



New Brunswick Insurance Board

ANNUAL REPORT 2010

March 1, 2011

The Honourable Marie-Claude Blais, Q.C.
Minister of Justice and Consumer Affairs
Province of New Brunswick
PO Box 6000
Fredericton, NB
E3B 5H1

Dear Minister:

On behalf of the Members of the Board of the New Brunswick Insurance Board and in compliance with Section 19.9 of the *Insurance Act*, I am pleased to submit our annual report for the 2010 calendar year. The report contains an overview of our activities for the year as well as our audited financial statements for the 2009-2010 fiscal year ending March 31, 2010.

Respectfully submitted,



Paul D'Astous
Chairman & CEO
New Brunswick Insurance Board

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Message from the Chair



This year, as we present our 6th annual report, there are many things for us to be proud of. We continued to deliver value to all stakeholders by providing sound decisions in rate reviews and also in providing a stable and predictable marketplace. Based on these decisions, we remain committed to providing the rate payers the best possible premiums for their individual auto insurance coverages. New Brunswick enjoys some of the lowest rates in Canada for automobile insurance. We also enjoy some of the lowest participation in the Facility Association residual market.

In 2010, we finished the development of our document management system. With this project now complete, I am proud to say that the Board has the ability to conduct its affairs electronically.

The past year was also the second year of our fiscal restraint measures where staff wages have been frozen. We also reduced our overall operating cost by 14% from the previous year.

The Board continues to play a leadership role in the Canadian regulatory environment specifically with the Canadian Auto Insurance Rate Regulators (CARR) Association. At the 2010 CARR annual meeting, I was elected Chair of the association and Kevin Duff, our Executive Director, was elected Secretary Treasurer of the association. Through CARR we are dedicated to fostering relationships for the transfer of best practices between jurisdictions.

The New Brunswick Insurance Board remains a major partner with Teens Against Drinking and Driving (TADD). To date, through the TADD Annual Golf Classic more than \$142,000 has been contributed to TADD for their projects. The TADD Foundation is also in discussions with other potential partners in order to have TADD chapters in all high schools in New Brunswick. The Board also received a Certificate of Recognition from the Department of Public Safety for its work with TADD.

At year end, filings for the industry indicated that a rate reduction of -0.18% for private passenger automobiles would be appropriate. After review, the actual reduction was -2.23% resulting in an average proposed premium of \$731. This shows that the New Brunswick private passenger automobile market is very competitive. It also illustrates the stability of the market over the last three years, from a premium of \$754 in 2009 to \$731 in 2011. This will be the 7th consecutive year that has resulted in an average rate reduction in New Brunswick.

In closing, I want to commend the hard work performed by our dedicated staff and Board members. Their unconditional commitment to achieving our mission and objectives goes beyond their job description.



Paul D'Astous
Chairman & CEO



The Board

The New Brunswick Insurance Board (NBIB) is a quasi-judicial administrative tribunal established by the Government of New Brunswick in 2004 as the regulatory agency for automobile insurance rates with the overall supervision of automobile insurance rates in New Brunswick. The NBIB is an independent agency that operates at arm's-length from government.

The *Insurance Act* requires that insurers file their proposed rates at least once every 12 months. All filings are reviewed in order to ensure the proposed rates are just and reasonable.

In addition to the CEO, Paul D'Astous, the Board employs seven employees.

Members



Paul D'Astous
Chair



Vince Duff
Vice-Chair



Ferne Ashford



Armand Brun



Gerard Hall



Maurice Harquail



Francine Kanhai



Al Kavanaugh



Yvon Landry



Jean-Guy Richard



Matthew Tweedie

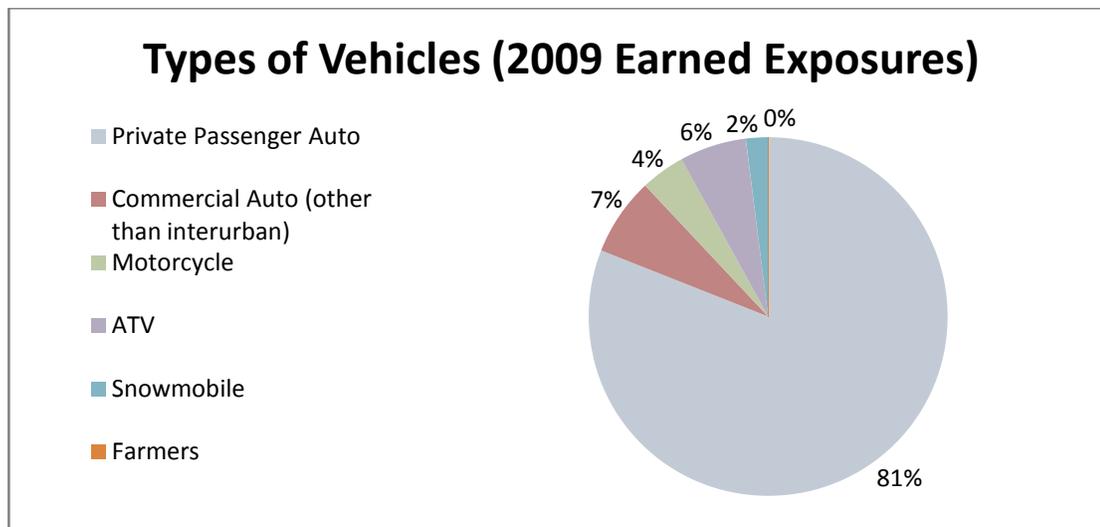
Mission

The Board's mission is to regulate automobile insurance rates under the *Insurance Act* for all companies doing business in the Province of New Brunswick and to ensure procedural fairness to all parties appearing before the Board. The Board will ensure New Brunswick auto insurance rates are:

- Just and reasonable
- Based on New Brunswick driver experience
- Based on New Brunswick company experience
- Based on comparison to other provinces in Atlantic Canada

New Brunswick Market

The following chart illustrates the breakdown of the automobile insurance market in New Brunswick.



Board Governance

The Chair is responsible for administering the *Insurance Act* as it relates to the Board and for the overall performance and management of the Board. The Chair is also the Chief Executive Officer (CEO) of the Board; therefore, the daily operation of the Board is under the leadership of the CEO.

Board members have the powers and privileges of a commissioner under the *Inquiries Act* and the Regulations under that *Act*. The Board may make rules governing its procedures and has full jurisdiction to hear and determine all matters, whether of law or fact.

