



New Brunswick
INSURANCE
Board

ANNUAL REPORT

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March 1, 2014

The Honourable Troy Lifford
Minister of Justice
Province of New Brunswick
PO Box 6000
Fredericton, NB
E3B 5H1

Dear Minister:

On behalf of the Members 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 2013 calendar year. The report contains an overview of our activities for the year as well as our audited financial statements for the 2012-2013 fiscal year ending March 31, 2013.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul D'Astous".

Paul D'Astous
Chairman & CEO
New Brunswick Insurance Board

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Message from the Chair and CEO



Paul D'Astous

Fulfilling the Mandate of the Board

On behalf of the Board, I am pleased to present the New Brunswick Insurance Board's (NBIB or the Board) Annual Report for the year ended December 31, 2013. As the report shows, the NBIB continues to fulfill its mandate to ensure that New Brunswick drivers are paying just and reasonable rates for automobile insurance. The Board is diligent in reviewing auto insurance

rate applications and holding insurance providers accountable with respect to the rates that they want to charge their customers. Continued improvements in the auto insurance environment have led to lower claims from consumers and the NBIB has ensured that these reduced costs have been passed onto insurance customers through lower rates.

Of particular note in 2013, the NBIB exercised its authority to hold a generic public hearing that considered the impact of reforms to the Minor Injury Regulation introduced by the Government effective July 1, 2013. The Board issued its decision in October. The decision recognized that there was likely to be some impact to claims costs as a result of the reforms. However, because of uncertainty in determining the magnitude of the impact, the Board required insurance companies to refrain from including any estimates related to the minor injury reform in ratemaking until actual claims data becomes available in 2014 and later. This decision ensures that New Brunswick drivers will not be forced to pay possibly higher rates until data actually justifies an increase.

Rates in 2013 and Outlook for 2014

As noted in our 2013 report, the Board expected to see average rate reductions in the 2.5% to 3.0% range for 2013 as compared to 2012. For the most part, through the regular annual renewal process, these reductions have now been implemented and the average renewal premium for the top 20 insurers is approximately \$701. However, we must provide the caveat that every driver has unique circumstances and therefore a unique rate profile and that individual results can vary significantly.

As a result of the Board's decision to hold the generic hearing, the regular private passenger rate application deadline of September 15th was delayed until December 2nd to allow insurers an opportunity to review the Board's decision and to make sure the annual rate applications were in compliance with the decision. Due to the extension for filing rate applications, the review and approval process for 2014 rates is still underway at the time of print.

As mentioned above, the trend of improved market conditions for auto insurance in New Brunswick has continued and as a result most insurance companies have filed for additional rate reductions in 2014. As I stated during my appearance before the Standing Committee for Crown Corporations, we have seen continuing improvements to claims history in New Brunswick over the past decade. This improvement comes from a number of sources including better highways, safer vehicles, increased uptake of driver education because of the First Chance Discount, more animal fencing and a number of milder winters in the past 10 years. Our task is to ensure that, by means of our oversight role, insurance companies pass the lower costs to consumers through lower rates.

Although we have yet to approve final rates for 2014, the average rate application is showing a rate reduction of approximately 5% and an average premium for 2014-15 of \$688 in the standard insurance market.

Efficiencies and Effectiveness of the Board

As mentioned in the 2012 Annual Report, the NBIB issued a Request for Proposals for its actuarial services. The process resulted in the appointments of Richard Gauthier, a partner with PricewaterhouseCoopers LLP and Jacqueline Friedland a partner with KPMG LLP as the Board's consulting actuaries. During 2013, the Board has been pleased with the advice and guidance provided by these two highly regarded professionals and their respective teams. This year, for the first time, we are also providing additional information on our consulting actuaries and their key team members.

Training for Board members and staff continues as a priority for the NBIB. As the insurance world continues to modernize and utilize new tools for the assessment of risk, it is incumbent on the NBIB to stay abreast of these changes to ensure that New Brunswick auto insurance consumers are treated fairly. Our

Board members and staff undertook a number of training and information sessions. Training and development are essential components to the regulatory process and the Board is dedicated to its continuing education process.

We continue to work with our colleagues across Canada through our association with the Canadian Automobile Insurance Rate Regulators Association (CARR). CARR has established a research committee that has been reviewing rate regulation across the various jurisdictions in Canada in an effort to streamline the rate review process and to ensure that high standards of review exist across Canada. CARR members have also been working with other organizations to create new tools that will enhance the rate regulation process by providing better, fresher and more relevant data to rate review boards.

Openness and Transparency

The work of the New Brunswick Insurance Board touches upon the lives of many New Brunswick citizens because of the legislated requirement to carry minimum mandatory insurance coverage in order to operate a motor vehicle. The process of determining just and reasonable rates is complex, time consuming and can be confusing to the average consumer.

Furthermore, the Board has a legislated requirement to protect the confidential information of insurers in order to encourage a competitive environment. However, there is often a high level of interest in the work of the Board and the results that have been achieved here in New Brunswick.

With this in mind, I have tasked the staff of the Board to undertake a review process that will ultimately lead to an improved communication model between the NBIB and the public. The model will be designed to enhance consumer education about the auto insurance product and the rate approval process. Additionally, it will also provide more information about the ongoing reviews and decisions of the Board.

In closing, while I recognize the continuing challenges in regulating auto insurance rates in a highly competitive, fast-changing marketplace, I firmly believe that New Brunswick has been well served over the past 10 years with its rate regulation environment. We have achieved a stable, competitive marketplace in New Brunswick where drivers can choose from a number of different insurance providers, where they can choose how they purchase the product be it from an agent or broker, from a storefront or on the internet, or where they can find the insurance they need in the north or the south, the east or the west of New Brunswick.



Did you know?

Auto insurance rates in New Brunswick have declined every year since 2004 when the New Brunswick Insurance Board was created.

The Board

The New Brunswick Insurance Board (NBIB or the Board) is a quasi-judicial administrative tribunal established through legislation by the Government of New Brunswick in 2004 as the regulatory agency tasked with 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.

The Board is currently comprised of the Chair, Vice-chair and nine other members. In addition to the CEO, Paul D'Astous, the Board currently employs seven employees.

Members

The NBIB is comprised of the following members:



Paul D'Astous



Jean LeBlanc
Vice-Chairman



Ferne Ashford



Georges Leger



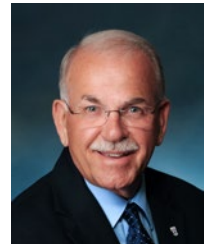
Heather Stephen



Roy Therrien



Francine Kanhai



Marven Grant



Matthew Tweedie



Ken Cochrane



Bill Oliver

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

and to the greatest extent possible;

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

During 2013, four Board members completed their terms: Vince Duff, Gérard Hall, Maurice Harquail and Al Kavanaugh. The Board is grateful for their service.

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 Chair to sit for any particular purpose or situation, may act as a full Board or as a panel of the Board. Generally, the Board reviews rate applications as a panel and considers other issues as a full Board.

Rate Review Process

The Board reviews each and every rate application for auto insurance annually.

The rate applications are reviewed by the Board staff and by the Board's consulting actuaries from PricewaterhouseCoopers or KPMG. The rigorous process involves discussions with the insurers to clarify processes, to question the assumptions used and to ensure that the rate applications are prepared using sound actuarial practices and procedures. The review examines and questions the trends that are being used in the rate calculations, the insurers actual experience compared to what had been projected and the nature of the insurer's book of business.

After the initial review is completed, if the rate application does not trigger an automatic hearing, as required by the *Insurance Act*, it is passed to a review panel of the Board consisting of three members. The review panel will examine the final version of the rate application and will make a recommendation to the Chair as to whether the rate application requires further investigation or not.

If the application requires further investigation, the Chair can order that the rate application proceed to a hearing where the insurer will have to defend the rate application before another panel of the Board and any intervenors such as the Office of the Attorney General or the Consumer Advocate for Insurance.

The review process is designed to focus on the issue of whether rates proposed are just and reasonable, given the information that is currently available. That review includes the actual company information, the industry information and other information about the current state of the insurance marketplace.

In 2013, the Board received rate applications from companies, Facility Association (FA) and IAO Actuarial Consulting Services Inc. (IAO) for private passenger vehicles and various types of commercial, interurban and miscellaneous vehicles as well as other non-rate filings (See Appendix A for more details).

The Board reviewed a total of 410 filings in 2013 which included:

- **50** private passenger vehicle rate filings
- **48** commercial and interurban vehicle rate filings
- **262** miscellaneous vehicle rate filings including, motorcycles, ATVs, snowmobiles, buses, taxis etc.
- **50** other filings including: updating rate group tables, proposed changes to endorsements, and proposed changes to rating rules.

Consulting Actuaries

As noted in the 2012 Annual Report, the Board issued a Request For Proposal in 2012 to renew our consulting actuary contracts through a competitive process. The selected firms were PricewaterhouseCoopers and KPMG. These firms bring a wealth of worldclass talent and experience to the actuarial review process and have provided the NBIB with excellent advice and support since their appointment.

Key members of the teams include:

PricewaterhouseCoopers

Richard Gauthier, FCIA FCAS MAAA

Partner, PricewaterhouseCoopers Canada

Richard Gauthier is the Partner in charge of PricewaterhouseCoopers Canada actuarial services. He is a Fellow of the Canadian Institute of Actuaries and the Casualty Actuarial Society and a Member of the American Academy of Actuaries with twenty years of experience. His background encompasses reinsurance, public automobile plans, professional liability programs and personal and commercial insurance. Richard also serves as Appointed Actuary to 17 companies. His activities with professional associations resulted in his writing various guidance notes and standards of practice. He is a past member of the Actuarial Standards Board. Since the inception of the Board, Richard has helped the NBIB

supervise the automobile insurance market in the province. This includes the establishment of public policies as well as the review of individual company's submissions.

