

DECISION

**2025 NSRAB 104
M12479**

NOVA SCOTIA REGULATORY AND APPEALS BOARD

IN THE MATTER OF THE INSURANCE ACT

- and -

IN THE MATTER OF AN APPLICATION by **BELAIR INSURANCE COMPANY** for
approval to change its rates for private passenger vehicles

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

APPLICANT: **BELAIR INSURANCE COMPANY**

FINAL SUBMISSIONS: September 25, 2025

DECISION DATE: **October 6, 2025**

DECISION: **Application is approved.**

I INTRODUCTION

[1] Belair Insurance Company (Belair) applied to the Nova Scotia Regulatory and Appeals Board (Board) to change its rates for private passenger vehicles. The company proposes rate changes that vary by coverage and result in an overall increase of 4.98%.

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

II ANALYSIS

[3] Belair applied under the Board's *Rate Filing Requirements for Automobile Insurance – Section 155H Expedited Approval (Rate Filing Requirements)*.

[4] Section 155H of the *Act* permits an insurer to apply for rates to be approved on an expedited basis if the average of the proposed rates for each coverage and category of automobile insurance does not exceed the average of the existing rates filed by that insurer by more than the percentage prescribed by the Board for that class of applicant, coverage or category. The Board currently allows expedited approval applications for changes to rates for private passenger vehicles that are less than or equal to 5% on an all-coverages combined basis. The Board includes only the standard coverage, i.e. it excludes flat dollar endorsement premiums, and the increase must be on an uncapped basis.

[5] The company proposed a base rate increase, excluding flat dollar endorsements, of 4.98%. This level is below the maximum 5% allowed for expedited

approval applications. This application is also the first Section 155H application made by Belair since its last filing. The application, therefore, satisfies the Board's requirements for a *Section 155H – Expedited Approval* Application.

[6] Board staff reviewed the application and prepared a report to the Board with recommendations on the application (Staff Report). Before providing the Staff Report to the Board, Board staff shared it with Belair. The company reviewed the report and informed Board staff that it had no comments other than clarifying the date of the next mandatory filing.

[7] Belair relied on the residual of Board-approved indications from its previous filing (2025 NSUARB 23), updated for net trend, i.e., loss trend net of premium trend. When determining net trend, the company relied on the loss trends and premium trends used in its previous filing. The Board allowed their use in that application, and it is appropriate to use them in this application. The company applied this net trend for time between the average accident date for this application and the average accident date for the previous application to update the residual indications from the previous application.

[8] The proposed overall increase requested by Belair in this application is lower than the updated residual indication from the previous application.

[9] Apart from Property Damage-Tort, the proposed changes are in the direction of the adjusted residual indications but are smaller. The change for Property Damage-Tort is the same as that for Bodily Injury despite having different signs on the indications. Belair considers Bodily Injury and Property Damage-Tort together when selecting the proposed rate change. The company set the proposed increase for Bodily

Injury and Property Damage-Tort equal to/below the combined indicated level. Since both are mandatory coverages, this approach is acceptable.

[10] For Collision, Belair proposed a smaller than indicated decrease, while for All Perils, the company proposed no change despite an indication for a decrease. Both coverages, therefore, have proposed rates higher than indicated. Despite this, the overall combined increase falls below the adjusted residual indications.

[11] Board staff recommend the Board approve the proposed rate changes. The Board agrees.

[12] The Board notes that this is the only *Section 155H-Expedited Approval* application Belair can make without providing a filing with updated actuarial indications in a Section 155G Prior Approval filing.

III SUMMARY

[13] The Board finds that the application follows the *Act* and *Regulations*, as well as the *Rate Filing Requirements*.

[14] The Board finds the proposed rates are just and reasonable, and approves the changes effective October 19, 2025, for new business and December 18, 2025, for renewal business.

[15] Because only the rates are changing, and rates are not in the company's Automobile Insurance Manual there are no changes to the manual. Board staff reviewed the manual in the previous application and did not uncover any areas where the company was in violation of the *Act* or its *Regulations*.

[16] The financial information submitted by the company satisfies the Board, under Section 155I(1)(c) of the *Act*, that the proposed changes are unlikely to impair the solvency of the company.

[17] An application for expedited approval under the *Rate Filing Requirements* does not qualify to set a new mandatory filing date under the *Mandatory Filing of Automobile Rates Regulations*. The mandatory filing date for Belair for private passenger vehicles stays at November 1, 2026.

[18] An Order will issue accordingly.

DATED at Halifax, Nova Scotia, this 6th day of October 2025.



Marc L. Dunning