

Information Bulletin 2017-003
Revised Filing Guidelines for Classes of Vehicles
Other than Private Passenger
Effective January 1, 2017

The New Brunswick Insurance Board (NBIB) is releasing revised filing guidelines for submitting changes to automobile insurance rates and risk classification systems for classes of vehicles other than private passenger. Based on a comprehensive review of prior filing requirements, these updated guidelines seek to simplify filing requirements for these classes of vehicles and to clarify the information required as part of the filing process. Changes are effective for filings submitted January 1, 2017 and onwards.

Changes Highlighted

Overall Requirements - *Section 267.2(1) of the Insurance Act (the Act)* requires annual rate filings for all classes of vehicles. This requirement still remains, however the NBIB is revising the information required to be filed each year based on factors such as the class of vehicle and the volume of premium written by the insurer. The information that is required will be determined by the type of filing that must be submitted. The Board sends a spreadsheet with the following details in early January to each insurer detailing what filings are allowed for the upcoming year:

Class of vehicles filings required for
Date filing required
Types of rate filing that may be submitted for each class

Types of Rate Filings

[RFG - 7 \(Simplified\)](#) – This is a simplified filing where there is no change proposed to rates currently in effect and where the company is not required to produce another type of filing (as shown in the vehicle class info below). At a minimum, a RFG - 7 (Simplified) filing will be required each year to continue using current rates. This type of filing is not permitted for Private passenger (ppv) or commercial vehicles (Comm).

[RFG - 2 \(IAO\)](#) – This filing will be required for a company that wants to adopt the most recent rates that have been developed by IAO and approved by the NBIB. Permitted for all classes of vehicles that IAO has submitted rates for.

[RFG - 8 \(Minor\)](#) – This is a minor filing that must be produced where there is a proposed change in rates but where full actuarial justification is not required due to the nature of the class of vehicle or where the level of written premium is below a certain threshold. In some cases, a Minor filing must be produced even where there is no proposed change in current rates. Not permitted for Private passenger vehicle type.

RFG - 1 (Major) – This is a major filing that must be produced where there is a proposed change in rates and where actuarial justification is required due to the nature of the class of vehicle or where the level of written premium is above a certain threshold. Permitted for Private passenger vehicles and any class that meet or exceed the premium volume as stated for that class.

The NBIB produces Rate Filing Requirement documents that provide details of the information required and the format that must be used for data submitted. These documents and Filing Guidelines are available on the Board's website nbib-canb.org.

Classes of Vehicles

Commercial Vehicles

Companies must produce a RFG - 2 (IAO), RFG - 8 (Minor) or RFG - 1 (Major) filing no later than 12 months from previous filing.

RFG - 2 (IAO) – If currently using IAO developed rates and want to continue using IAO developed rates. Companies are expected to adopt to most recently approved IAO developed rates when filing RFG - 2 (IAO).

RFG - 8 (Minor) – If no change to current rates is proposed or if changes are proposed and current written premium is less than \$1,000,000.

RFG - 1 (Major) – If changes to current rates are proposed and current written premium equals or exceeds \$1,000,000.

Interurban Vehicles

Companies must produce a RFG - 7 (Simplified), RFG - 2 (IAO), RFG - 8 (Minor) or RFG - 1 (Major) filing no later than 12 months from previous filing.

RFG - 7 (Simplified) – If no change to current rates is proposed an insurer may file an RFG – 7 no more than twice in a 36-month period (2 consecutive RFG - 7 filings in 3 years).

RFG - 2 (IAO) – If using IAO developed rates and want to continue using IAO developed rates. Companies are expected to adopt to most recently approved IAO developed rates when filing RFG - 2 (IAO).

RFG - 8 (Minor) – If no change to current rates is proposed or if changes are proposed and current written premium is less than \$750,000.

RFG - 1 (Major) – If changes to current rates are proposed and current written premium equals or exceeds \$750,000.

Taxis

Companies must produce a RFG - 7 (Simplified), RFG - 2 (IAO), RFG - 8 (Minor) or RFG - 1 (Major) filing no later than 12 months from previous filing.

RFG - 7 (Simplified) – If no change to current rates is proposed an insurer may file an RFG – 7 no more than twice in a 36-month period (2 consecutive RFG - 7 filings in 3 years).

RFG - 2 (IAO) – If using IAO developed rates and want to continue using IAO developed rates. Companies are expected to adopt to most recently approved IAO developed rates when filing RFG - 2 (IAO).

RFG - 8 (Minor) – If no change to current rates is proposed or if changes are proposed and current written premium is less than \$500,000.

RFG - 1 (Major) – If changes to current rates are proposed and current written premium equals or exceeds \$500,000.