Julia Vul

Manager, PricewaterhouseCoopers Canada

Julia Vul is a Manager in the Actuarial Insurance Management Services practice of PricewaterhouseCoopers Canada. She specializes in the financial modeling of insurance company operations, the valuation of insurance liabilities and the pricing of automobile insurance. Julia has previously assisted the NBIB with the analysis of premiums in the province, the review of the rate filings completed by insurers and support with pricing analysis requests and additional industry study projects. This included a presentation to Board members to explain the role of the pricing methodology in the rate filing review process.

KPMG

Jacqueline Friedland, FCIA, FCAS, FSA, MAAA

Partner and Actuarial Practice Leader, P&C Actuarial Services

Jacqueline Friedland is a Partner of KPMG Canada and leads the P&C Actuarial Practice in Canada. She serves as Appointed Actuary, peer review actuary, and audit support actuary to a wide range of P&C insurers. She has expertise in Canadian automobile insurance and has provided services in the quantification of automobile reforms in the provinces of Alberta, New Brunswick, and Nova Scotia as well as in pricing and reserving for private passenger and commercial automobile insurance. Jacqueline is an extremely active volunteer with the Canadian Institute of Actuaries (CIA), the Casualty Actuarial Society (CAS), and the International Actuarial Association (IAA). She currently serves on the CIA Board of Directors and Committee on International Relations. She served on the CIA's Practice Council and the Committee on P&C Insurance Financial Reporting. She is an active volunteer with the IAA Accounting Committee and is a recognized Canadian expert on International Financial Reporting Standards (IFRS).

Rachel Dutil, FCIA, FCAS

Senior Manager, P&C Actuarial Services

Rachel Dutil is a Senior Manager of KPMG Canada, working in the P&C Actuarial Practice. She serves as peer review actuary and audit support actuary to a wide range of P&C insurers and has provided automobile ratemaking support for the Facility Association and other P&C insurers. She has expertise in Canadian automobile insurance and has provided services in the quantification of automobile reforms in the provinces of Alberta, New Brunswick, and Nova Scotia as well as in

pricing and reserving for private passenger and commercial automobile insurance. Rachel is an active volunteer with the Canadian Institute of Actuaries (CIA) Committee on Continuing Education Property and Casualty Insurance Subcommittee.

Anh Tu Le, FCAS

Senior Manager, P&C Actuarial Services

Anh Tu Le is a Senior Manager of KPMG Canada, working in the P&C Actuarial Practice. She provides audit support to a wide range of P&C insurers as well as specialized support to P&C insurers in the development of their Own Risk and Solvency Assessment (ORSA). Prior to joining KPMG, Anh Tu served as Vice-President and Reserving Actuary at one of the largest P&C insurance companies in Canada and developed expertise with Economic Capital and Solvency II while working in the UK. She has expertise in underwriting, pricing and reserving for personal and commercial lines in Canada. Anh Tu served as a member of the Actuarial Committee of the Facility Association prior to joining KPMG. Starting in 2014, Anh Tu will be a co-instructor to teach an introductory course on P&C topics at the University of Toronto.

Accountability

By legislation, the NBIB is obligated to report its previous year's activities to the Minister of Justice by March 1st. This report highlights activities and accomplishments of the 2013 calendar year. The Board also appears before the Standing Committee on Crown Corporations when requested to report on its activities. The Board made its last appearance on October 4, 2013 to report on its 2011 Annual Report.

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

Board members participate in the review process conducted by the NBIB and in training and information sessions conducted throughout the year. In addition to regular rate reviews held throughout the year, the Board held training and information sessions in April, September and November for all Board members and orientation training for new Board members in August.

Canadian Automobile Insurance Rate Regulators Association

The Nova Scotia Utilities and Review Board was host to the seventh annual Canadian Automobile Insurance Rate Regulators Association (CARR) conference in Halifax, NS September 29-October 2, 2013.

Since the inaugural event, held in Saint John in October 2007, CARR has acted as an excellent training and information sharing venue for auto insurance rate regulators from across Canada. Each year, the conference provides members with opportunities to discuss new approaches to rate regulation, share best practices, identify emerging issues and learn through educational opportunities how best to fulfill their jurisdictional mandates.

CARR members continue to work on various committees both within the organization and for external regulatory bodies such as the General Insurance Statistical Agency (GISA), in efforts to develop improved data reliability, streamline the regulatory process and ensure consistent standards are used throughout Canada in the rate review process.

October 2013 Hearing – Minor Injury Reform Impact

In response to changes to the Minor Injury Regulation introduced by the Government in the spring and effective July 1st, the Board issued guidance to industry in May declaring the intent of the Board to hold a hearing with respect to the possible impact of the proposed changes. The Board requested that the Insurance Bureau of Canada (IBC) prepare a report outlining industry's position on the possible impact on loss costs resulting from claims. The IBC report was used as the central focus of the hearing.

Loss Costs are comprised of the following :

- Paid losses—already known
- Outstanding losses—reported but not yet paid claims
- Incurred but not yet reported—late reported claims

In order to allow sufficient time for interveners and other stakeholders to examine the IBC report and to provide their own input for the Board's consideration, the hearing was scheduled for early October. As a result of the October timing, the Board's normal deadline for filing private passenger rate applications was delayed from September 15th until December 2nd for 2013.

The Board's decision was issued October 17th in conjunction with final guidance from the Board to insurers (both documents are available on the NBIB website). The Board's decision recognized that there would be a probable impact on loss costs of insurers but that the final magnitude of the impact was highly uncertain because, in part, expert opinions on the magnitude of the impact on loss costs were subject to a number of widely varying assumptions. Furthermore, the timing of the ultimate impact is unknown and the effect on claims experience is likely to evolve over time as the impact of the amendments becomes clear.

As a result of this uncertainty, the Board's decision was not to allow insurers to include conversion factors developed expressly for the purpose of estimating the impact of the amendments to the minor injury reforms in rate filing made in 2013 for rates effective in 2014. Insurers will only be permitted to include conversion factors in 2014 for rates effective in 2015 and beyond and only if those conversion factors are justified based on data that will become available as claims information is developed.

As of December 2nd, all private passenger rate applications had been filed as required and the Board has begun reviewing the applications. Because of the deadline extension the final review process will not be finalized until late January or early February 2014.

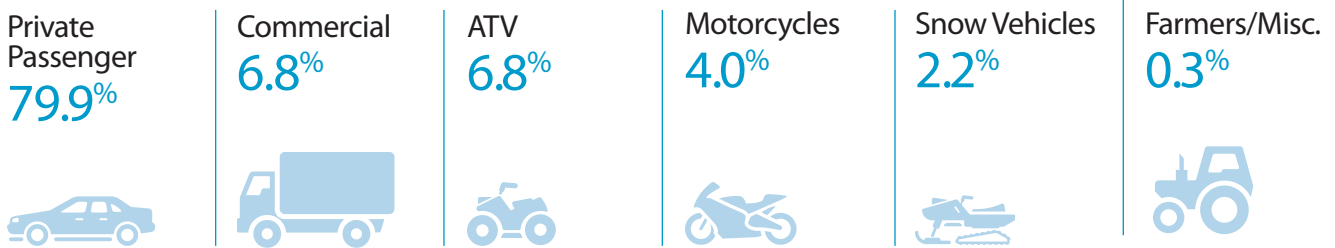


Did you know?

Auto insurance rates in New Brunswick are currently among the lowest in Canada.

New Brunswick Market

Based on GISA data, the breakdown of the types of vehicles in the New Brunswick automobile insurance market in 2012, the most recent year for which data is available, is as follows:



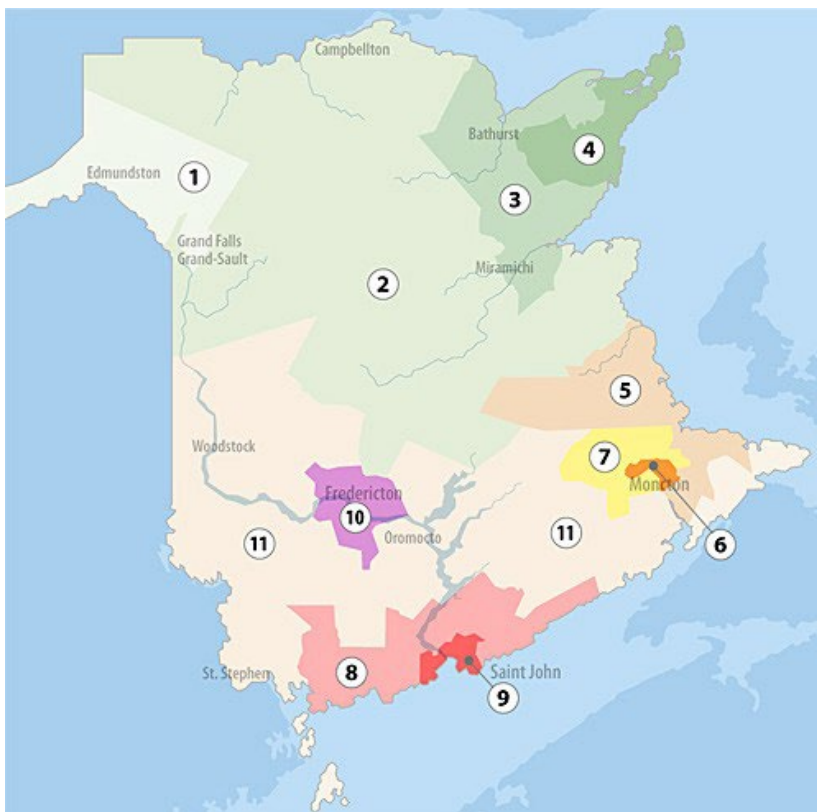
Source: GISA 2012 Auto 1003 ATL and AUTO1010-ATL

Territories

The New Brunswick government introduced an eleven territory statistical rating system effective 2008. The revised territories were created based on relevant factors such as traffic patterns and vehicle density, terrain, road conditions, speed limits, crime rates and weather conditions.

The territories are divided based on Forward Sorting Area (FSA) codes, which are the first three characters of a postal code. A list of FSAs by territory is available on the Board's website.

