY
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TO: MEMBERS OF THE FACILITY ASSOCIATION

ATTENTION: CHIEF EXECUTIVE OFFICER

BULLETIN NO.: F19 - 083

DATE: NOVEMBER 11, 2019

SUBJECT: RISK SHARING POOL IN NEWFOUNDLAND & LABRADOR

On July 18th we issued an all Member CEO's bulletin notifying that the government of Newfoundland and Labrador had passed legislation requiring Facility Association to establish a Risk Sharing Pool in that province.

At its August meeting, the Facility Association Board of Directors approved a resolution to recommend changes to the Plan of Operation (Plan) to establish a Risk Sharing Pool (RSP) for Private Passenger Vehicles (PPV) in the province of Newfoundland and Labrador (NL).

That mail vote was sent to members on October 15th. The vote is currently open, and closes on December 13th. Should we receive sufficient votes to approve the proposed amendments to the Plan prior to that date, we will notify members immediately.

Upon resolution of the vote, the proposed Plan amendments will then need to be approved by regulators.

Facility Association has been working with IBC to update the RSP existing system to allow for cession of NL PPV risks to the RSP starting in the second half of 2020. We are finalizing the requirements for that system in consultation with IBC Data Systems, modelled on the existing RSP systems. The draft requirements and rules will be supplied to member companies with business in NL during the first week of December.

In addition to providing the requirements for any system changes companies choose to make, we will also make the current RSP web-tool which is for small volume cessions available for the cession of PPV risks in NL. The RSP web-tool is scheduled to be available when the NL Risk Sharing Pool will be launched at the close of the first half of 2020.

Should you have any questions, please contact me directly at 416-644-4915 or at smatheson@facilityassociation.com.

Saskia Matheson
President & CEO