

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. A.I. 24(2023)

1 **IN THE MATTER OF the Automobile**
2 **Insurance Act**, RSNL 1990, c. A-22,
3 as amended, and regulations
4 thereunder; and
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6 **IN THE MATTER OF** an application by
7 Belair Insurance Company Inc. for
8 approval to implement endorsements
9 for its Private Passenger Automobiles
10 category of automobile insurance.
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13 **WHEREAS** on April 19, 2023 Belair Insurance Company Inc. (“Belair”) applied to the Board under
14 the Supplemental filing option for approval to implement optional endorsements for its Private
15 Passenger Automobiles category of insurance; and
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17 **WHEREAS** a number of Belair’s proposed endorsement offerings will also be applicable to its
18 Miscellaneous Vehicles category of automobile insurance; and
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20 **WHEREAS** Belair is owned by Intact Financial Corporation and is a new entity in the province that
21 will replace its affiliates Novex Insurance Company (“Novex”) and Unifund Assurance Company
22 (“Unifund”) as underwriters for Private Passenger Automobiles and Miscellaneous Vehicles; and
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24 **WHEREAS** Belair proposed the following changes to the Novex and Unifund endorsements that
25 will become the optional endorsement offerings for Belair:

- 26 • Addition of new standard/non-standard endorsements;
- 27 • Removal of some previously used endorsements;
- 28 • Modification to eligibility for existing endorsements; and
- 29 • New premiums for endorsements; and
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31 **WHEREAS** Belair proposed to introduce an upper bound rate cap of +5% and a lower bound rate
32 cap of -5% for a one-year period to manage policyholder dislocation; and
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34 **WHEREAS** Belair estimated the overall rate level impact of the endorsement changes to be +5.7%
35 on an uncapped basis and +3.9% on a capped basis; and

1 **WHEREAS** Belair noted that the proposed endorsement changes were aimed at updating
2 coverage limits to better serve customer needs and to align offerings in the province with the
3 rest of Canada; and
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5 **WHEREAS** Belair provided confirmation of approval from the Superintendent of Insurance for all
6 new non-standard endorsement wordings; and
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8 **WHEREAS** the proposal is filed in accordance with the Supplemental Filing Guidelines; and
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10 **WHEREAS** the Board is satisfied that the proposed changes are just and reasonable in the
11 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the
12 financial circumstances of the insurer, and do not violate the **Automobile Insurance Act** or the
13 **Insurance Companies Act** or the respective regulations thereunder.
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16 **IT IS THEREFORE ORDERED THAT:**

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- 18 1. The proposal received on April 19, 2023 from Belair Insurance Company Inc. for its Private
19 Passenger Automobiles category of automobile insurance is approved to be effective no
20 sooner than September 11, 2023 for new business and January 2, 2024 for renewals.

DATED at St. John’s, Newfoundland and Labrador, this 6th day of July, 2023.


Dwannda Newman, LL.B.
Vice-Chair


John O'Brien, FCPA, FCA, CISA
Commissioner


Cheryl Blundon
Board Secretary