Based on GISA 2012 NB private passenger automobile data, the map below illustrates how vehicle exposures are distributed throughout the eleven statistical territories within the province. The four territories in northern New Brunswick (1-4) represent 30.1% of vehicle exposures. The seven territories (5-11) within southern New Brunswick represent 69.9% of vehicle exposures.

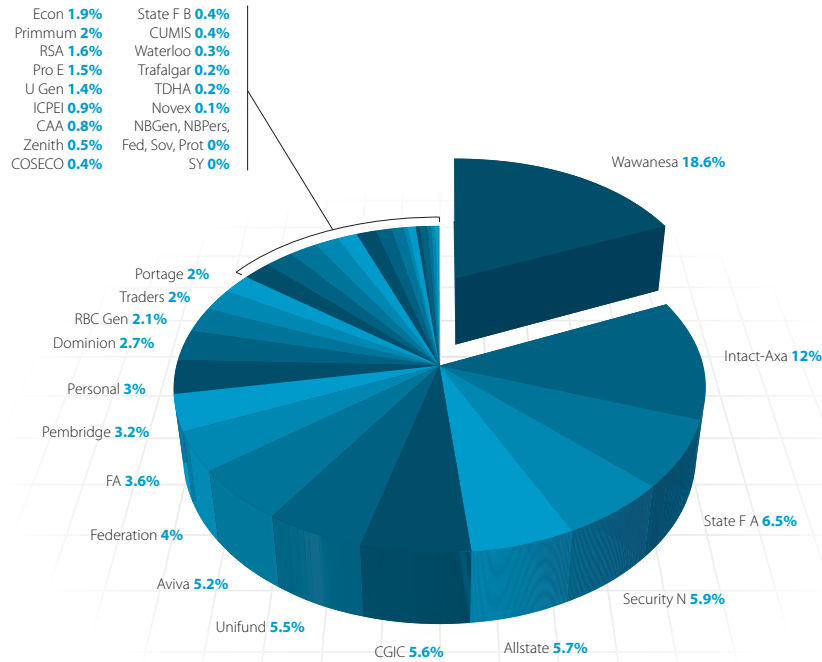


Territory	2012 Written Vehicles Distribution
1	5.4%
2	9.7%
3	8.6%
4	6.4%
5	7.6%
6	8.9%
7	7.6%
8	9.6%
9	7.3%
10	11.9%
11	17.0%

Source: GISA 2012 Auto 3003 NB

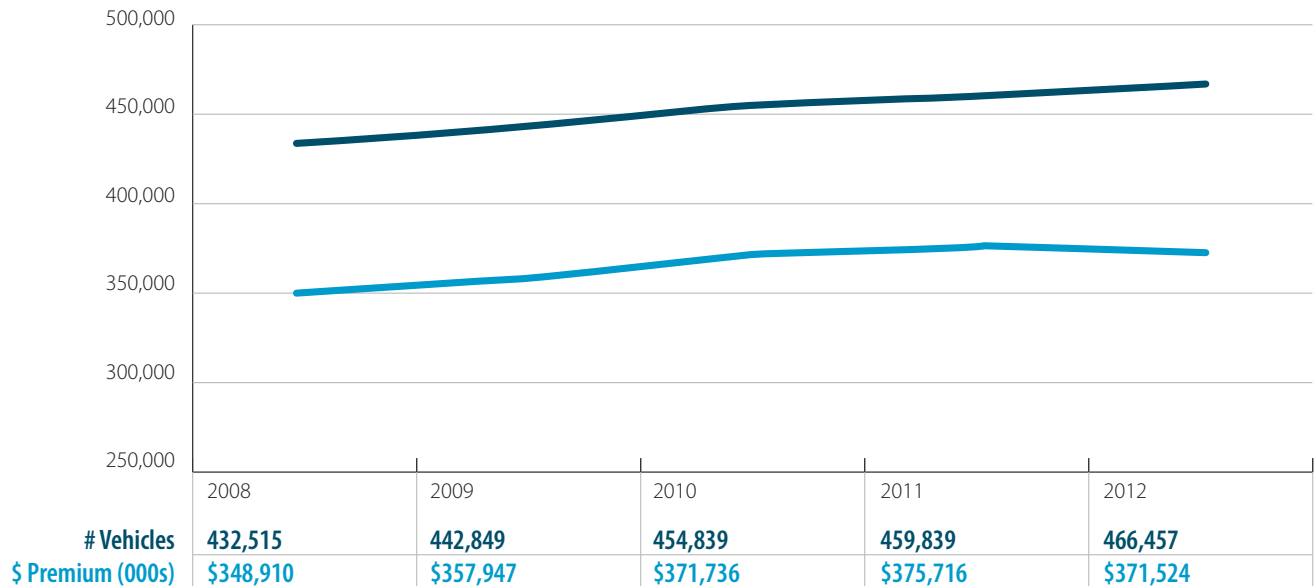
Private Passenger Vehicles

There are 50 insurance companies within the private passenger market in New Brunswick. Based on the information contained within the 2013 rate filings submitted to the NBIB, the standard market share breaks down as follows:



In reviewing the data from GISA, over the past five years the number of vehicles in New Brunswick has been steadily increasing in contrast to the initial sharp decrease and subsequent slow increase of total premium dollars over the same period. In other words, more vehicles are being insured for less premium. The graph below helps illustrate this information.

NB Private Passenger Written Vehicles and Premiums 2008-2012



Source: GISA AUTO1010-ATL

In comparing 2011 to 2012, the total number of private passenger vehicles within New Brunswick has increased by 1.44% and the overall total premium collected for the market decreased by -1.12%

Insurance Company Groups

Allstate Group

- Allstate Insurance Company of Canada
- Pembroke Insurance Company
- Pafco Insurance Company

Aviva Group

- Aviva Insurance Company of Canada
- Elite Insurance Company
- Scottish & York Insurance Company Limited
- Traders General Insurance Company

Co-operators Group

- Co-operators General Insurance Company
- COSECO Insurance Company
- CUMIS General Insurance Company
- Sovereign General Insurance Company (The)

Economical Group

- Economical Mutual Insurance Company
- Federation Insurance Company of Canada
- Waterloo Insurance Company
- Perth Insurance Company

Intact Group

- Intact Insurance Company
- Novex Insurance Company
- Trafalgar Insurance Company of Canada

Northbridge Group

- Federated Insurance Company of Canada
- Northbridge Commercial Insurance Corporation
- Northbridge General Insurance Company
- Northbridge Personal Insurance Corporation
- Tokio Marine & Nichido Fire Insurance Co., Ltd.
- Zenith Insurance Company

Royal and Sun Alliance Group

- Royal and Sun Alliance Insurance Company of Canada
- Unifund Assurance Company

RBC Group

- RBC General Insurance Company
- RBC Insurance Company

State Farm Mutual Group

- State Farm Mutual Automobile Insurance Company Plan A
- State Farm Mutual Automobile Insurance Company Plan B

TD Group

- TD Home and Auto Insurance Company
- Primum Insurance Company
- Security National Insurance Company

Companies That are Not Part of a Group

- Ace INA Insurance
- Arch Insurance Company
- CAA Insurance Company (Ontario)
- Dominion of Canada General Insurance Company (The)
- Echelon General Insurance Company
- Insurance Company of Prince Edward Island
- Jevco Insurance Company
- Liberty Mutual Insurance Company
- Lloyds Underwriters
- Personal Insurance Company (The)
- Portage la Prairie Mutual Insurance Company (The)
- Promutuel de l'Estuaire
- Protective Insurance Company
- United General Insurance Corporation
- Wawanesa Mutual Insurance Company (The)
- XL Insurance Company
- Zurich Insurance Company

Facility Association

The Facility Association is an unincorporated non-profit organization of all automobile insurance providers operating in several provinces including New Brunswick. Provincial legislation requires all automobile insurers to be a member of FA. Facility Association does not issue insurance policies, but works with insurance companies that issue policies and handle claims on its behalf.

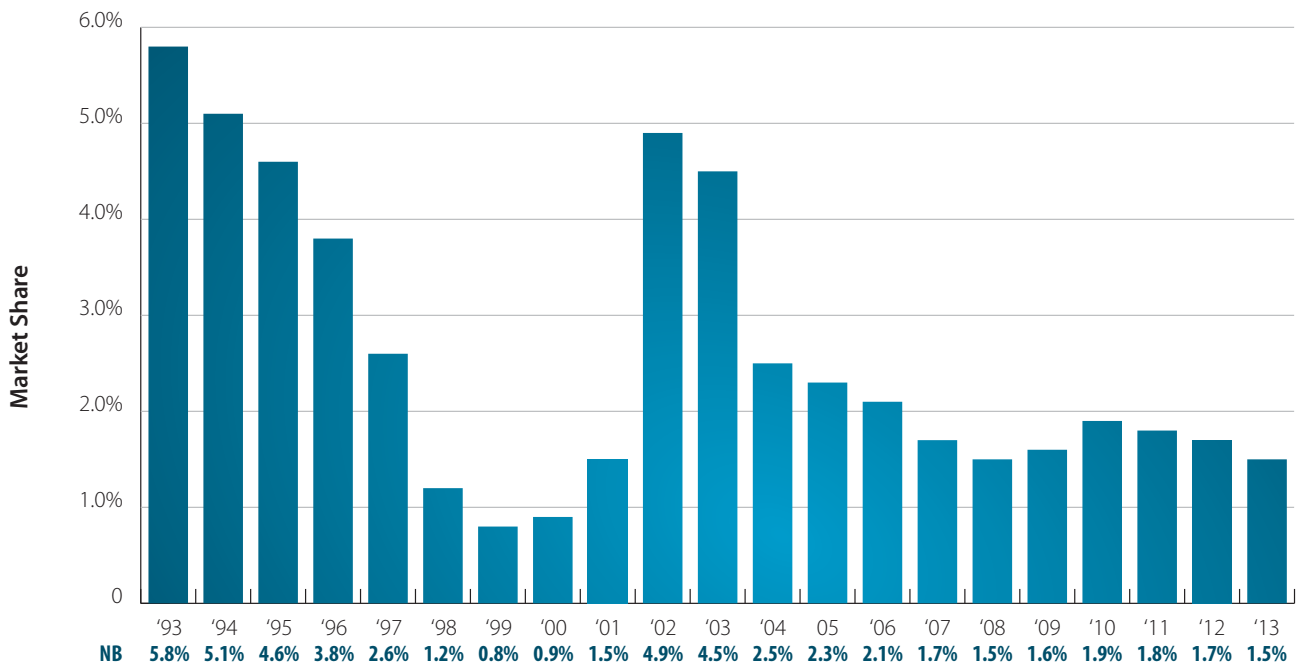
FA's mandate is to ensure the availability of auto insurance to all owners and operators of motor vehicles who would otherwise have difficulty obtaining insurance. It is referred to as the "insurer of last resort" for higher risk drivers.