The Board, when directed by the Chairperson to sit for any particular purpose or situation, may act as a full Board or as a panel of the Board. As such, the Board reviews rate applications as a full Board or as a panel of the Board.

Individual member panels met regularly to review various rate filings. The full Board convened five times in 2010:

1. February - Facility Association hearing (private passenger)
2. March - Member training sessions
3. June - Member training sessions
4. September - Canadian Automobile Rate Regulators (CARR) Conference
5. September - Member training sessions

Accountability

By legislation, the NBIB is obligated to annually report its previous year's activities to the Minister of Justice by March 1. The Board also appears before the Standing Committee on Crown Corporations when requested to report on its activities. Therefore, this report highlights activities and accomplishments during the 2010 calendar year.

As legislated by the *Insurance Act*, the operating costs of the NBIB are charged back to the insurance industry through annual assessments.

The Year in Review

■ ANNUAL RATE APPLICATION FILINGS

In 2010, the Board received rate applications from industry, Facility Association and IAO Actuarial Consulting Services Inc. for private passenger vehicles and various types of commercial, miscellaneous and interurban vehicles.

A total of 434 filings were reviewed in 2010 which included:

- 32 for private passenger rate filings.
- 23 for commercial vehicle rate filings
- 23 for interurban vehicle rate filings
- 281 for miscellaneous vehicles including, motorcycles, ATVs, snowmobiles, buses, taxis etc.
- 75 for other filings including: updating the rate group tables, proposed changes to endorsements and/or proposed changes to rating rules

■ PRIVATE PASSENGER RATE FILINGS FOR RATES EFFECTIVE 2011

Insurance companies writing business in the standard market were required to file their proposed private passenger rates for 2011 by September 15, 2010.

To date, the NBIB has reviewed 32 filings for companies writing private passenger automobile insurance. The overall average rate decrease will be 2.23% resulting in a province wide average premium of \$731. The results are available on the NBIB website.

■ IAO ACTUARIAL CONSULTING SERVICES INC.

IAO Actuarial Consulting Services Inc. (IAO) is an advisory organization that develops automobile insurance rates for the insurance industry. As such, IAO does not write any insurance business, but develops rates for private passenger, commercial, miscellaneous and interurban vehicles. At the request of the Board, those rates are submitted for approval. Once approved by the NBIB, insurance companies with smaller lines of business may adopt the approved IAO rates for their own use. Typically, these smaller companies do not have enough data to develop rates using their own experience as per the Board's filing guidelines.

IAO appeared before the Board December 8, 2010 with a proposed rate change of -0.37%. Appearances were made from the Attorney General's Office as well as from the Consumer Advocates Office. The Board heard all parties and rendered a decision approving the proposed rate change of -0.37%. This decision is available on the NBIB website.

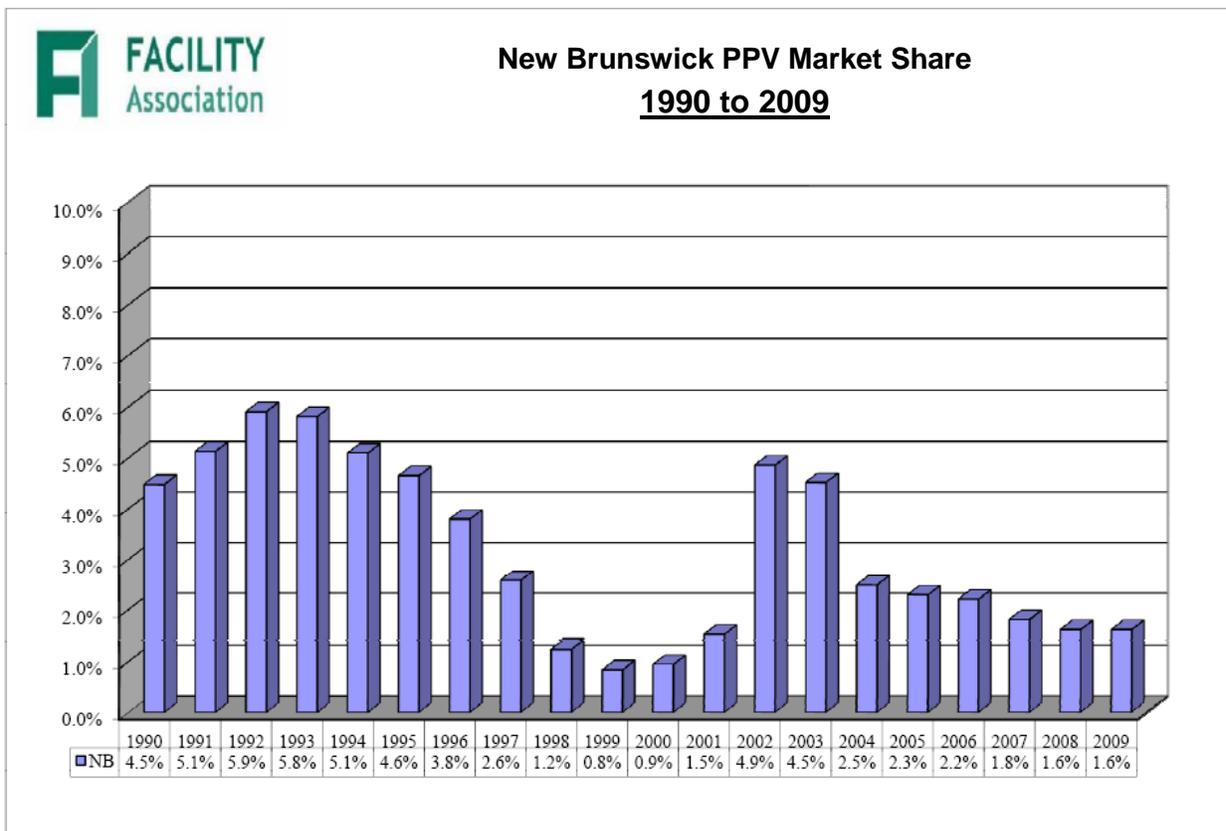
■ FACILITY ASSOCIATION

Facility Association (FA) is an association of all automobile insurance providers operating in New Brunswick. FA's mandate is to ensure the availability of auto insurance to all owners and operators of motor vehicles who would otherwise have difficulty in obtaining insurance. It is sometimes referred to as the "insurer of last resort".

FA has submitted a filing for private passenger vehicles which is currently being reviewed by the Board. A public hearing will be held early 2011 and the resulting decision will be published on the Board's website.

