DECISION **2026 NSRAB 160**
M13041 and M13046

NOVA SCOTIA REGULATORY AND APPEALS BOARD

IN THE MATTER OF THE INSURANCE ACT

- and -

IN THE MATTER OF APPLICATIONS by **PEMBRIDGE INSURANCE COMPANY and ALLSTATE INSURANCE COMPANY OF CANADA** for approval to change their rates and risk-classification systems for miscellaneous vehicles

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

APPLICANT: **PEMBRIDGE INSURANCE COMPANY**
ALLSTATE INSURANCE COMPANY OF CANADA

FINAL SUBMISSIONS: October 9, 2026

DECISION DATE: **November 17, 2026**

DECISION: **Applications are approved.**

I INTRODUCTION

[1] Pembridge Insurance Company (Pembridge) and Allstate Insurance Company of Canada (Allstate) applied to the Nova Scotia Regulatory and Appeals Board (Board) to change their rates and risk-classification systems for miscellaneous vehicles. The companies propose maintaining base rates, extending their List Price New tables for all-terrain vehicles, and amending their declination rules for Comprehensive claims.

[2] Pembridge and Allstate each submitted separate applications, matters M13041 and M13046, respectively. Pembridge is a subsidiary of Allstate. Both applications were substantially similar and propose the same effective dates. For these reasons, the Board is addressing both applications in one decision.

[3] The Board must consider whether the proposed rates and risk-classification systems are just and reasonable and in compliance with the *Insurance Act* (*Act*) and its *Regulations*. The Board is satisfied that the applications meet these requirements and approves the companies' proposed rates and risk-classification systems.

II ANALYSIS

[4] The companies applied under the Board's *Rate Filing Requirements for Automobile Insurance – Section 155G Prior Approval – Minor* (*Rate Filing Requirements*). Since the filing of their applications, the companies have received and responded to Information Requests (IRs) from Board staff. For each application, Board staff prepared a report to the Board with recommendations (Staff Report). Before providing the Staff Reports to the Board, Board staff shared them with the respective companies. Each company reviewed their report and informed Board staff that they had no comments.

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

- eligibility to use Prior Approval - Minor filing requirements;
- base rates;
- List Price New (LPN) tables for all-terrain vehicles; and
- declination rules for Comprehensive claims.

Eligibility to Use Prior Approval - Minor Filing Requirements

[6] To be eligible to file a Section 155G Prior Approval – Minor application, the annual written premium for each class of vehicle must be less than the Board's threshold for those vehicles, except for trailers where the Board allows companies to use this type of application regardless of premium volume. Both companies meet these requirements for miscellaneous vehicles and are eligible to use the Prior Approval – Minor process for their applications.

Base Rates

[7] Both companies propose no changes to current base rates. Although the Board does not require actuarial support for a no-change proposal under the Section 155G Prior Approval – Minor filing requirements, the companies provided comparisons of their average premiums to those of the industry. Those comparisons support the proposals for no change.

[8] Board staff recommends the Board approve the proposals for no changes to base rates for miscellaneous vehicles. The Board agrees.

List Price New Table for All-Terrain Vehicles

[9] The companies currently each have unique List Price New (LPN) tables for all-terrain vehicles for values up to $50,000 CAD. They propose extending these tables to values up to $100,000 CAD. They propose relying on the incremental changes in

Facility Association rates above $50,000 CAD. The companies chose this approach due to data limitations, as they previously did not offer coverage above this threshold.

[10] The implementation of the proposed new tables will not impact rates for any current policies. Board staff recommend the Board approve the proposed changes to the companies' LPN tables for all-terrain vehicles. The Board agrees.

Declination Rules for Comprehensive Claims

[11] Both companies have the same underwriting or declination rule that says they will not offer Comprehensive coverage (including the Comprehensive portion of All Perils and Specified Perils coverage) for a vehicle with two or more Comprehensive losses in the past three years, or three or more losses in the past six years, excluding glass claims.

[12] Sections 4(2)(d)(iii) and (v) of the *Automobile Insurance Underwriting Practice Regulations* do not allow insurers to decline coverage because of not-at-fault claims. Both the Board and the Superintendent of Insurance consider Comprehensive claims to be not-at-fault claims.

[13] The companies propose replacing their rule with a rule requiring a minimum deductible of $2,000 for Collision/All Perils/Comprehensive/Specified Perils for a vehicle with two or more Comprehensive losses in the past three years, or three or more losses in the past six years, excluding glass claims. The companies say that these changes align with the practice of other insurers. These changes also align with the *Automobile Insurance Underwriting Practice Regulations*. Board staff recommend approving the proposed changes. The Board agrees.

III SUMMARY

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

[15] The Board finds the proposed rates and risk classification systems are just and reasonable, and approves the changes for both companies, effective December 10, 2026, for new business and January 10, 2027, for renewal business.

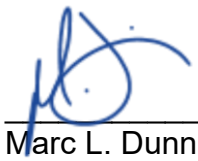
[16] The financial information supplied by the companies satisfies the Board, under Section 155I(1)(c) of the *Act,* that the proposed changes are unlikely to impair the solvency of the companies.

[17] The applications qualify to set new mandatory filing dates under the *Mandatory Filing of Automobile Insurance Rates Regulations*. The new mandatory filing date for Pembridge and Allstate for miscellaneous vehicles is August 1, 2028.

[18] The companies proposed revisions to their Automobile Insurance Manuals to adjust the LPN tables for all-terrain vehicles and amend their declination rules as explained in this decision. The Board did not find any instances where the Manuals, together with the proposed changes, contravened the *Act* or *Regulations*. Each company must file an electronic version of their Manual, updated for the changes approved in this decision, within 30 days of the issuance of the Order in this matter.

[19] An Order will issue accordingly.

DATED at Halifax, Nova Scotia, this 17th day of November 2026.



Marc L. Dunning