For 2013 private passenger vehicle rates, FA was approved for a rate reduction of -7.5%. This approval is available on the NBIB website.

Over the past number of years, market share for FA has declined from a peak in 2002 and is currently at 1.5% of the market on a vehicle basis. By Canadian standards, a residual market at 2.0% or less is considered to be an indicator of a very healthy overall insurance market.

New Brunswick Private Passenger Vehicles Market Share 1993 to 2013

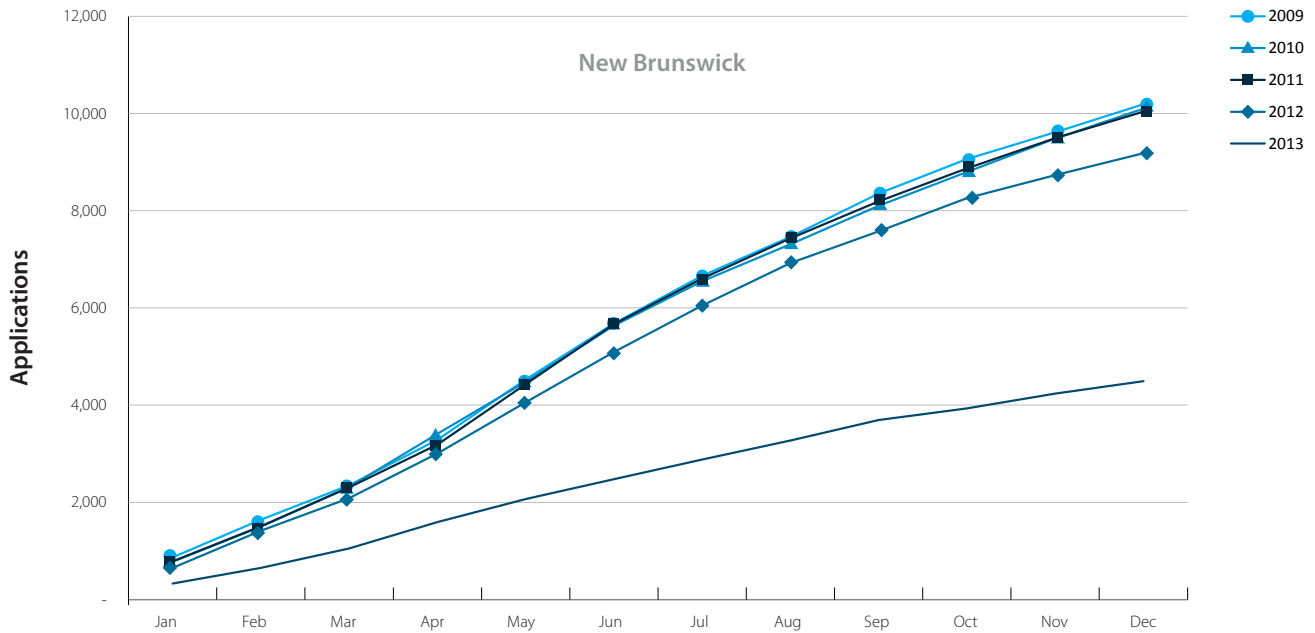
Residual Market Segment Private Passenger Market Share New Brunswick



Source: www.facilityassociation.com

Facility Association Monthly New Business - Private Passenger Vehicles

Summary Comparison: 2009 - 2012 PPV & Rec and 2013 onwards PPV only

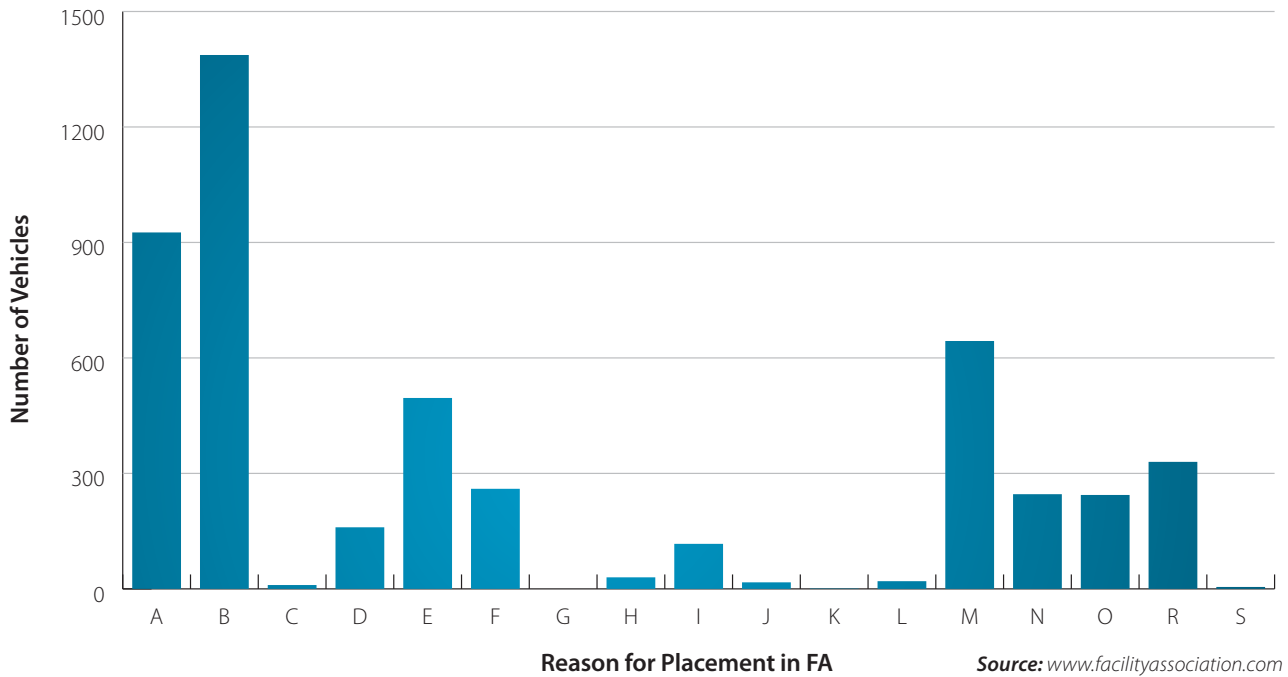


Source: www.facilityassociation.com

This chart illustrates the number of new applications received in a given year and provides a monthly year to date comparison with the prior years. It tracks the number of applications received each month on a cumulative basis. The end result in December is the total number of applications

received for the calendar year. A line with a 'steeper' slope indicates applications are being received at a faster rate than other years, while a line with a more gradual slope means applications are being received at a slower rate.

FA Reasons - New Brunswick - Private Passenger Vehicles 2012



LEGEND

A	At Fault Loss under 6 years	J	Vehicle Modification
B	Conviction Record	K	Location - Vehicle Domiciled
C	Material Misrepresentation or Ins Fraud	L	Any Combo of G, H, I, J, K
D	Any Combo of A, B, or C	M	Insurance History not Available
E	Premium Pmt History	N	Premium lower than other available markets
F	New Driver in Canada	O	Lapse in coverage > 24mths
G	Vehicle Condition	R	Years driving experience
H	Vehicle Use	S	Other
I	Vehicle Type		

IAO Actuarial Consulting Services Inc.

IAO Actuarial Consulting Services Inc. is an advisory organization that develops automobile insurance rates for the insurance industry. As such, IAO does not write any insurance policies, 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 or new entrants to the market may adopt the approved IAO rates for their own use. Typically, these smaller companies do not have enough data to develop rates per the Board's filing guidelines using their own experience.

IAO filed for an average rate change of -11.79%. This rate application is currently under review at the time of publication.

Understanding Insurance Rates

Insurance Premiums

A number of factors help determine car insurance premium:

Where you live: If you live in a city, collisions and auto theft are more likely, which may translate into higher premiums.

What car you drive: A car's make, model, year, value and potential repair costs are associated with risk factors. For example, some cars fare better than others in collisions, resulting in fewer injuries and minimal car damage. In determining your car's risk and expected claim severity, your insurance company may look to the Canadian Loss Experience Automobile Rating (CLEAR) system of rating vehicles.

What you use your car for: The more a car is driven, the higher the collision risk. Higher premiums may result if a car is driven often or for long distances.

Your driving record: A long driving history with no collisions can help keep premiums down while collisions where you are at fault may increase your premiums. Speeding tickets and other moving violations may also increase premiums. Parking tickets do not affect premiums.

Your driver profile: The more comprehensive the coverage, the higher the premium may be.

Other factors: In the highly competitive field of insurance, prices are also affected by the interplay of market forces, government regulations, taxes at all levels, discounts and unpredictable catastrophic events. It is important to note that there is no one-size-fits-all method used to determine premiums – not all 30-year-olds living in urban areas and driving Fords pay the same premium.

These factors do not affect car insurance premium:

The colour of your car: Contrary to popular belief, the colour of your car does not affect your premium. You will not be asked the colour in your car insurance application.