Over the past number of years, market share for FA has been declining and has now stabilized at 1.6 percent of the market on a vehicle basis. Current premiums collected represent approximately 8 percent of the total premiums collected in the New Brunswick marketplace. This is higher on a percentage basis than in 2008, however this is primarily due to continuing premium decreases in the standard market.

By Canadian standards, a residual market at two percent or less is considered to be an indicator of a very healthy overall insurance market.



■ FILING GUIDELINES

The NBIB released revised filing guidelines for 2010-11 in July 2010. These filing guidelines detail for industry the manner and specifications that will be expected in filings made throughout the year. The guidelines are posted on the NBIB website.

■ BOARD EDUCATION

Education of both NBIB Board members and staff continues to be a priority. The automobile insurance environment is complex and has undergone change at a rapid pace; therefore, it is important that everyone involved in the rate review process be fully aware of the factors influencing the industry and how those factors impact the rate applications before the Board.

There continues to be a focus on training. The NBIB has always undertaken a regimen of regular training programs in-house and has also called upon experts in the field to provide further training. This function continues to focus on what members and staff need to do their jobs better.

The Board also utilizes the benefit of membership in the Canadian Auto Insurance Rate Regulators (CARR) Association to share best regulatory practices from across Canada and to bring regulators in contact with experts in the automobile insurance industry at a national level.

■ CANADIAN AUTO INSURANCE RATE REGULATOR ASSOCIATION

The British Columbia Utilities Commission was host to the fourth annual Canadian Auto Insurance Rate Regulators (CARR) Association conference in Victoria, BC, September 26-29, 2010.

The inaugural event was hosted by the NBIB in 2007 during which an initiative to begin the process to form a national association for automobile rate regulators was put forth. The NBIB played a major role in the development of that organization; as a result, the CARR Association was formed and constituted during the 2008 conference.

The Association's mission is to provide a forum where members can share best practices, identify key issues and learn through educational opportunities so that they are better informed and able to fulfill their jurisdictional mandates.

The following appointments were made to the CARR Association's Executive Committee: Chair, Paul D'Astous (Chairman & CEO, New Brunswick Insurance Board); Vice-Chair, Allison MacEwen (Island Regulatory & Appeal Commission); Secretary/Treasurer, Kevin Duff (Executive Director/Secretary of the Board, New Brunswick Insurance Board), and five other representatives from across Canada.

One of the major goals of CARR is to initiate research into topics of national interest. Through CARR, forms used by different jurisdictions have been harmonized. This standardization reduces the administrative complexity of the existing forms. Board staff took a lead role in this project. Board staff were also involved with developing a national training session for CARR members. CARR were also involved with the GISA Data Rationalization project.

■ TEENS AGAINST DRINKING AND DRIVING

The NBIB began supporting TADD in 2006 and has since raised over \$142,000 for the organization through its Annual TADD Charity Golf Classic. The fourth annual event was held on September 8, 2010 at the Sussex Golf and Curling Club. In November the Board received a Certificate of Recognition from the Department of Public Safety for its work with TADD.



APPENDIX A
Summary of 2010 Rate Reviews



Rate Filings

Insurance Company	Vehicle Class	Change	Date Of Filing
Allstate Insurance Company of Canada	Private Passenger	-5.00%	2010-09-15
	ATV	0.00%	2010-09-01
	Camper Trailers	0.00%	2010-04-28
	Motorcycles	-0.08%	2010-01-15
	Motorhomes	0.00%	2010-04-28
	Snow Vehicles	0.00%	2010-09-01
Arch Insurance Company	Interurban	-5.65%	2010-09-03
	Ambulances	-2.64%	2010-09-03
	ATV	9.33%	2010-09-03
	Private Buses	-9.31%	2010-09-03
	Public Buses	-9.31%	2010-09-03
	School Buses	-9.31%	2010-09-03
	Snow Vehicles	10.96%	2010-09-03
	Taxis	-17.42%	2010-09-03
Aviva Insurance Company of Canada	Private Passenger	-0.33%	2010-09-15
	Commercial	-5.76%	2010-04-28
	Interurban	0.00%	2010-04-28
	Ambulances	-0.21%	2010-08-16
	ATV	0.00%	2010-06-28
	Camper Trailers	0.00%	2010-06-28
	Motorcycles	0.00%	2010-06-28
	Motorhomes	0.00%	2010-06-28
	Private Buses	-9.71%	2010-08-24
	Public Buses	12.85%	2010-08-24
	School Buses	0.00%	2010-08-24
	Snow Vehicles	0.00%	2010-06-28
	Taxis	0.00%	2010-08-16
	Axa Insurance (Canada)	Private Passenger	-2.60%
Commercial		-11.72%	2010-07-23
Interurban		0.00%	2010-09-20
ATV		-17.55%	2010-08-13
Camper Trailers		-19.26%	2010-08-13
Funeral Vehicles		0.00%	2010-09-20
Motorcycles		-8.75%	2010-08-13
Motorhomes		-9.90%	2010-08-13
Snow Vehicles		-6.45%	2010-08-13
CAA Insurance Company (Ontario)		Private Passenger	1.42%
	Motorhomes	0.00%	2010-08-27
	Trailers Other	0.00%	2010-08-27

Co-operators General Insurance Company	Private Passenger	-9.47%	2010-09-15
	Commercial	1.05%	2010-04-08
	Interurban	0.00%	2010-04-08
	Antique Vehicles	0.00%	2010-04-08
	ATV	0.00%	2010-07-16
	Mopeds	0.00%	2010-07-16
	Motorcycles	0.00%	2010-07-16
	Motorhomes	0.00%	2010-07-16
	Private Buses	1.18%	2010-04-08
	School Buses	0.00%	2010-04-08
	Snow Vehicles	0.00%	2010-04-08
	Trailers Other	0.00%	2010-07-16
COSECO Insurance Company	Private Passenger	0.00%	2010-09-15
	ATV	0.00%	2010-05-27
	Camper Trailers	0.00%	2010-05-27
	Mopeds	0.00%	2010-05-27
	Motorcycles	0.00%	2010-05-27
	Motorhomes	0.00%	2010-05-27
	Snow Vehicles	0.00%	2010-05-27
CUMIS General Insurance Company	ATV	0.00%	2010-05-27
	Camper Trailers	0.00%	2010-05-27
	Mopeds	0.00%	2010-05-27
	Motorcycles	0.00%	2010-05-27
	Motorhomes	0.00%	2010-05-27
	Snow Vehicles	0.00%	2010-05-27
Echelon General Insurance Company	Commercial	0.00%	2010-05-25
Economical Mutual Insurance Company	Private Passenger	-7.20%	2010-09-15
	Commercial	-7.40%	2010-04-23
	Interurban	0.00%	2010-05-28
	ATV	0.00%	2010-05-28
	Motorcycles	0.00%	2010-05-28
	Other Personal Use	0.00%	2010-05-28
	Public Buses	0.00%	2010-05-28
	Snow Vehicles	0.00%	2010-05-28
Elite Insurance Company	Private Passenger	0.00%	2010-01-15
	Antique Vehicles	0.00%	2010-02-17
	Camper Trailers	0.00%	2010-02-17
	Motorcycles	0.00%	2010-02-17
	Motorhomes	0.06%	2010-01-11