Other Public Use Vehicles (Ambulances, Public Buses, School Buses)

Companies must produce a RFG - 7 (Simplified), RFG - 2 (IAO) or RFG - 8 (Minor) filing no later than 12 months from previous filing.

RFG - 7 (Simplified) – If no change to current rates is proposed an insurer may file an RFG – 7.

RFG - 2 (IAO) – If using IAO developed rates and want to continue using IAO developed rates. Companies are expected to adopt to most recently approved IAO developed rates when filing RFG - 2 (IAO).

RFG - 8 (Minor) – If changes to current rates are proposed.

Motorcycles

Companies must produce a RFG - 7 (Simplified), RFG - 2 (IAO), RFG - 8 (Minor) or RFG - 1 (Major) filing no later than 12 months from previous filing.

RFG - 7 (Simplified) – If no change to current rates is proposed an insurer may file an RFG – 7 no more than twice in a 36-month period (2 consecutive RFG - 7 filings in 3 years).

RFG - 2 (IAO) – If currently using IAO developed rates and want to continue using IAO developed rates. Companies are expected to adopt to most recently approved IAO developed rates when filing RFG - 2 (IAO).

RFG - 8 (Minor) – If no change to current rates is proposed or if changes are proposed and current written premium is less than \$750,000.

RFG - 1 (Major) – If changes to current rates are proposed and current written premium equals or exceeds \$750,000.

ATV

Companies must produce a RFG - 7 (Simplified), RFG - 2 (IAO), RFG - 8 (Minor) or RFG - 1 (Major) filing no later than 12 months from previous filing.

RFG - 7 (Simplified) – If no change to current rates is proposed an insurer may file an RFG – 7 no more than twice in a 36-month period (2 consecutive RFG - 7 filings in 3 years).

RFG - 2 (IAO) – If currently using IAO developed rates and want to continue using IAO developed rates. Companies are expected to adopt to most recently approved IAO developed rates when filing RFG - 2 (IAO).

RFG - 8 (Minor) – If no change to current rates is proposed or if changes are proposed and current written premium is less than \$750,000.

RFG - 1 (Major) – If changes to current rates are proposed and current written premium equals or exceeds \$750,000.

Snowmobiles / Snow vehicles

Companies must produce a RFG - 7 (Simplified), RFG - 2 (IAO), RFG - 8 (Minor) or RFG - 1 (Major) filing no later than 12 months from previous filing.

RFG - 7 (Simplified) – If no change to current rates is proposed an insurer may file an RFG – 7 no more than twice in a 36-month period (2 consecutive RFG - 7 filings in 3 years).

RFG - 2 (IAO) – If currently using IAO developed rates and want to continue using IAO developed rates. Companies are expected to adopt to most recently approved IAO developed rates when filing RFG - 2 (IAO).

RFG - 8 (Minor) – If no change to current rates is proposed or if changes are proposed and current written premium is less than \$750,000.

RFG - 1 (Major) – If changes to current rates are proposed and current written premium equals or exceeds \$750,000.

Other Personal Use Vehicles (Motor homes, Antiques, Trailers)

Companies must produce a RFG - 7 (Simplified), RFG - 2 (IAO) or RFG - 8 (Minor) filing no later than 12 months from previous filing.

RFG - 7 (Simplified) – If no change to current rates is proposed an insurer may file an RFG – 7

RFG - 2 (IAO) – If using IAO developed rates and want to continue using IAO developed rates. Companies are expected to adopt to most recently approved IAO developed rates when filing RFG - 2 (IAO).

RFG - 8 (Minor) – If changes to current rates are proposed.

Other Types of Filings

Rate Group Tables – Companies proposing to update rate group tables must seek approval from NBIB before implementation. This is not considered a rate filing. Please refer to document RFR – 3 for filing requirements.

Rating Rules – Companies proposing changes to rating rules must provide NBIB with details and expected impact of the proposed changes. This is not considered a rate filing. Please refer to document RFR – 4 for filing requirements.

Endorsements – Companies proposing changes to endorsements must provide NBIB with details of the proposed changes. This is not considered a rate filing. Please refer to RFR – 5 for filing requirements. Important: Insurers are reminded that all changes to policy wording must have prior approval of the Financial Consumer Services Commission (FCNB).

Underwriting Rules - Companies proposing changes to underwriting rules must provide NBIB with details of the proposed changes. This is not considered a rate filing. Please refer to RFR – 6 for filing requirements.

If you have any concerns or questions regarding any of the above please do not hesitate to call.

New Brunswick Insurance Board
Kelly Ferris, Manager Insurance Services
kelly.ferris@nbib-canb.org
(506) 643-7711