Whether your car is foreign or domestic: Premiums are not necessarily higher for foreign cars than domestic ones.



Did you know?

Insurance is an annual or semi-annual product based on what an insurance company estimates it will need to pay claims in the coming year.

Minimum Required Auto Insurance Coverage in New Brunswick

Section A Coverage

Compulsory minimum Third-party Liability Coverage	\$200,000 is the minimum required limit offered on any auto policy. The limit of Third Party Liability purchased by the policy holder is the amount available for any one accident involving claims for bodily injury and/or property damage
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Section B Coverage

Accident Benefit Coverage, Medical payments	\$50,000/person, including rehabilitation, excluding health insurance and other medical plans; time limit is four years
Accident Benefit Coverage, Funeral expense benefits	\$2,500
Accident Benefit Coverage, Disability income benefits	104 weeks partial disability; lifetime if totally disabled; maximum \$250/week; must be disabled for at least 7 days to qualify; unpaid housekeeper \$100/ week, maximum 52 weeks
Accident Benefit Coverage, Death benefits:	Death within 180 days (or two years if continuously disabled prior to death); death of head of household \$50,000, plus \$1,000 to each dependent survivor after first; death of spouse/partner \$25,000; death of dependant \$5,000

Optional Coverages

Collision / Comprehensive

What is covered—the driver, the passengers and anyone else involved in a collision involving your car on your policy, the car itself.

What is not covered—briefcases, purses, sport equipment, smart phones or other items that may be stolen from your car or damaged in a collision may be covered by your home, condominium or tenant insurance

Borrowing and Lending a car

- Must have/give permission
- Must not be a regular pattern, if so the other driver must be listed on the policy
- Must legally be allowed to drive in NB

Any accidents involving the insured car go against the policyholder not the person driving.



Did you know?

Companies compete for customers by offering a different mix of price, coverage and service.

Canadian Loss Experience Automobile Rating

The Canadian Loss Experience Automobile Rating system identifies the average size and frequency of insurance claims for most makes and models of cars. Most insurance companies use CLEAR to rate vehicles based on their safety record and the cost to repair or replace them, and then offer lower premiums to drivers who buy cars with better ratings. For example, some vehicles may be more susceptible to theft than others; some may be better designed and less likely to sustain serious damage; some are less expensive to repair; and some protect their occupants in collisions better than others.

Atlantic – Worst Ten 1999-2011 Models Theft Frequency

Make	Model	Body Style	Year	Theft Relative Claim Indexes	
				Cost	Frequency
Chrysler	Cirrus 4DR	4/5 doors	2000	\$788	1239
Buick/Chev/Gmc	Rainier/Trailblazer/Envoy 4DR 4WD	SUV	2004	\$1,157	1172
Ford	F350 SD 4WD	Pickup	2006	\$3,949	1050
Kia	Sorento 4DR 4WD	SUV	2003	\$686	1046
Chrysler/Dodge	Intrepid 4DR	4/5 doors	2000	\$346	947
Honda	Civic Si 2DR Coupe	2/3 doors	1999	\$354	903
Acura	Integra 2DR	2/3 doors	2001	\$735	819
Toyota	Celica GT/GT-S 2/3DR	2/3 doors	2003	\$1,142	799
Audi	A4 Quattro 4DR	2/3 doors	2003	\$769	788
Ford	F250 SD 4WD	Pickup	2000	\$966	778

Theft Claim Cost: A relative index based on the cost per vehicle for theft claims

Theft Claim Frequency: A relative index based on the frequency of theft claims (Number of claims reported as a percentage of the number of vehicles with All Perils, Comprehensive and Specified Perils coverage)

Source: www.ibc.ca, Worst Top Ten Regions 1999-2011

Appendix A – Filings Reviewed in 2013

Filing Guidelines

The NBIB 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.

List of 2013 PPV Rate Filings

Insurance Company Name	Date Of Filing	Rate Change	
		Proposed	Approved
Ace INA Insurance	9/15/2013		pending IAO approval
Allstate Insurance Company of Canada	9/15/2013	-4.10%	under Review
Arch Insurance Canada Ltd.	9/15/2013		pending IAO approval
Aviva Insurance Company of Canada	9/15/2013	-4.11%	under review
CAA Insurance Company (Ontario)	9/15/2013	-10.04%	under review
Co-operators General Insurance Company	11/4/2013	0.04%	under review
	9/15/2013	2.85%	under review
COSECO Insurance Company	11/4/2013	-0.02%	under review
	9/15/2013	-2.97%	under review
CUMIS General Insurance Company	11/4/2013	0.04%	under review
	9/15/2013	-1.80%	under review
Dominion of Canada General Insurance Company (The)	9/15/2013	0.86%	under review
Echelon General Insurance Company	1/15/2013	0.00%	0.00%
Economical Mutual Insurance Company	9/15/2013	-9.50%	-9.50%
Elite Insurance Company	1/15/2013	-5.55%	-5.55%
Federated Insurance Company of Canada	9/15/2013		pending IAO approval
	9/15/2013	-8.70%	-8.70%
IAO Actuarial Consulting Services Inc.	9/26/2013	-11.88%	under review
Insurance Company of Prince Edward Island	9/15/2013	-3.92%	under review
Intact Insurance Company	9/15/2013	-6.58%	-6.58%
Liberty Mutual Insurance Company	9/15/2013		pending IAO approval
Northbridge General Insurance Corporation	9/15/2013		pending IAO approval
Northbridge Personal Insurance Corporation	9/15/2013		pending IAO approval
Pafco Insurance Company	1/18/2013	0.00%	0.00%
Pembridge Insurance Company	9/15/2013	0.00%	under review
Personal Insurance Company (The)	9/4/2013	-6.17%	-6.17%
Perth Insurance Company	12/2/2013	0.00%	under review
	1/15/2013	-19.58%	-19.58%
Portage la Prairie Mutual Insurance Company (The)	9/15/2013	-10.00%	-10.00%
Primum Insurance Company	9/15/2013	-2.01%	under review
Promutuel de l'Estuaire	9/15/2013	0.23%	0.23%
RBC General Insurance Company	9/15/2013	-3.14%	under review

List of 2013 PPV Rate Filings

Insurance Company Name	Date Of Filing	Rate Change	
		Proposed	Approved
Royal and Sun Alliance Insurance Company of Canada	9/15/2013	-8.00%	under review
Scottish & York Insurance Company Limited	9/15/2013	0.00%	under review
Security National Insurance Company	9/15/2013	-2.05%	under review
Sovereign General Insurance Company (The)	9/15/2013		pending IAO approval
State Farm Mutual Automobile Insurance Company Plan A	9/9/2013	-1.30%	under review
State Farm Mutual Automobile Insurance Company Plan B	9/9/2013	-0.40%	under review
TD Home and Auto Insurance Company	9/15/2013	-1.85%	under review
Tokio Marine & Nichido Fire Insurance Co., Ltd.	9/15/2013		pending IAO approval
Traders General Insurance Company	9/15/2013	-4.00%	under review
	3/7/2013	0.00%	0.00%
Trafalgar Insurance Company of Canada	9/15/2013	-0.41%	under review
Unifund Assurance Company	9/15/2013	-4.15%	under review
United General Insurance Corporation	9/15/2013	-6.80%	-6.80%
Waterloo Insurance Company	9/15/2013	-9.5%	-9.50%
Wawanesa Mutual Insurance Company (The)	9/15/2013	-4.98%	-4.98%
XL Insurance Company Limited	9/15/2013		pending IAO approval
Zenith Insurance Company	9/15/2013		pending IAO approval

List of 2013 Rate Filings Comm, Misc

Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Ace INA Insurance	Commercial	7/24/2013	-13.34%
	Interurban	5/22/2013	-6.24%
	Commercial	4/23/2013	0.00%
Allstate Insurance Company of Canada	Snow Vehicles (SV)	8/21/2013	0.00%
	All Terrain Vehicle (ATV)	8/21/2013	0.00%
	Camper Trailers	5/1/2013	0.00%
	Motorhomes	5/1/2013	0.00%
	Motorcycles	1/22/2013	0.00%
Arch Insurance Canada Ltd.	Taxis	6/26/2013	-9.15%
	Snow Vehicles (SV)	6/26/2013	-5.55%
	Ambulances (AMB)	6/26/2013	-5.58%
	School Buses (S-Bus)	6/26/2013	-7.89%
	Private Buses (Pr-Bus)	6/26/2013	-7.89%
	Public Buses (Pu-Bus)	6/26/2013	-7.89%
	All Terrain Vehicle (ATV)	6/26/2013	-8.68%
	Interurban	6/26/2013	-6.24%

List of 2013 Rate Filings Comm, Misc

Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Aviva Insurance Company of Canada	School Buses (S-Bus)	10/15/2013	0.00%
	Public Buses (Pu-Bus)	10/15/2013	0.00%
	Private Buses (Pr-Bus)	10/15/2013	0.00%
	Ambulances (AMB)	10/15/2013	0.00%
	Taxi (& Limo) (Taxi)	10/15/2013	0.00%
	Interurban	6/28/2013	0.50%
	Commercial	6/28/2013	-0.44%
	Snow Vehicles (SV)	6/21/2013	0.00%
	Motorcycles (& Mopeds) (MC)	6/21/2013	0.00%
	Motorhomes (MH+CT+TR)	6/21/2013	0.00%
	Camper Trailers (MH+CT+TR)	6/21/2013	0.00%
	All Terrain Vehicle (ATV)	6/21/2013	0.00%
	Interurban	4/19/2013	0.00%
	Commercial	4/19/2013	0.00%
CAA Insurance Company (Ontario)	Motorhomes (MH+CT+TR)	8/13/2013	0.00%
	Camper Trailers (MH+CT+TR)	8/13/2013	0.00%
Co-operators General Insurance Company	Motorcycles (& Mopeds) (MC)	7/12/2013	-14.78%
	Motorhomes (MH+CT+TR)	7/12/2013	0.00%
	Mopeds	7/12/2013	0.00%
	Camper Trailers (MH+CT+TR)	7/12/2013	0.00%
	All Terrain Vehicle (ATV)	6/20/2013	-5.20%
	Comm & Int COMBINED	4/5/2013	-1.95%
	School Buses	4/5/2013	0.00%
	Private Buses	4/5/2013	0.16%
	Antique & Classic Vehicles	4/5/2013	0.00%
Snow Vehicles	4/5/2013	0.00%	
COSECO Insurance Company	Motorcycles (& Mopeds) (MC)	5/10/2013	-13.96%
	Snow Vehicles	5/10/2013	0.00%
	Motorhomes	5/10/2013	0.00%
	Mopeds	5/10/2013	0.00%
	Camper Trailers	5/10/2013	0.00%
	ATV	5/10/2013	0.00%
CUMIS General Insurance Company	Motorcycles (& Mopeds) (MC)	5/10/2013	-11.32%
	Snow Vehicles	5/10/2013	0.00%
	Motorhomes	5/10/2013	0.00%
	Camper Trailers	5/10/2013	0.00%
	Mopeds	5/10/2013	0.00%
	ATV	5/10/2013	0.00%