Facility Association	Interurban	0.00%	2010-08-16
	Ambulances	0.00%	2010-05-10
	Antique Vehicles	0.00%	2010-08-12
	ATV	0.00%	2010-08-11
	Camper Trailers	0.00%	2010-08-11
	Funeral Vehicles	0.00%	2010-05-10
	Motorcycles	0.00%	2010-08-16
	Motorhomes	0.00%	2010-08-12
	Other Public Use	0.00%	2010-05-10
	Other Public Use	0.00%	2010-08-11
	Private Buses	0.00%	2010-05-10
	Public Buses	0.00%	2010-05-10
	School Buses	0.00%	2010-05-10
	Snow Vehicles	0.00%	2010-08-11
	Taxis	0.00%	2010-05-07
Federated Insurance Company of Canada	Private Passenger	0.00%	2010-09-15
	Commercial	-10.01%	2010-03-16
	Interurban	-29.76%	2010-03-16
	ATV	12.19%	2010-12-01
	Camper Trailers	0.00%	2010-12-01
	Motorcycles	-46.47%	2010-12-01
	Motorhomes	68.75%	2010-12-01
	Snow Vehicles	0%	2010-12-01
Federation Insurance Company of Canada	Private Passenger	-10.60%	2010-09-15
	Commercial	-7.50%	2010-04-23
	Interurban	0.00%	2010-05-28
	ATV	-1.50%	2010-05-28
	Motorcycles	-1.39%	2010-05-28
	Other Personal Use	0.00%	2010-05-28
	Snow Vehicles	-1.10%	2010-05-28
IAO Actuarial Consulting Services Inc.	Private Passenger	-0.37%	2010-09-15
Insurance Company of Prince Edward Island	Private Passenger	2.37%	2010-09-15
	Commercial	4.31%	2010-04-27
	Interurban	4.31%	2010-04-28
	ATV	0.00%	2010-04-27
	Motorcycles	0.00%	2010-04-27
	Other Personal Use	0.00%	2010-04-27
	Snow Vehicles	0.00%	2010-04-27

Intact Insurance Company	Private Passenger	-5.70%	2010-09-15
	Commercial	-4.00%	2010-05-19
	Interurban	-4.00%	2010-06-24
	Ambulances	0.00%	2010-07-23
	Antique Vehicles	0.00%	2010-04-14
	ATV	0.00%	2010-04-14
	Camper Trailers	0.00%	2010-04-14
	Motorcycles	0.00%	2010-04-14
	Motorhomes	0.00%	2010-04-14
	Private Buses	-7.40%	2010-08-10
	Public Buses	0.00%	2010-07-23
	School Buses	0.00%	2010-08-10
	Snow Vehicles	0.00%	2010-04-14
	Taxis	0.00%	2010-07-23
Jevco Insurance Company	Interurban	0.00%	2010-06-03
	Interurban	2.80%	2010-08-05
Lombard General Insurance Company of Canada	Commercial	-15.60%	2010-06-18
	Interurban	0.00%	2010-06-21
	Ambulances	0.00%	2010-04-30
	Antique Vehicles	0.00%	2010-04-30
	ATV	0.00%	2010-04-30
	Camper Trailers	0.00%	2010-04-30
	Motorcycles	0.00%	2010-04-29
	Motorhomes	0.00%	2010-04-30
	Private Buses	0.00%	2010-04-30
	Public Buses	0.00%	2010-04-30
	School Buses	0.00%	2010-04-30
	Snow Vehicles	0.00%	2010-04-30
	Taxis	0.00%	2010-04-29
Lombard Insurance Company	Commercial	0.00%	2010-06-18
	Interurban	0.00%	2010-06-21
	Ambulances	0.00%	2010-04-30
	Antique Vehicles	0.00%	2010-04-30
	ATV	0.00%	2010-04-30
	Camper Trailers	0.00%	2010-04-30
	Motorcycles	0.00%	2010-04-29
	Motorhomes	0.00%	2010-04-30
	Private Buses	0.00%	2010-04-30
	Public Buses	0.00%	2010-04-30
	School Buses	0.00%	2010-04-30
	Snow Vehicles	0.00%	2010-04-30
	Taxis	0.00%	2010-04-29



Markel Insurance Company of Canada	Commercial	0.00%	2010-06-15
	Interurban	0.00%	2010-06-15
Novex Insurance Company	Private Passenger	-6.30%	2010-09-15
	Antique Vehicles	0.00%	2010-04-14
	ATV	0.00%	2010-04-14
	Camper Trailers	0.00%	2010-04-14
	Motorcycles	0.00%	2010-04-14
	Motorhomes	0.00%	2010-04-14
	Snow Vehicles	0.00%	2010-04-14
Pembridge Insurance Company	ATV	0.00%	2010-09-01
	Camper Trailers	0.00%	2010-04-28
	Motorcycles	0.02%	2010-01-15
	Motorhomes	0.00%	2010-04-28
	Snow Vehicles	0.00%	2010-09-01
Perth Insurance Company	ATV	0.00%	2010-05-28
	Motorcycles	0.00%	2010-05-28
	Other Personal	0.00%	2010-05-28
	Snow Vehicles	0.00%	2010-05-28
Primum Insurance Company	Private Passenger	-0.08%	2010-05-17
	Private Passenger	-1.19%	2010-09-15
	ATV	0.97%	2010-05-17
	Camper Trailers	-2.10%	2010-05-17
	Motorcycles	-0.05%	2010-05-17
	Motorhomes	0.00%	2010-04-20
	Snow Vehicles	1.37%	2010-05-17
Promutuel des Riverains	Commercial	0.00%	2010-04-30
	ATV	0.00%	2010-04-30
	Camper Trailers	0.00%	2010-04-30
	Motorhomes	0.00%	2010-04-30
	Snow Vehicles	0.00%	2010-04-30
Promutuel Gaspésie-les Île	ATV	0.00%	2010-04-30
	Camper Trailers	0.00%	2010-04-30
	Commercial	0.00%	2010-04-30
	Motorhomes	0.00%	2010-04-30
	Snow Vehicles	0.00%	2010-04-30
RBC General Insurance Company	Private Passenger	-1.52%	2010-09-15
	ATV	0.00%	2010-04-29
	Camper Trailers	0.00%	2010-04-29
	Motorcycles	0.00%	2010-04-29
	Motorhomes	0.00%	2010-04-29
	Snow Vehicles	0.00%	2010-04-29

