

**DECISION**

**2025 NSRAB 62  
M12379, M12380, M12381**

**NOVA SCOTIA REGULATORY AND APPEALS BOARD**

**IN THE MATTER OF THE INSURANCE ACT**

**- and -**

**IN THE MATTER OF APPLICATIONS by AVIVA INSURANCE COMPANY OF CANADA, TRADERS GENERAL INSURANCE COMPANY and AVIVA GENERAL INSURANCE COMPANY** for approval to change the rates and risk-classification system for private passenger vehicles

**BEFORE:** Julia E. Clark, LL.B., Vice Chair

**APPLICANT:** AVIVA INSURANCE COMPANY OF CANADA  
TRADERS GENERAL INSURANCE COMPANY  
AVIVA GENERAL INSURANCE COMPANY

**FINAL SUBMISSIONS:** July 11, 2025

**DECISION DATE:** July 23, 2025

**DECISION:** Applications are approved.

## I INTRODUCTION

[1] Aviva Insurance Company of Canada (Aviva), Traders General Insurance Company (Traders) and Aviva General Insurance Company (Genco) applied to the Nova Scotia Regulatory and Appeals Board to change their rates and risk-classification system for private passenger vehicles. The companies propose changes to their risk classification system to remove the High Theft Vehicle Surcharge by lowering the surcharge from \$400 to \$0. The companies also ask the Board to approve the removal of the restriction prohibiting high theft vehicles from being eligible for Limited Waiver Depreciation endorsements.

[2] The Board must consider whether the proposed risk-classification system changes are just and reasonable and in compliance with the *Insurance Act (Act)* and its *Regulations*. The Board is satisfied that each company's application meets these requirements and approves the changes.

## II ANALYSIS

[3] Aviva, Traders and Genco initially applied under the Board's *Rate Filing Requirements for Automobile Insurance – Section 155B Overall Decrease*. However, the risk classification changes in the applications make them ineligible for that filing process. After minor amendments to the applications, filed July 11, 2025, Board staff considered the applications under the simplified version of the Board's *Rate Filing Requirements for Automobile Insurance - Section 155G Prior Approval (Rate Filing Requirements)*. Board staff prepared a report to the Board with recommendations on the applications (Staff Report) and recommended the Board consider the three applications together. Before

providing the Staff Report to the Board, Board staff shared it with Aviva, Traders and Genco. The companies reviewed the report and had no comments.

[4] The two requests addressed in this decision are: the removal of the High Theft Vehicle Surcharge and the changes to the NSEF#43R and NSEF#43R(L) endorsements.

### **High Theft Vehicle Surcharge**

[5] Aviva, Traders and Genco currently apply a \$400 surcharge to vehicles that appear on their High Theft Vehicle List. The surcharge is waived if the vehicle has either the KYCS Locate or Tag theft recovery device (Aviva approved theft recovery devices). The Board had initially approved a \$1,000 surcharge for High Theft vehicles for Aviva, Traders and Genco, in Board Decisions [2024 NSUARB 186], [2024 NSUARB 187] and [2024 NSUARB 185], respectively. The companies had justified the surcharges based on national experience showing increased risks in Ontario and Quebec related to frequent thefts of certain vehicles. The companies surmised that theft would similarly become an increasing problem in Nova Scotia.

[6] The companies then continued to monitor thefts in the province as well as the impact of the high-theft vehicle measures on customers. They also considered competitors' approaches to addressing thefts and related costs. Earlier this year, the companies applied to reduce the surcharges in subsequent Section 155B Overall Rate Decrease applications. The Board approved a reduction in the surcharges from \$1,000 to the current level of \$400 on April 1, 2025.

[7] After further monitoring of the impact of their measures, Aviva, Traders, and Genco consider that their concerns about thefts have not yet materialized, and the

surcharges have impacted their customers and their market position. The companies propose to remove the surcharge at this time. The companies indicated that, if they find later evidence that theft is a larger problem than currently anticipated, they may seek approval of a different theft rating variable appropriate to the region.

[8] Board staff recommend that the Board approve reducing the surcharge to \$0, effectively removing it. The Board agrees and supports the companies' approach of seeking more information and data to inform any future application of this rating variable.

### **Limited Waiver of Depreciation Endorsements**

[9] In the previous decisions initially approving the High Theft Vehicle Surcharges, the Board approved the companies' proposed rules that made vehicles on the High Theft Vehicles list ineligible for NSEF#43R – Limited Waiver of Depreciation and NSEF#43R(L) – Limited Waiver of Depreciation (Specified Lessee) endorsements, unless the vehicle has an approved theft recovery device installed and the vehicle is within two model years including the current model year. The purpose of the restriction was to prevent insureds from purchasing the endorsements, which cover the depreciation on a vehicle that is a total loss. Maintaining the restriction was another way to reduce the companies' theft-related exposure risk.

[10] The companies have proposed to remove this restriction. With this change, the companies will no longer treat "high theft" vehicles differently than non-high theft vehicles for the purpose of these endorsements. The removal of the restriction will benefit customers insuring listed vehicles and may improve the companies' competitive positions. Board staff recommends the Board approve the proposed change to the eligibility criteria for the Limited Waiver of Depreciation endorsements. The Board agrees.

### III SUMMARY

[11] The Board finds that the applications follow the *Act* and *Regulations*, as well as the *Rate Filing Requirements*.

[12] For Aviva and Traders, the Board approves the changes effective November 1, 2025, for new and renewal business. The Board approves the changes for Genco effective September 19, 2025, for new and renewal business, as requested.

[13] The applications do not qualify to set new mandatory filing dates under the *Mandatory Filing of Automobile Insurance Rates Regulations*. The mandatory filing dates for Aviva, Traders and Genco for private passenger vehicles stay at September 1, 2026.

[14] Board staff reviewed Aviva's, Traders' and Genco's Automobile Insurance Manuals and the proposed changes and did not find any instances where the Manuals contravened the *Act* and *Regulations*. Each company must file an electronic version of its Manual, updated for the changes approved in this decision, within 30 days of the issuance of the order in this matter.

[15] An order will issue accordingly.

**DATED** at Halifax, Nova Scotia, this 23<sup>rd</sup> day of July 2025.



---

Julia E. Clark