List of 2013 Rate Filings Comm, Misc

Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Dominion of Canada General Insurance Company (The)	Taxi (& Limo) (Taxi)	8/30/2013	0.00%
	Camper Trailers (MH+CT+TR)	8/30/2013	0.00%
	All Other Public (All-Other-Pub)	8/30/2013	0.00%
	Motorhomes (MH+CT+TR)	8/30/2013	0.00%
	Motorcycles (& Mopeds) (MC)	8/30/2013	0.00%
	All Terrain Vehicle (ATV)	8/30/2013	0.00%
	Public Buses (Pu-Bus)	8/30/2013	0.00%
	Antique & Classic Vehicles (Ant)	8/30/2013	0.00%
	Snow Vehicles (SV)	8/30/2013	0.00%
	Ambulances (AMB)	8/30/2013	0.00%
	Interurban	8/30/2013	0.00%
	Commercial	8/30/2013	-2.64%
Echelon General Insurance Company	Commercial	5/14/2013	0.00%
Economical Mutual Insurance Company	Snow Vehicles (SV)	5/25/2013	0.00%
	Motorhomes (MH+CT+TR)	5/25/2013	0.00%
	Motorcycles (& Mopeds) (MC)	5/25/2013	0.00%
	Camper Trailers (MH+CT+TR)	5/25/2013	0.00%
	All Terrain Vehicle (ATV)	5/25/2013	0.00%
	Antique & Classic Vehicles (Ant)	5/25/2013	0.00%
	Private Buses	4/12/2013	0.00%
	Interurban	4/12/2013	0.00%
Commercial	4/12/2013	0.00%	
Elite Insurance Company	Motorhomes	1/9/2013	0.00%
	Motorcycles	1/9/2013	0.00%
	Camper Trailers	1/9/2013	0.00%
	Antique Vehicles	1/9/2013	0.00%
Facility Association	Camper Trailers (MH+CT+TR)	9/25/2013	0.00%
	Snow Vehicles (SV)	9/25/2013	0.00%
	Motorhomes (MH+CT+TR)	9/25/2013	0.00%
	Motorcycles (& Mopeds) (MC)	9/25/2013	0.00%
	Antique & Classic Vehicles (Ant)	9/25/2013	0.00%
	All Terrain Vehicle (ATV)	9/25/2013	0.00%
	Interurban	8/13/2013	0.00%
	Other Public Use	5/2/2013	0.00%
	School Buses	5/2/2013	0.00%
	Public Buses	5/2/2013	0.00%
	Taxis	5/2/2013	0.00%
	Private Buses	5/2/2013	0.00%
	Funeral Carriages & Hearses	5/2/2013	0.00%
	Ambulances	5/2/2013	0.00%
	Commercial	4/25/2013	-9.20%

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Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Federated Insurance Company of Canada	Motorhomes (MH+CT+TR)	11/27/2013	0.00%
	Snow Vehicles (SV)	11/27/2013	0.00%
	Motorcycles (& Mopeds) (MC)	11/27/2013	0.00%
	All Terrain Vehicle (ATV)	11/27/2013	0.00%
	Camper Trailers (MH+CT+TR)	11/27/2013	0.00%
	Interurban	3/8/2013	0.00%
	Commercial	3/8/2013	-6.41%
Federation Insurance Company of Canada	Snow Vehicles (SV)	5/25/2013	0.00%
	Motorhomes (MH+CT+TR)	5/25/2013	0.00%
	Motorcycles (& Mopeds) (MC)	5/25/2013	0.00%
	Camper Trailers (MH+CT+TR)	5/25/2013	0.00%
	All Terrain Vehicle (ATV)	5/25/2013	0.00%
	Antique & Classic Vehicles (Ant)	5/25/2013	0.00%
	Interurban	4/12/2013	0.00%
	Commercial	4/12/2013	0.00%
IAO Actuarial Consulting Services Inc.	Motorcycles (& Mopeds) (MC)	10/15/2013	under review
Insurance Company of Prince Edward Island (ICPEI)	Comm & Int COMBINED (Comm+Int)	4/26/2013	-2.99%
			(commercial)
			-4.20%
			(interurban)
	Snow Vehicles	1/8/2013	0.00%
	Motorhomes	1/8/2013	0.00%
	Motorcycles	1/8/2013	0.00%
	Camper Trailers	1/8/2013	0.00%
	ATV	1/8/2013	0.00%
	Antique Vehicles	1/8/2013	0.00%
Intact Insurance Company	Taxi (& Limo) (Taxi)	10/2/2013	-9.00%
	School Buses (S-Bus)	10/2/2013	-5.49%
	Public Buses (Pu-Bus)	10/2/2013	-5.49%
	Private Buses (Pr-Bus)	10/2/2013	-5.49%
	Ambulances (AMB)	10/2/2013	-5.42%
	Interurban	7/24/2013	-6.33%
	Commercial	6/21/2013	0.01%
Liberty Mutual Insurance Company	School Buses (S-Bus)	7/29/2013	-7.89%
	Public Buses (Pu-Bus)	7/29/2013	-7.89%
	Private Buses (Pr-Bus)	7/29/2013	-7.89%
	Taxis	7/29/2013	-9.15%
	Interurban	7/29/2013	-6.24%
	Commercial	7/29/2013	-13.34%
	Ambulances (AMB)	7/29/2013	-5.58%
	Snow Vehicles (SV)	7/24/2013	-5.55%
	Motorhomes,Campers,Trailers (MH+CT+TR)	7/24/2013	-1.22%
	Motorcycles (& Mopeds) (MC)	7/24/2013	-8.31%
	All Terrain Vehicle (ATV)	7/24/2013	-8.68%

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Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Lloyds Underwriters	All Terrain Vehicle (ATV)	8/20/2013	0.00%
	Motorcycles (& Mopeds) (MC)	8/20/2013	0.00%
	Snow Vehicles (SV)	8/20/2013	0.00%
Northbridge Commercial Insurance Corporation	Comm & Int COMBINED (Comm+Int)	10/23/2013	0.00%
Northbridge General Insurance Corporation	Camper Trailers (MH+CT+TR)	9/9/2013	-5.56%
	Motorcycles (& Mopeds) (MC)	9/9/2013	-13.06%
	Snow Vehicles (SV)	9/9/2013	8.77%
	All Terrain Vehicle (ATV)	9/9/2013	0.00%
	Antique & Classic Vehicles (Ant)	9/9/2013	-8.74%
	Motorhomes (MH+CT+TR)	9/9/2013	0.00%
	School Buses (S-Bus)	8/7/2013	0.00%
	Public Buses (Pu-Bus)	8/7/2013	0.00%
	Private Buses (Pr-Bus)	8/7/2013	-4.39%
	Ambulances (AMB)	8/7/2013	0.00%
	Interurban	6/20/2013	-6.60%
	Taxi (& Limo) (Taxi)	6/14/2013	0.00%
	Commercial	6/14/2013	-10.61%
	Northbridge Personal Insurance Corporation	Snow Vehicles (SV)	9/9/2013
Motorhomes (MH+CT+TR)		9/9/2013	8.77%
Motorcycles (& Mopeds) (MC)		9/9/2013	-5.56%
Camper Trailers (MH+CT+TR)		9/9/2013	-8.74%
All Terrain Vehicle (ATV)		9/9/2013	0.00%
Antique & Classic Vehicles (Ant)		9/9/2013	-13.06%
School Buses (S-Bus)		8/7/2013	0.00%
Public Buses (Pu-Bus)		8/7/2013	0.00%
Private Buses (Pr-Bus)		8/7/2013	-4.39%
Ambulances (AMB)		8/7/2013	0.00%
Interurban		6/20/2013	0.00%
Taxi (& Limo) (Taxi)		6/14/2013	0.00%
Commercial		6/14/2013	-10.61%
Pembridge Insurance Company		Snow Vehicles (SV)	8/21/2013
	All Terrain Vehicle (ATV)	8/21/2013	0.00%
	Camper Trailers	5/1/2013	0.00%
	Motorhomes	5/1/2013	0.00%
	Motorcycles	1/22/2013	0.00%
Personal Insurance Company (The)	Camper Trailers	5/2/2013	0.00%
	Snow Vehicles	5/2/2013	0.00%
	Motorhomes	5/2/2013	0.00%
	Motorcycles & Mopeds	5/2/2013	0.00%
	ATV	5/2/2013	0.00%