RBC Insurance Company	Private Passenger	-2.53%	2010-09-15
	ATV	0.00%	2010-04-29
	Camper Trailers	0.00%	2010-04-29
	Motorcycles	0.00%	2011-04-29
	Motorhomes	0.00%	2010-04-29
	Snow Vehicles	0.00%	2011-04-29
Royal and Sun Alliance Insurance Company of Canada	Private Passenger	-4.40%	2010-09-15
	Commercial	0.00%	2010-04-01
	Interurban	0.00%	2010-04-01
	Antique Vehicles	0.00%	2010-04-06
	ATV	0.00%	2010-04-06
	Camper Trailers	0.00%	2010-04-06
	Motorcycles	0.00%	2010-04-06
	Motorhomes	0.00%	2010-04-06
	Snow Vehicles	0.00%	2010-04-06
Scottish & York Insurance Company Limited	Private Passenger	-0.33%	2010-09-15
	ATV	0.00%	2010-03-19
	Camper Trailers	0.00%	2010-03-19
	Motorcycles	0.00%	2010-03-19
	Motorhomes	0.00%	2010-03-19
	Snow Vehicles	0.00%	2010-03-19
Security National Insurance Company	Private Passenger	-0.08%	2010-05-17
	Private Passenger	-1.07%	2010-09-15
	ATV	-0.89%	2010-05-17
	Camper Trailers	-1.33%	2010-05-17
	Motorcycles	1.32%	2010-05-17
	Snow Vehicles	-0.51%	2010-05-17
State Farm Mutual Automobile Insurance Company Plan A	Private Passenger	-2.60%	2010-09-15
	Commercial	0.00%	2010-04-30
	Interurban	0.00%	2010-05-14
	Antique Vehicles	0.00%	2010-05-14
	ATV	0.00%	2010-05-14
	Camper Trailers	0.00%	2010-05-14
	Motorcycles	0.00%	2010-06-23
	Motorhomes	0.00%	2010-05-14
	Other Personal Use	0.00%	2010-05-14
	School Buses	0.00%	2010-05-14
	Snow Vehicles	0.00%	2010-05-14



State Farm Mutual Automobile Insurance Company Plan B	Private Passenger	-3.60%	2010-09-15
	Commercial	0.00%	2010-04-30
	Interurban	0.00%	2010-05-14
	Antique Vehicles	0.00%	2010-05-14
	ATV	0.00%	2010-05-14
	Camper Trailers	0.00%	2010-05-14
	Motorcycles	0.00%	2010-06-23
	Motorhomes	0.00%	2010-05-14
	Other Personal Use	0.00%	2010-05-14
	Snow Vehicles	0.00%	2010-05-14
TD Home and Auto Insurance Company	Private Passenger	-0.08%	2010-05-17
	Private Passenger	-1.40%	2010-09-15
	ATV	0.04%	2010-05-17
	Camper Trailers	-0.92%	2010-05-17
	Motorcycles	-16.74%	2010-05-17
	Snow Vehicles	-5.01%	2010-05-17
The Dominion of Canada General Insurance Company	Commercial	-10.00%	2010-09-04
	Interurban	6.16%	2010-06-30
	Interurban	0.00%	2010-09-09
	Ambulances	-2.64%	2010-09-04
	ATV	6.45%	2010-09-04
	Classic Vehicles	0.00%	2010-09-04
	Funeral Vehicles	0.00%	2010-09-04
	Motorcycles	3.30%	2010-09-04
	Motorhomes	0.00%	2010-09-04
	Public Buses	-9.31%	2010-09-04
	Snow Vehicles	4.65%	2010-09-04
	Taxis	-17.42%	2010-09-04
	Trailers Utility	1.00%	2010-09-04
The Personal Insurance Company	Private Passenger	0.00%	2010-09-15
	ATV	0.00%	2010-05-20
	Camper Trailers	0.00%	2010-05-20
	Mopeds	0.00%	2010-05-20
	Motorcycles	0.00%	2010-05-20
	Motorhomes	0.00%	2010-05-20
	Snow Vehicles	0.00%	2010-05-20
The Portage la Prairie Mutual Insurance Company	ATV	0.00%	2010-12-01

	Snow Vehicles	0.00%	2010-12-01
The Sovereign General Insurance Company	Commercial	-8.83%	2010-09-16
	Interurban	3.44%	2010-09-16
	Ambulances	0.00%	2010-04-30
	ATV	0.00%	2010-04-30
	Camper Trailers	0.00%	2010-04-30
	Motorcycles	-32.28%	2010-09-16
	Motorhomes	0.00%	2010-04-30
	Other Personal Use	0.00%	2010-04-30
	Other Public Use	0.00%	2010-04-30
	Private Buses	0.00%	2010-04-30
	Public Buses	0.00%	2010-04-30
	School Buses	0.00%	2010-04-30
	Snow Vehicles	0.00%	2010-04-30
	Taxis	0.00%	2010-09-16
The Wawanesa Mutual Insurance Company	Private Passenger	3.00%	2010-08-13
The Wawanesa Mutual Insurance Company	Commercial	-7.48%	2010-04-30
	ATV	-6.78%	2010-04-30
	Camper Trailers	6.12%	2010-04-30
	Motorcycles	-2.79%	2010-04-30
	Snow Vehicles	0.35%	2010-04-30
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Commercial	0.00%	2010-06-18
	Interurban	0.00%	2010-06-21
	Ambulances	0.00%	2010-04-30
	Antique Vehicles	0.00%	2010-04-30
	ATV	0.00%	2010-04-30
	Camper Trailers	0.00%	2010-04-30
	Motorcycles	0.00%	2010-04-29
	Motorhomes	0.00%	2010-04-30
	Private Buses	0.00%	2010-04-30
	Public Buses	0.00%	2010-04-30
	School Buses	0.00%	2010-04-30
	Snow Vehicles	0.00%	2010-04-30
	Taxis	0.00%	2010-04-29
Traders General Insurance Company	Private Passenger	0.00%	2010-09-15
	ATV	0.00%	2010-03-19



