
NEW BRUNSWICK INSURANCE BOARD

To: **All Insurers Transacting Business in New Brunswick**
Bulletin: **NBIB 2007-1**
Subject: **Information Bulletin - Filing Guidelines for All Classes**
Date: **July 20, 2007**

The purpose of this information bulletin is to set out the Board's revised filing requirements for all classes of vehicles, to assist insurers in making complete filings that may be processed with a minimum of delay. These filing requirements apply equally to Facility Association.

This Information Bulletin 2007-1 replaces all previous Information Bulletins and standards issued by the Board with respect to automobile insurance.

New Brunswick is a "prior approval jurisdiction" with respect to the regulation of automobile insurance rates and rating rules. The New Brunswick Insurance Board's (the Board's) regulatory role is to confirm compliance with the *Insurance Act* provision that rates are just and reasonable.

NOTE: If a company files more than twice in a 12 month period or files for an average overall rate increase of 3% or higher, they must appear before the Board. *Please refer to Section 267.51 (1) of the Insurance Act.* For miscellaneous vehicles, the combined average rate change would be broken into two categories, A and B. Please refer to below tables. The Board would consider the weighted (inforce premiums) average of the category as the overall rate change not the individual rate change per class of vehicle.

Category A Recreational Use
Motorcycles & Mopeds
Snow Vehicles
All Terrain Vehicles
Antique Vehicles
Classic Vehicles
Motorhomes
Camper Units
Farm-type Tractors
Golf Mobiles
Dune Buggies
All trailers not used for commercial purposes.

Category B All Other
Taxis & Limousines
Public & Private Buses
Ambulances
Funeral Carriages & Hearses
Hired Cars
Police Vehicles
Fire Dept. Vehicles

The following are the 2007- 2008 **deadlines** for filings:

- Aug 15 IAO private passenger filing
- EXTENDED to Oct 1 regular market - private passenger Effective dates Jan 1 new business Mar 1 renewals
- Nov 15 Facility Association private passenger filing
- Nov 15 IAO commercial, miscellaneous and interurban
- Feb 29 regular market- commercial, miscellaneous and interurban filing effective dates Jul 1 new business and Sep 1 renewals
- Apr 15 Facility Association commercial, miscellaneous and interurban

What's New for Filing Requirements 2007?

- Separate filing requirements have been added for Regular and Interim filings, Companies Adopting IAO rates, Rate Group Tables Updates, Rating Rule Changes and Endorsements
- Changes to capping procedures
- Section 13 now requires map of territories
- Profiles - removed Gender from profiles. Added individual profile for all operators and combined profiles. Now 11 FSA's instead of 4 to match new statistical territories.
- Changes to Appendix A. Some exhibits have been incorporated into the filing requirements.
- Rules regarding the sub-division of territories (Section 15k).
- Section 15 DCPD loss analysis must be included
- Section 15 weights - company should use weights consistent with the last filing
- Request that all companies include a copy of their most recent annual report.
- Combined average rate change for miscellaneous will be average of category (public or personal use) not individually.
- Territories have been changed. See NBIB Bulletin 2007-2 for more information.
- Filing deadline extended for ppv
- Filing deadline changed for all other classes
- Effective dates changed for renewals

Types of Filings required by the Board:

1. **IAO Actuarial Consulting Services Inc. (IAO)** is requested to file for private passenger vehicles by Aug 15. The Board will refer to this as the **IAO Regular PP filing**. *Please refer to RFR-1 for filing requirements*
2. **PRIVATE PASSENGER REGULAR** - Every insurer shall file according to these requirements by September 15 (extended to Oct 1 for 2007) the documentation supporting the proposed rates to be charged effective January 1 for new business and March 1 for renewal business whether or not these rates are different from the then current rates. The Board will refer to this as a **Regular or Annual PP filing**. *Please refer to RFR-1 for filing requirements*
3. **FACILITY ASSOCIATION PRIVATE PASSENGER** shall file according to these requirements by November 15 the documentation supporting the proposed rates to be charged for new and renewal business whether or not these rates are different from the then current rates. The Board will refer to this as the **FA Regular PP filing**. *Please refer to RFR-1 for filing requirements*
4. **IAO Actuarial Consulting Services Inc. (IAO)** is requested to file rates for **all other classes** by November 15. The Board will refer to this as the **IAO Regular Comm., Misc or Interurban filing**. *Please refer to RFR-1 for filing requirements*
5. **COMM & MISC & INTERURBAN REGULAR** – Every insurer shall file according to these requirements by February 29 the documentation supporting the proposed rates to be charged effective July 1 for new and September 1 renewal business whether or not these rates are different from the then current rates. The Board will refer to this as a **Regular or Annual Comm., Misc or Interurban filing**. *Please refer to RFR-1 for filing requirements*
6. **COMM & MISC & INTERURBAN Facility Association** shall file according to these requirements by April 15, the documentation supporting the proposed rates to be charged for new and renewal business whether or not these rates are different from the then current rates. The Board will refer to this as the **FA Regular or Annual Comm., Misc or Interurban filing**. *Please refer to RFR-1 for filing requirements*
7. Companies wishing to **adopt IAO private passenger** rates shall file by September 15 (extended to Oct 1 for 2007). Companies wishing to adopt IAO rates must refer to Rate Filing Requirements for Companies Adopting IAO rates. These filings will be referred to as **-Company Name IAO Regular PP/Misc/Interurban/Commercial filing**. *Please refer to RFR-2 for filing requirements*
8. Companies wishing to **adopt IAO commercial, miscellaneous or interurban** rates shall file by February 29. Companies wishing to adopt IAO rates must refer to Rate Filing Requirements for Companies Adopting IAO rates. These filings will be referred to as **-Company IAO Regular PP/Misc/Interurban/Commercial filing** *Please refer to RFR-2 for filing requirements*