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Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Portage la Prairie Mutual Insurance Company (The)	Camper Trailers (MH+CT+TR)	11/26/2013	0.00%
	Snow Vehicles (SV)	11/26/2013	-3.15%
	Motorhomes,Campers,Trailers (MH+CT+TR)	11/26/2013	2.78%
	Motorcycles (& Mopeds) (MC)	11/26/2013	-5.49%
	All Terrain Vehicle (ATV)	11/26/2013	-9.38%
	Commercial	11/13/2013	2.83%
Primum Insurance Company	Snow Vehicles (SV)	8/9/2013	0.00%
	Motorcycles (& Mopeds) (MC)	8/9/2013	under review
	Camper Trailers (MH+CT+TR)	8/9/2013	under review
	All Terrain Vehicle (ATV)	8/9/2013	under review
	Motorhomes	5/10/2013	under review
Promutuel de l'Estuaire	Snow Vehicles	4/26/2013	0.00%
	Motorhomes	4/26/2013	0.00%
	Commercial	4/26/2013	-8.77%
	Camper Trailers	4/26/2013	0.00%
	ATV	4/26/2013	0.00%
	Motorcycles	1/25/2013	-6.49%
Protective Insurance Company	Interurban	9/3/2013	-6.24%
	Commercial	9/3/2013	-13.34%
RBC General Insurance Company	Snow Vehicles (SV)	4/27/2013	0.00%
	Motorhomes	4/27/2013	0.00%
	Motorcycles & Mopeds	4/27/2013	0.00%
	Camper Trailers	4/27/2013	0.00%
	All Terrain Vehicle (ATV)	4/27/2013	0.00%
Royal and Sun Alliance Insurance Company of Canada	ATV	4/2/2013	0.00%
	Snow Vehicles	4/2/2013	0.00%
	Motorcycles (& Mopeds) (MC)	4/2/2013	0.00%
	Motorhomes	4/2/2013	-16.30%
	Antique & Classic Vehicles	4/2/2013	-10.60%
	Camper Trailers	4/2/2013	0.00%
	Commercial	3/14/2013	-0.64%
	Interurban	3/14/2013	0.00%
Scottish & York Insurance Company Limited	Snow Vehicles (SV)	6/21/2013	0.00%
	Motorhomes (MH+CT+TR)	6/21/2013	0.00%
	Motorcycles (& Mopeds) (MC)	6/21/2013	0.00%
	Camper Trailers (MH+CT+TR)	6/21/2013	0.00%
	All Terrain Vehicle (ATV)	6/21/2013	0.00%
Security National Insurance Company	Snow Vehicles (SV)	8/9/2013	0.00%
	Motorcycles (& Mopeds) (MC)	8/9/2013	under review
	Camper Trailers (MH+CT+TR)	8/9/2013	under review
	All Terrain Vehicle (ATV)	8/9/2013	under review
	Motorhomes	5/10/2013	under review

List of 2013 Rate Filings Comm, Misc

Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Sovereign General Insurance Company (The)	Snow Vehicles	4/26/2013	0.00%
	School Buses	4/26/2013	0.00%
	Public Buses	4/26/2013	0.00%
	Private Buses	4/26/2013	0.00%
	Other Public Use	4/26/2013	0.00%
	Other Personal Use	4/26/2013	0.00%
	Motorhomes	4/26/2013	0.00%
	Camper Trailers	4/26/2013	0.00%
	ATV	4/26/2013	0.00%
	Ambulances	4/26/2013	0.00%
State Farm Mutual Automobile Insurance Company Plan A	Commercial	11/8/2013	0.00%
	Interurban	11/8/2013	0.00%
	School Buses (S-Bus)	11/8/2013	0.00%
	Snow Vehicles	5/9/2013	0.00%
	ATV	5/9/2013	0.00%
	Motorhomes	5/9/2013	0.00%
	Camper Trailers	5/9/2013	0.00%
	Motorcycles & Mopeds	5/9/2013	0.00%
	Other Personal Use	5/9/2013	0.00%
Antique & Classic Vehicles	5/9/2013	0.00%	
State Farm Mutual Automobile Insurance Company Plan B	Commercial	11/8/2013	0.00%
	Interurban	11/8/2013	0.00%
	Snow Vehicles	5/9/2013	0.00%
	ATV	5/9/2013	0.00%
	Motorhomes	5/9/2013	0.00%
	Camper Trailers	5/9/2013	0.00%
	Antique & Classic Vehicles	5/9/2013	0.00%
	Motorcycles & Mopeds	5/9/2013	0.00%
	Other Personal Use	5/9/2013	0.00%
TD Home and Auto Insurance Company	Snow Vehicles (SV)	8/9/2013	0.00%
	Motorcycles (& Mopeds) (MC)	8/9/2013	under review
	Camper Trailers (MH+CT+TR)	8/9/2013	under review
	All Terrain Vehicle (ATV)	8/9/2013	under review
	Motorhomes	5/10/2013	under review

List of 2013 Rate Filings Comm, Misc

Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Snow Vehicles (SV)	9/9/2013	-5.56%
	Motorhomes (MH+CT+TR)	9/9/2013	-13.06%
	Motorcycles (& Mopeds) (MC)	9/9/2013	8.77%
	Camper Trailers (MH+CT+TR)	9/9/2013	0.00%
	All Terrain Vehicle (ATV)	9/9/2013	-8.74%
	Antique & Classic Vehicles (Ant)	9/9/2013	0.00%
	School Buses (S-Bus)	8/7/2013	0.00%
	Public Buses (Pu-Bus)	8/7/2013	0.00%
	Private Buses (Pr-Bus)	8/7/2013	0.00%
	Ambulances (AMB)	8/7/2013	0.00%
	Interurban	6/20/2013	0.00%
	Taxi (& Limo) (Taxi)	6/14/2013	0.00%
	Commercial	6/14/2013	-10.61%
Traders General Insurance Company	Snow Vehicles	3/7/2013	0.00%
	Motorhomes	3/7/2013	0.00%
	Camper Trailers	3/7/2013	0.00%
	ATV	3/7/2013	0.00%
Trafalgar Insurance Company of Canada	Camper Trailers	1/25/2013	0.00%
	Snow Vehicles	1/15/2013	-0.14%
	ATV	1/15/2013	-0.33%
	Motorcycles	1/11/2013	-11.5%
Unifund Assurance Company	Motorcycles (& Mopeds) (MC)	7/26/2013	0.00%
	Motorhomes (MH+CT+TR)	7/26/2013	0.00%
	Snow Vehicles (SV)	7/26/2013	0.00%
	Camper Trailers (MH+CT+TR)	7/26/2013	0.00%
	All Terrain Vehicle (ATV)	7/26/2013	0.00%
United General Insurance Corporation	Commercial	5/24/2013	0.00%
	Snow Vehicles (SV)	5/24/2013	0.00%
	Motorcycles (& Mopeds) (MC)	5/24/2013	0.00%
	All Terrain Vehicle (ATV)	5/24/2013	0.00%
Waterloo Insurance Company	Snow Vehicles (SV)	5/25/2013	0.00%
	Motorhomes (MH+CT+TR)	5/25/2013	0.00%
	Motorcycles (& Mopeds) (MC)	5/25/2013	0.00%
	Camper Trailers (MH+CT+TR)	5/25/2013	0.00%
	All Terrain Vehicle (ATV)	5/25/2013	0.00%
	Antique & Classic Vehicles (Ant)	5/25/2013	0.00%
Wawanesa Mutual Insurance Company (The)	Commercial	4/26/2013	-4.95%
	Snow Vehicles (SV)	4/15/2013	-0.49%
	All Terrain Vehicle (ATV)	4/15/2013	-6.48%
	Camper Trailers	4/15/2013	0.00%
	Motorcycles & Mopeds	4/12/2013	0.00%

List of 2013 Rate Filings Comm, Misc

Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
XL Insurance Company Limited	Commercial	8/22/2013	-13.34%
	Taxi (& Limo) (Taxi)	8/21/2013	-9.15%
	Snow Vehicles (SV)	8/21/2013	-5.55%
	School Buses (S-Bus)	8/21/2013	-7.89%
	Public Buses (Pu-Bus)	8/21/2013	-7.89%
	Private Buses (Pr-Bus)	8/21/2013	-7.89%
	Motorhomes (MH+CT+TR)	8/21/2013	-1.22%
	Motorcycles (& Mopeds) (MC)	8/21/2013	-8.31%
	Interurban	8/21/2013	-6.24%
	All Terrain Vehicle (ATV)	8/21/2013	-8.68%
	Ambulances (AMB)	8/21/2013	-5.58%
Zenith Insurance Company	Motorcycles (& Mopeds) (MC)	9/9/2013	8.77%
	All Terrain Vehicle (ATV)	9/9/2013	-8.74%
	Camper Trailers (MH+CT+TR)	9/9/2013	0.00%
	Motorhomes (MH+CT+TR)	9/9/2013	-13.06%
	Snow Vehicles (SV)	9/9/2013	-5.56%
	Antique & Classic Vehicles (Ant)	9/9/2012	0.00%

List of Other 2013 Filings

Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Allstate Insurance Company of Canada	Private Passenger (PPV)	9/26/2013	0.46%
Aviva Insurance Company of Canada	All Other Public (All-Other-Pub)	11/13/2013	0.00%
	Interurban	10/17/2013	-0.81%
	Commercial	10/17/2013	-0.31%
	Other	1/28/2013	N/A
CAA Insurance Company (Ontario)	Private Passenger (PPV)	11/29/2013	N/A
	Private Passenger (PPV)	11/29/2013	N/A
Co-operators General Insurance Company	Motorcycles (& Mopeds) (MC)	11/25/2013	0.00%
Dominion of Canada General Insurance Company (The)	Commercial	6/5/2013	N/A
	Private Passenger	1/3/2013	0.00%
Echelon General Insurance Company	Private Passenger (PPV)	11/22/2013	-0.46%
Elite Insurance Company	Private Passenger (PPV)	12/4/2013	-0.35%
Facility Association	Private Passenger (PPV)	11/22/2013	-1.25%
	Commercial	11/22/2013	0.00%
Guarantee Company of North America (The)	Commercial	12/9/2013	N/A
Insurance Company of Prince Edward Island	Interurban	10/11/2013	N/A
	Commercial	10/11/2013	-0.95%
Northbridge Commercial Insurance Corporation	Interurban	2/8/2013	0.00%
	Commercial	2/8/2013	0.00%