	Camper Trailers	0.00%	2010-03-19
	Motorcycles	0.00%	2010-03-19
	Motorhomes	0.00%	2010-03-19
	Snow Vehicles	0.00%	2010-03-19
Trafalgar Insurance Company of Canada	Private Passenger	-5.80%	2010-09-15
	Antique Vehicles	0.00%	2010-04-14
	ATV	0.00%	2009-04-14
	Camper Trailers	0.00%	2010-04-14
	Motorcycles	0.00%	2010-04-14
	Motorhomes	0.00%	2010-04-14
	Snow Vehicles	0.00%	2010-04-14
Unifund Assurance Company	ATV	0.00%	2010-08-02
	Camper Units	-10.00%	2010-08-02
	Motorcycles	-13.60%	2010-08-02
	Motorhomes	0.00%	2010-08-02
	Snow Vehicles	-6.76%	2010-08-02
United General Insurance Corporation	Private Passenger	-4.98%	2010-09-15
	Commercial	0.00%	2010-04-26
Waterloo Insurance Company	Private Passenger	-6.93%	2010-09-15
	ATV	0.00%	2010-05-28
	Motorcycles	0.00%	2010-05-28
	Other Personal Use	0.00%	2010-05-28
	Snow Vehicles	0.00%	2010-05-28
Zenith Insurance Company	Antique Vehicles	0.00%	2010-04-30
	ATV	0.00%	2010-04-30
	Camper Trailers	0.00%	2010-04-30
	Motorcycles	0.00%	2010-04-29
	Motorhomes	0.00%	2010-04-30
	Snow Vehicles	0.00%	2010-04-30
Zurich Insurance Company	Commercial	-1.21%	2010-07-27
	Interurban	-0.47%	2010-07-27
	Ambulances	0.00%	2010-07-27
	Antique Vehicles	0.00%	2010-04-30
	ATV	0.00%	2010-07-27
	Camper Trailers	0.00%	2010-07-27
	Fire Dept Vehicles	0.00%	2010-07-27
	Funeral Vehicles	0.00%	2010-07-27
	Motorcycles	0.00%	2010-07-27
	Motorhomes	0.00%	2010-07-27
	Other Public Use	0.00%	2010-07-27

	Police Vehicles	0.00%	2010-07-27
	Private Buses	0.00%	2010-04-30
	Private Buses	0.00%	2010-07-27
	Public Buses	0.00%	2010-07-27
	School Buses	0.00%	2010-07-27
	Snow Vehicles	0.00%	2010-07-27
	Taxis	0.00%	2010-07-27

Other Filings

Insurance Company Name	Vehicle Class	Filing Type	Date Of Filing
Allstate Insurance Company of Canada	Private Passenger	Rate Group Update	18/01/2010
Aviva Insurance Company of Canada	Private Passenger	Rate Group Update	12/08/2010
	Commercial	Rate Group Update	15/07/2010
Axa Insurance (Canada)	Private Passenger	Rate Group Update	15/01/2010
Co-operators General Insurance Company	Private Passenger	Rate Group Update	08/01/2010
	Commercial	Rate Group Update	14/04/2010
	ATV	Rate Group Update	19/04/2010
	Mopeds	Rate Group Update	19/04/2010
	Motorcycles	Rate Group Update	19/04/2010
	Motorhomes	Rate Group Update	19/04/2010
Economical Mutual Insurance Company	Commercial	Rate Group Update	05/01/2010
	Commercial	Rate Group Update	20/10/2010
Elite Insurance Company	Private Passenger	Rate Group Update	12/08/2010
	Motorhomes	Endorsement	15/11/2010
Facility Association	Private Passenger	Rate Group Update	28/07/2010
Federated Insurance Company of Canada	Private Passenger	Rate Group Update	27/07/2010
	All	Endorsement	04/01/2010
Federation Insurance Company of Canada	Commercial	Rate Group Update	20/10/2010
Insurance Company of Prince Edward Island	Private Passenger	Rate Group Update	16/08/2010
	Commercial	Rate Group Update	16/08/2010
	Interurban	Rate Group Update	18/08/2010
	ATV	Rating Rule Change	17/09/2010
	Motorcycles	Rating Rule Change	17/09/2010
	Snow Vehicles	Rating Rule Change	17/09/2010
Intact Insurance Company	Commercial	Rate Group Update	18/10/2010



Lombard General Insurance Company of Canada	Private Passenger	Rate Group Update	12/01/2010
	Commercial	Rate Group Update	31/08/2010
	Interurban	Rate Group Update	19/07/2010
Lombard Insurance Company	Private Passenger	Rate Group Update	12/01/2010
	Commercial	Rate Group Update	31/08/2010
	Interurban	Rate Group Update	19/07/2010
Markel Insurance Company of Canada	Commercial	Rating Rule Change	18/03/2010
	Interurban	Rating Rule Change	18/03/2010
	Commercial	Endorsement	01/03/2010
	Interurban	Endorsement	01/03/2010
Pafco Insurance Company	Private Passenger	Rate Group Update	18/01/2010
Pembridge Insurance Company	Private Passenger	Rate Group Update	18/01/2010
	Private Passenger	Rating Rule Change	22/01/2010
	Private Passenger	Endorsement	25/03/2010
Primum Insurance Company	Private Passenger	Rate Group Update	19/01/2010
	Private Passenger	Endorsement	26/08/2010
	Private Passenger	U/W Rule Change	26/05/2010
	Motorcycles	Endorsement	26/08/2010
	ATV	U/W Rule Change	26/05/2010
RBC General Insurance Company	Private Passenger	U/W Rule Change	01/06/2010
	Antique Vehicles	U/W Rule Change	01/06/2010
	Motorcycles	U/W Rule Change	01/06/2010
	Motorhomes	U/W Rule Change	01/06/2010
	Snow Vehicles	U/W Rule Change	01/06/2010
RBC Insurance Company	Private Passenger	U/W Rule Change	01/06/2010
	Antique Vehicles	U/W Rule Change	01/06/2010
	Motorcycles	U/W Rule Change	01/06/2010
	Motorhomes	U/W Rule Change	01/06/2010
	Snow Vehicles	U/W Rule Change	01/06/2010
Royal and Sun Alliance Insurance Company of Canada	Commercial	Rate Group Update	28/09/2010
	Interurban	Rate Group Update	28/09/2010
Security National Insurance Company	Private Passenger	Rate Group Update	19/01/2010
	Private Passenger	Endorsement	26/08/2010
	Private Passenger	U/W Rule Change	26/05/2010
	Motorcycles	Endorsement	26/08/2010
	ATV	U/W Rule Change	26/05/2010
State Farm Mutual Automobile Insurance Company Plan A	Private Passenger	Rate Group Update	16/12/2010
	Private Passenger	Rating Rule Change	14/05/2010
State Farm Mutual Automobile Insurance Company Plan B	Private Passenger	Rate Group Update	16/12/2010

