

DECISION

**2025 NSRAB 91
M12452 & M12453**

NOVA SCOTIA REGULATORY AND APPEALS BOARD

IN THE MATTER OF THE INSURANCE ACT

- and -

IN THE MATTER OF APPLICATIONS by **CO-OPERATORS GENERAL INSURANCE COMPANY** for approval to maintain its rates and risk-classification systems for all-terrain vehicles and snow vehicles

BEFORE: Marc L. Dunning, P.Eng., LL.B., Member

APPLICANT: **CO-OPERATORS GENERAL INSURANCE COMPANY**

FINAL SUBMISSIONS: September 9, 2025

DECISION DATE: **September 19, 2025**

DECISION: **Applications are approved.**

I INTRODUCTION

[1] Co-operators General Insurance Company (Co-operators) applied to the Nova Scotia Regulatory and Appeals Board (Board) to maintain its rates and risk-classification systems for all-terrain vehicles and snow vehicles.

[2] The Board must consider whether the proposal is just and reasonable and in compliance with the *Insurance Act (Act)* and its *Regulations*. The Board is satisfied that Co-operators' applications meet these requirements and approves the company's proposal to maintain its rates and risk-classification systems for all-terrain vehicles and snow vehicles.

II ANALYSIS

[3] Co-operators applied under the Board's *Rate Filing Requirements for Automobile Insurance – Section 155G Prior Approval* for all-terrain vehicles and its *Rate Filing Requirements for Automobile Insurance - Section 155G Prior Approval – Minor* for snow vehicles. Board staff prepared a report to the Board with recommendations on the applications (Staff Report). Before providing the Staff Report to the Board, Board staff shared it with Co-operators. The company reviewed the report and informed Board staff that it agreed with the recommendations.

[4] The Board will examine the following issues in this decision:

- Proposal to maintain rates for all-terrain vehicles; and
- Proposal to maintain rates for snow vehicles.

All-Terrain Vehicles

[5] The amount of total annual premium that Co-operators writes for all-terrain vehicles exceeds the Board's threshold of \$750,000 for these vehicles. As a result, the

company could not use the *Section 155G-Prior Approval – Minor* filing and provided support for the proposal for no change in a *Section 155G-Prior Approval* application.

[6] Because the volume of vehicles is small, an actuarial analysis of indicated rates would not provide meaningful results. Instead, Co-operators re-rated its portfolio of all-terrain vehicle risks using the IAO Actuarial Consulting Services, Aon Canada Inc. (IAO) rates. The company used the IAO rates that were effective July 1, 2023, as previously approved by the Board in *IAO Actuarial Consulting Services Inc., Aon Canada Inc. (Re)*, 2023 NSUARB 119. While the Board recently approved newer IAO rates effective July 1, 2025, these rates were not available to Co-operators when it prepared its filing.

[7] Co-operators provided a comparison of average premiums, which showed its overall average premium was slightly higher than the IAO-based average premium. The average premium for mandatory coverages for Co-operators is lower than that using IAO rates. The opposite is true for optional coverages, with the biggest difference being for Comprehensive. The company uses a more refined risk-classification system than IAO for all-terrain vehicles and this difference explains the variances.

[8] The observed differences do not warrant Board intervention to alter the proposal. Board staff recommend that the Board approve the proposal to leave the rates and risk-classification system for all-terrain vehicles unchanged. The Board agrees.

Snow Vehicles

[9] The amount of total annual premium that Co-operators writes for snow vehicles does not exceed the Board threshold of \$500,000 for these vehicles. As a result, the Board approved the company's use of the *Section 155G-Prior Approval – Minor* filing.

[10] Under the *Section 155G-Prior Approval – Minor* filing requirements, the Board does not require any support for a proposal to leave the rates and risk-classification system unchanged. Despite this allowance, Co-operators provided a comparison of the average premiums which showed that its average premium for snow vehicles was lower than the IAO-based average premium. The company's average premium for mandatory coverages is lower than that using IAO rates. The opposite is true for optional coverages. The company uses a more refined risk-classification system than IAO for snow vehicles and this difference explains the variances shown. While the results for the average premium by coverage were mixed, the limited differences do not warrant Board intervention. Board staff recommend that the Board approve the proposal to leave snow vehicle rates and risk-classification system unchanged. 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] The Board finds that Co-operators' proposal to maintain the rates and risk-classification systems for all-terrain vehicles and snow vehicles is just and reasonable.

[13] Co-operators proposed effective dates of January 14, 2026, and February 13, 2026, for new business and renewals, respectively. Although the rates are not changing, the Board approves these dates.

[14] The financial information supplied by Co-operators satisfies the Board, under Section 155I(1)(c) of the *Act*, that maintaining the rates and risk classification systems for all-terrain vehicles and snow vehicles is unlikely to impair the solvency of the company.

[15] The applications qualify to set a new mandatory filing date under the *Mandatory Filing of Automobile Insurance Rates Regulations*. The new mandatory filing date for Co-operators for all-terrain vehicles and snow vehicles is September 1, 2028.

[16] Board staff reviewed Co-operators' Automobile Insurance Manual filed with the Board (Manual) and did not find any instances where the Manual contravened the *Act* or *Regulations*. The Board does not require Co-operators to provide a revised version as the proposal does not result in any changes to the Manual.

[17] An Order will issue accordingly.

DATED at Halifax, Nova Scotia, this 19th day of September 2025.



Marc L. Dunning