9. Insurers wishing to make an **Interim** filing at any other than the above mentioned filing dates will have to make a full filing. i.e., include actuarial justification. Please refer to the Filing Requirements for Regular or Interim rate filings. The Board will refer to this filing as an **Interim Rate filing**. *Please refer to RFR-1 for filing requirements*
10. Companies wishing to **update rate group tables** must refer to the Filing Requirements for Rate Group Updates. These will **not be considered a filing**. Board approval before implementing is required. Please refer to the Filing Requirements for rate group updates filings. The Board will refer to this as a **Rate Group Table Update**. *Please refer to RFR-3 for filing requirements*
11. A proposed **change to rating rules** must be sent to the Board with details of the proposed change and the expected impact of such a change. Please refer to the Filing Requirements for Regular or Interim rate filings. This **will be considered a filing**. The Board will refer to this as a **Rating Rule Change filing**. *Please refer to RFR-4 for filing requirements*
12. Insurers wishing to make a **change to Endorsements** must refer to the Filing requirements for Endorsements. These will **not be considered a filing**. The Board will refer to this type of filing as **Endorsement Filing**. *Please refer to RFR-5 for filing requirements*

General Filing Information

- Regular and Interim Filings must be submitted in both paper (5 copies in *unlabeled* 3 ring binders) and electronic form. Paper copies are to be submitted to:
NBIB
Attention: Kelly Ferris
Manager Insurance Services
600 – 55 Union St
Saint John, NB
E2L 5B7
- All other Filings must be submitted in both paper (1 copy in *3 ring binders no coil bindings*) and electronic form.
- Attachments to email filing are to be submitted to info@nbib-canb.org *and* Kelly.ferris@nbib-canb.org and **must include** in the subject line company name, date, and type of filing, class of filing, filing or amendment. Profiles are to be locked cells and sent as Excel doc.(new)
- Separate filing must be submitted for each type of filing i.e. private passenger, commercial, miscellaneous and interurban. If an insurer is submitting filings for more than 1 company, separate emails must be sent for each company/filing. *Failure to comply with this rule will result with email being returned with request to re-submit separately.*
- Sections divided example Appendices, 1 – 15 and Exhibits. Please use divider tabs labelled 1-15
- **PAGES MUST BE NUMBERED** using “<Section>.<Page>” format (e.g. 10.5 represents the 5th page of section 10). The pages must be 3 hole punched and presented in a 3 ring binder size compatible with the thickness of the document. Please ensure that Section 15 has pages clearly numbered.
- For Regular and Interim filings, the email copy must contain the 5 following attachments as follows;
 - Appendices
 - Cover Letter and Section 1-12. Cover letter must include the type of filing, class of vehicle, proposed effective dates, a summary of the proposed changes with a table breaking it down by coverage and territory and any non-compliance with these guidelines.
 - Section 13
 - Section 14 Excel with locked cells
 - Section 15 with Exhibits

Failure to comply with this rule will result in email being returned to you with request to re-submit.

- Filing Guidelines are used by the Board as references, but should not limit an insurer from exercising appropriate judgment in ratemaking.
- Companies will be advised via email once filing has been approved. **Signed Official Decisions will be sent to insurers at a later date.**
- Decisions for approved filings can be found on the Board's website at www.gnb.ca/nbib-canb/index-e.asp
- The Insurance Act and Regulations can be accessed at <http://www.gnb.ca>.

Procedures for Amendments

- Queries from the Board or by the Board's consulting actuaries must be responded to within 4 business days.
- Amendments are to be submitted electronically only, unless otherwise directed by the Board. Email must include in the subject line; date, company name, type of filing, class of filing and amendment.
- The date of the amendments must be clearly indicated on the bottom of all pages.
- **PAGES MUST BE SEQUENTIALLY NUMBERED TO MATCH ORIGINAL FILING NUMBERING.** If an amendment is an additional page to be inserted between page 98 and 99, please label it 98a. It would be appreciated if companies would indicate if the page is additional or replacement page.
- Indicate the portion of the page amended by means of a vertical line, an asterisk or other similar marking, in the margin opposite to the amendment.
- A final electronic copy with all pages amended must be sent to the Board once an insurer has been notified final approval granted.
- Once a Decision has been rendered by the Board a company has 30 days to supply the Board with an updated rate manual. (new)

OMISSION OF ANY OF THE GENERAL FILING OR DISCLOSURE REQUIREMENTS WILL RESULT IN A DELAY OF THE REVIEW PROCESS.