	Private Passenger	Rating Rule Change	14/05/2010
TD Home and Auto Insurance Company	Private Passenger	Rate Group Update	19/01/2010
	Private Passenger	Endorsement	26/08/2010
	Private Passenger	U/W Rule Change	26/05/2010
	Motorcycles	Endorsement	26/08/2010
	ATV	U/W Rule Change	26/05/2010
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Private Passenger	Rate Group Update	12/01/2010
	Commercial	Rate Group Update	31/08/2010
	Interurban	Rate Group Update	19/07/2010
Traders General Insurance Company	Private Passenger	Rate Group Update	12/08/2010
Zenith Insurance Company	Private Passenger	Rate Group Update	12/01/2010





APPENDIX B

**2009-2010 Fiscal Year Audited Financial Statements
(to March 31, 2010)**



Peter G. Gaulton Professional Corporation
Chartered Accountant
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AUDITOR'S REPORT

To the members of New Brunswick Insurance Board:

I have audited the statement of financial position of the New Brunswick Insurance Board as at March 31, 2010 and the statements of operations and net assets and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Board, as well as, evaluating the overall financial statement presentation.

In my opinion these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2010 and the results of its operations for the period then ended in accordance with Canadian generally accepted accounting principles.

Saint John, NB
June 9, 2010



Chartered Accountant

New Brunswick Insurance Board

Statement of Financial Position
As at March 31, 2010

	2010	2009
Assets		
Current:		
Cash in bank	\$ 486,496	\$ 353,908
Scotiabank GIC's (1-year cashable; 0.47%)	1,500,444	1,500,000
Accounts receivable	18,282	10,194
Accrued interest receivable	444	1,501
Harmonized sales tax recoverable	87,994	178,548
Prepaid expenses	3,653	8,761
	<u>2,097,313</u>	<u>2,052,912</u>
Property, Plant and Equipment (note 3)	486,343	208,072
Less: accumulated amortization	(234,030)	(152,890)
	<u>252,313</u>	<u>55,182</u>
	<u>\$ 2,349,626</u>	<u>\$ 2,108,094</u>
Liabilities		
Current:		
Accounts payable and accrued liabilities	\$ 217,590	\$ 132,786
Deferred assessments (note 6)	2,132,036	1,975,308
	<u>2,349,626</u>	<u>2,108,094</u>
Net assets		
	-	-
	<u>\$ 2,349,626</u>	<u>\$ 2,108,094</u>
Future employee benefits (note 4) Commitments (note 5) Use of estimates (note 7) Financial instruments (note 9)		

Approved by the Board:



Chairperson



Vice-Chairperson



New Brunswick Insurance Board

Statement of Operations and Net Assets
For the year ended March 31, 2010

	2010	2009
Receipts		
Assessments	\$ 1,676,406	\$ 1,937,012
Interest	8,937	20,095
Other	992	-
	1,686,335	1,957,107
Disbursements		
Wages, benefits and other employee costs	514,226	612,734
Board compensation	108,663	90,355
Interest and bank charges	1,653	1,683
Travel	24,147	23,628
Advertising	3,047	3,467
Uncollectible assessments	20,089	-
Actuarial services	492,878	544,324
Rent	123,502	123,425
Amortization expense	100,293	41,615
Office expenses	16,827	21,606
Audit and accounting	15,228	23,965
Legal	83,737	17,751
Systems redesign project	-	229,936
Training and education	64,886	98,881
Telecommunications	22,187	25,769
Rentals	8,143	5,309
Equipment leases	14,712	18,789
Communications and community support	14,839	30,233
Public awareness campaign	15,892	-
Meetings and conferences	15,844	23,114
Insurance	1,218	1,449
IT support	24,324	19,074
	1,686,335	1,957,107
Net of receipts and disbursements	NIL	NIL
Net assets, beginning of year	NIL	NIL
Net assets, end of year	\$ NIL	\$ NIL



New Brunswick Insurance Board

Statement of Cash Flows

For the year ended March 31, 2010

	2010	2009
Cash provided by (used in):		
Operations		
Excess of receipts over disbursements	\$ -	\$ -
Item not involving an outlay of cash		
Loss on disposal of vehicle	(992)	-
Amortization expense	100,293	41,615
	99,301	41,615
Decrease (increase) in accounts receivable	(8,088)	259,355
Decrease (increase) in accrued interest receivable	1,057	(1,105)
Decrease (increase) in HST recoverable	90,554	(121,955)
Decrease (increase) in prepaid expenses	5,108	(3,380)
Increase (decrease) in accounts payable	84,804	68,286
Increase (decrease) in deferred revenue	156,728	139,725
	429,464	382,541
Investing		
Purchase of property, plant and equipment	(298,432)	(26,936)
Purchase on the disposal of equipment	2,000	-
Purchase of Scotiabank GIC's	(1,500,444)	(1,500,000)
GIC's redeemed	1,500,000	1,200,000
	(296,876)	(326,936)
Increase in cash	132,588	55,605
Cash, beginning of year	353,908	298,303
Cash, end of year	\$ 486,496	\$ 353,908

See accompanying notes to financial statements



New Brunswick Insurance Board

Notes to Financial Statements

For the year ended March 31, 2010

1. Purpose of the organization

Effective October 15, 2004, the New Brunswick Insurance Board commenced regulatory responsibility for automobile insurers in New Brunswick. Board operations began October 1, 2004.

The Board is exempt from income tax under Section 149 (1) (d) of the Canadian Income Tax Act and recovers 100% of the harmonized sales tax (HST) paid. HST is not collected on assessments to the insurance companies.

