

# Rebate Fact Sheet

- Approximately 540,000 customers will receive a rebate.
- Approximately \$100 million will be returned to Saskatchewan motorists, which amounts to about a 16.8 per cent rebate for each customer on their 2006 auto insurance.
- The average rebate will be about \$180 per customer.
- Rebate cheques will be sent to customers by mid-April.
- The rebate applies to all vehicles, including trailers and snowmobiles.
- The rebate is calculated on the vehicle insurance premium paid for 2006 coverage before any Safe Driver Recognition or Business Recognition discount is applied.
- Customers with more than one vehicle will receive a 16.8 per cent rebate on each vehicle, but it will be combined on one cheque.
- The minimum rebate issued will be \$5.
- Rebates will only be provided to Saskatchewan residents or businesses operating in Saskatchewan.
- Anyone who is convicted of a traffic-related Criminal Code offence between Jan. 1, 2006 and the date the cheques are issued will not be eligible for a rebate.
- Anyone who owes money to SGI will have their rebate applied against the amount they owe.
- Vehicle co-owners will be eligible for a rebate, as long as none of the co-owners is convicted of a traffic-related Criminal Code offence between Jan. 1, 2006 and the date the cheques are issued.
- The rebate does not apply to surcharges under the Business Recognition program, registration fees or permits.

# Rate Application Fact Sheet

SGI has submitted a rate application to the Saskatchewan Rate Review Panel for a general rate reduction of five per cent. The reduction would be achieved through a rebalancing of rates to improve pricing fairness.

SGI's Auto Fund is in the strongest financial position in its history and has rebated customers for two years because of surpluses in the Rate Stabilization Reserve. As a result, vehicle premiums need to decline or the Auto Fund would continue to record large surpluses going forward.

Under SGI's rate application:

- About 448,000 Saskatchewan vehicles (53 per cent) would see a rate reduction, with an average decrease of \$68.
- The maximum decrease would be 20 per cent for most vehicles. Police and rental vehicles could see a decrease of up to 25 per cent. Snowmobile liability coverage would decrease by 27 per cent.
- About 278,000 Saskatchewan vehicles (33 per cent) would see a rate increase, with an average rise of \$16.
- The maximum increase would be 2.5 per cent for light passenger vehicles. Other vehicles, such as heavy vehicles and motorcycles, could see increases up to 10 per cent. Sport motorcycles and some commercial trucks that travel out of province could see increases of up to 15 per cent.
- About 112,000 Saskatchewan vehicles (14 per cent) would see no change in rates.
- SGI would take in five per cent less premium overall after the rebalancing, which equals about \$28 million.

If SGI's application is approved:

- Vehicle owners whose rates are decreasing will automatically receive a refund cheque for the difference between the rate they paid and their new rate, prorated from July 1, 2007 to the expiry of their policy.
- Customers who pay monthly will have their withdrawal amount adjusted after July 1, 2007 to reflect any rate decrease.
- Customers whose vehicle rates are increasing will not see the increase until their next renewal on or after July 1, 2007.