List of Other 2013 Filings

Insurance Company Name	Filing Class	Date Of Filing	Approved Rate Change
Northbridge General Insurance Corporation	Private Passenger (PPV)	12/20/2013	1.37%
	Interurban	10/29/2013	-1.46%
	Commercial	10/29/2013	-1.17%
Northbridge Personal Insurance Corporation	Private Passenger (PPV)	12/20/2013	1.45%
	Interurban	10/29/2013	-1.46%
	Commercial	10/29/2013	-1.17%
Pafco Insurance Company	Private Passenger (PPV)	9/26/2013	-0.55%
Pembridge Insurance Company	Private Passenger (PPV)	9/26/2013	0.12%
Personal Insurance Company (The)	Private Passenger (PPV)	7/8/2013	0.00%
Promutuel de l'Estuaire	Commercial	4/26/2013	0.00%
	Private Passenger	4/26/2013	0.00%
RBC General Insurance Company	All Incl PPV (USE ONLY RFG-4-6)		
	(ALL)	6/24/2013	0.00%
	Private Passenger	2/28/2013	0.00%
Royal and Sun Alliance Insurance Company of Canada	Interurban	9/6/2013	-0.20%
	Commercial	9/6/2013	-0.11%
	All Incl PPV (USE ONLY RFG-4-6)		
	(ALL)	8/29/2013	N/A
	All Incl PPV (USE ONLY RFG-4-6)		
	(ALL)	8/15/2013	N/A
State Farm Mutual Automobile Insurance Company Plan A	Private Passenger (PPV)	9/27/2013	0.00%
State Farm Mutual Automobile Insurance Company Plan B	Private Passenger (PPV)	9/27/2013	0.00%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Private Passenger (PPV)	12/20/2013	N/A
	Interurban	10/29/2013	-1.46%
	Commercial	10/29/2013	-1.17%
Unifund Assurance Company	Snow Vehicles (SV)	12/20/2013	N/A
	Camper Trailers (MH+CT+TR)	12/20/2013	N/A
	Motorhomes,Campers,Trailers (MH+CT+TR)	12/20/2013	N/A
	Motorcycles (& Mopeds) (MC)	12/20/2013	N/A
	All Terrain Vehicle (ATV)	12/20/2013	N/A
	All Incl PPV (USE ONLY RFG-4-6)		
	(ALL)	8/27/2013	N/A
Waterloo Insurance Company	Private Passenger (PPV)	9/25/2013	N/A
Wawanesa Mutual Insurance Company (The)	Private Passenger (PPV)	8/16/2013	0.06%
Zenith Insurance Company	Private Passenger (PPV)	12/20/2013	1.04%

| Appendix B – Audited Financial Statements

Financial Statements Of

New Brunswick Insurance Board

March 31, 2013

Peter G. Gaulton
Chartered Accountant

New Brunswick Insurance Board

Financial Statements

For the year ended March 31, 2013

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

I have audited the accompanying financial statements of New Brunswick Insurance Board, which comprise the statement of financial position as at March 31, 2013, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of New Brunswick Insurance Board as at March 31, 2013, and results of its operations and the changes in its financial position and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

June 4, 2013
Saint John, NB


Chartered Accountant

New Brunswick Insurance Board

Statement of Financial Position
As at March 31, 2013


	2013	2012
Financial Assets		
Current:		
Cash in bank	\$ 1,846,561	\$ 1,599,696
Accounts receivable	41,238	10,890
Harmonized sales tax recoverable	49,106	81,056
	<u>1,936,905</u>	<u>1,691,642</u>
Financial Liabilities		
Current:		
Accounts payable and accrued liabilities	118,352	227,133
Employee deductions payable	11,803	-
Retirement allowances payable (note 10)	114,526	-
Deferred assessments (note 6)	1,779,501	1,610,381
	<u>2,024,182</u>	<u>1,837,514</u>
Net Financial Assets(Liabilities)	<u>(87,277)</u>	<u>(145,872)</u>
Non-Financial Assets		
Property, Plant and Equipment (note 3)	588,529	565,652
Less: accumulated amortization	(508,444)	(431,485)
	<u>80,085</u>	<u>134,167</u>
Prepaid expenses	7,192	11,705
	<u>87,277</u>	<u>145,872</u>
Accumulated Surplus	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements

Approved by the Board:



Chairperson



Vice-Chairperson

New Brunswick Insurance Board

Statement of Operations and Net Assets

For the year ended March 31, 2013

	2013	2012
Receipts		
Assessments	\$ 1,686,785	\$ 2,151,760
Interest	9,217	7,134
Other	1,600	337
	1,697,602	2,159,231
Operating disbursements		
Wages, benefits and other employee costs	814,194	679,402
Retirement allowances expense (note 10)	114,526	-
Interest and bank charges	1,681	1,658
Rent	129,483	128,242
Amortization expense	85,983	98,101
Office expenses	16,700	20,040
Audit and accounting	16,750	14,100
Consulting services	11,467	34,220
Training and education	38,161	35,958
Telecommunications	24,769	25,845
Equipment leases	5,512	5,959
Communications and community support	11,908	9,062
Meetings and conferences	12,563	10,892
Insurance	1,494	1,491
IT support	-	1,599
	1,285,191	1,066,569
Regulatory disbursements		
Board compensation	91,804	106,145
Board member training & education	18,304	28,025
Board member meetings & conferences	11,576	12,182
Travel	1,585	8,157
Advertising	475	475
Actuarial services	265,347	656,814
Hearing expenses	6,957	46,066
Legal	16,363	234,798
	412,411	1,092,662
Net of receipts and disbursements	NIL	NIL
Net assets, beginning of year	NIL	NIL
Net assets, end of year	\$ NIL	\$ NIL

See accompanying notes to financial statements

New Brunswick Insurance Board

Statement of Cash Flows

For the year ended March 31, 2013

	2013	2012
Cash provided by (used in):		
Operations		
Excess of receipts over disbursements	\$ -	\$ -
Items not involving an outlay of cash:		
Gain on disposal of equipment	(583)	-
Amortization expense	85,983	98,101
	85,400	98,101
Decrease (increase) in accounts receivable	(30,349)	9,781
Decrease (increase) in HST recoverable	31,950	17,743
Decrease (increase) in prepaid expenses	4,513	(5,746)
Increase (decrease) in accounts payable	(104,242)	14,778
Increase (decrease) in employee deductions payable	7,265	(1,162)
Increase (decrease) in retirement allowances payable	114,526	-
Increase (decrease) in deferred revenue	169,121	(234,492)
	278,184	(100,997)
Investing		
Purchase of property, plant and equipment	(32,081)	(4,299)
Proceeds on the disposal of equipment	762	-
	(31,319)	(4,299)
Increase (decrease) in cash	246,865	(105,296)
Cash, beginning of year	1,599,696	1,704,992
Cash, end of year	\$ 1,846,561	\$ 1,599,696

See accompanying notes to financial statements

New Brunswick Insurance Board

Notes to Financial Statements

For the year ended March 31, 2013

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) Asset classification:

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not being consumed in the normal course of operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver services, may be consumed in normal operations and are not for resale.

(b) 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.(see note 6)

(c) 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 acquired prior to April 1, 2012 except for equipment under capital lease. Computer equipment acquired subsequent to March 31, 2012 is amortized on a straight line basis over 3 years. The Board determined that this would better reflect the useful lives of the computer equipment being amortized.

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.

(d) Financial instruments:

Financial instruments of the Board consist of cash, accounts receivable, 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 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).

New Brunswick Insurance Board

Notes to Financial Statements

For the year ended March 31, 2013

3. Property, plant and equipment

	2013		2012	
	Cost	Accumulated Amortization	Net book Value	Net book Value
Computer equipment	\$ 159,803	\$ 147,914	\$ 11,889	\$ 11,286
Computer software	112,351	95,029	17,322	39,792
Systems software	183,190	146,552	36,638	73,276
Vehicle	28,160	24,740	3,420	9,052
Leasehold improvements	9,718	5,199	4,519	761
Furniture and fixtures	95,307	89,010	6,297	-
	\$ 588,529	\$ 508,444	\$ 80,085	\$ 134,167

4. Future employee benefits

Pension Plan:

The employees of the Board 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 \$57,773 (2012: \$49,203). Any shortfall in the funding of the plan is guaranteed by the Province of New Brunswick, which is the sponsor of the plan. Management is of the opinion that any proposed changes to the provincial pension plan will have minimal impact on the Board.

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 the 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, 2013 - 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, 2013 - March 31, 2014: \$ 5,512

6. Deferred assessments and capital management

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 represent 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.

New Brunswick Insurance Board

Notes to Financial Statements

For the year ended March 31, 2013

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.

8. Related party transactions

The New Brunswick Insurance Board is related to all Province of New Brunswick departments, agencies and Crown Corporations by virtue of common control.

9. Financial instruments

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, 2013 is as follows:

Cash	\$	1,846,561
Accounts receivable		41,238
	\$	<u>1,887,799</u>

Cash and investments: Credit risk associated with cash and 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 the 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 of the fiscal year start in order to maintain liquidity.

New Brunswick Insurance Board

Notes to Financial Statements

For the year ended March 31, 2013

9. Financial instruments (cont'd)

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.

10. Retirement allowances

The Board follows the policy set out by the Province of New Brunswick regarding retirement allowances and has discontinued retirement allowances for all employees effective April 1, 2013.

Effective April 1, 2013, all employees with a continuous service date before April 1, 2011 will be provided the option of:

- (a) receiving an immediate cash payout of retirement allowance, based on completed years of service and salary up to March 31, 2013; or,
- (b) deferring the payment of retirement allowance until retirement, based on completed years of service up to March 31, 2013 and salary at the time of retirement.

Employees will have until September 30, 2013 to choose their preferred option.

11. Cash and cash equivalents

Cash and cash equivalents include cash in bank and temporary investments with a term of one year or less.

12. Comparative figures

Certain comparative figures have been changed to conform to the current year's presentation.