2. Significant accounting policies

(a) Method of accounting:

The Board follows the deferral method of accounting for receipts. Restricted receipts are recognized as revenue in the year in which the related expenses are incurred. Unrestricted receipts are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) Property, plant, and equipment:

Property, plant and equipment are recorded at cost. Amortization is calculated on a straight-line basis over 5 years on all assets except for equipment under capital lease. The equipment under capital lease is amortized on an annual basis at an amount equal to the principal portion of the long-term debt repayments.

(c) Financial instruments

Financial instruments of the Board consist of cash, GIC's, accounts receivable, accrued interest receivable, HST recoverable, and accounts payable and accrued liabilities. The carrying value of the financial instruments approximates their fair value due to their nature or capacity for prompt liquidation. It is the management's opinion that the Board is not exposed to significant interest rate, currency or credit risks arising from these financial instruments (see note 9).

3. Property, plant and equipment

	2010		2009	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 87,482	\$ 81,252	\$ 6,230	\$ 11,924
Computer software	95,082	28,364	66,718	14,142
Systems software	183,190	36,638	146,552	-
Vehicle	31,846	6,369	25,477	4,032
Leasehold improvements	3,399	1,717	1,682	2,362
Furniture and fixtures	85,344	79,690	5,654	22,722
	\$ 486,343	\$ 234,030	\$ 252,313	\$ 55,182

New Brunswick Insurance Board

Notes to Financial Statements

For the year ended March 31, 2010

4. Future employee benefits

Pension Plan:

The Board and its employees participate in a contributory defined benefit pension plan, administered by the Province of New Brunswick and the Public Service Superannuation Act. The plan provides pensions to employees of the Provincial Government and certain Crown Corporations and agencies based on the length of service and highest successive five year average salary. The expense for this pension plan is equivalent to the annual contribution of \$42,155 (2009: \$44,320). Any shortfall in the funding of the plan is guaranteed by the Province of New Brunswick, which is the sponsor of the plan.

5. Commitments

The Board negotiated an operating lease of its office premises for a period of 5 years commencing January 1, 2005. In 2007, the Board renegotiated their lease to include additional office space and extended the term for an additional period of 6 years. The minimum annual payments under the lease terms are as follows:

April 1, 2009 - December 31, 2009:	\$	87,394
January 1, 2010 - December 31, 2015:	\$	118,344

The Board negotiated several operating leases of its computer equipment and a photocopier. The minimum annual payments under the lease terms are as follows:

April 1, 2009 - March 31, 2010:	\$	15,173
April 1, 2010 - March 31, 2011:	\$	9,023
April 1, 2011 - March 31, 2013:	\$	5,512

6. Deferred assessments

The Board's expenses are funded 100% by the companies selling automobile insurance in the Province of New Brunswick. Annually, in advance of the coming fiscal year, the Board prepares an expense budget and assesses each company based on its proportion of the automobile premiums written in the Province of New Brunswick in the previous calendar year. Deferred assessments represents the assessments billed to the insurance companies in advance based on the budgeted expenses plus or minus adjustments between budgeted expenses and actual expenses as determined at each fiscal year-end.

7. Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires the Board to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty.



New Brunswick Insurance Board

Notes to Financial Statements

For the year ended March 31, 2010

8. Comparative figures

Certain comparative figures have been restated to conform with the presentation adopted for this year.

9. Financial instruments

In accordance with Section 3855, Financial Instruments – Recognition and Measurement, financial instruments are classified into one of the following five categories: held for trading, held for maturity, loans and receivables, available for sale, or other financial liabilities. The classification determines the accounting treatment of the instrument. The classification of the instrument is determined by the Board when the financial instrument is initially recorded, based on the underlying purpose of the instrument.

The financial assets and financial liabilities of the Board are classified and measured as follows:

Financial Asset / Liability	Category	Measurement
Cash	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Investments - GIC's	Held for trading	Fair value
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost

Financial instruments measured at amortized cost are initially recognized at fair value and then subsequently at amortized cost with gains and losses recognized in the statement of operations and surplus in the period the gain or loss occurs.

Fair value of financial instruments

The fair value of a financial instrument is the estimated amount that the Board would receive or pay to settle a financial asset or liability as at the reporting date.

The fair values of cash, prepaids, accounts receivable, investments, accounts payable and accrued liabilities approximate their carrying values due to their nature of capacity for prompt liquidation.

Risk management

The Board manages its exposure to risks associated with financial instruments that have the potential to affect its operating and financial performance. The objective is to reduce volatility in cash flow in earnings. Management monitors its exposure to risks on a regular basis. The Board does not use derivative financial instruments to manage its risks.

The financial instruments of the Board and the nature of risks which they may be subject to are as follows:

Financial Instruments	Risks				
	Credit	Liquidity	Market risks		
Currency			Interest rate	Other Price	
Measurement at amortized cost					
Accounts receivable	X	X			
Accounts payable and accrued liabilities		X			
Measurement at fair value					
Cash on deposit	X	X		X	
Investments	X	X		X	

New Brunswick Insurance Board

Notes to Financial Statements

For the year ended March 31, 2010

9. Financial instruments (cont'd)

Credit risk

The Board is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party or if there is a concentration of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

The maximum exposure of the Board to credit risk at March 31, 2010 is as follows:

Cash	\$	486,496
Accounts receivable		18,282
Canadian fixed income investments		1,500,444
	\$	2,005,222

Cash and investments: Credit risk associated with cash and Canadian fixed income investments is minimized substantially by ensuring that these assets are invested in financial obligations of: governments and major financial institutions that have been accorded investment grade rating by a primary rating agency, and/or other creditworthy parties. An ongoing review is performed to evaluate changes in the status of the issuers of securities authorized for investment under the Board's investment policy.

Management believes concentrations of credit risk with respect to accounts receivable is limited due to the nature of the transaction between the Board and the insurance companies.

Liquidity risk

Liquidity risk is the risk that the Board will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes that risk of the Board not being able to liquidate assets in a timely manner at a reasonable price.

The Board meets its liquidity requirements by monitoring cash flows from operations and holding assets that can be readily converted into cash. The Board holds investments that can easily be converted to cash should it be required to meet temporary fluctuations in cash requirements. The Board also assesses insurance companies in advance at the fiscal year end in order to maintain liquidity.

Market risk

The Board is exposed to market risk through the fluctuation of financial instruments fair values due to changes in market prices. The significant market risk to which the Board is exposed is interest rate risk.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The interest rate exposure of the Board arises from its interest bearing assets.

