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Rule 300: Coverages Available and Minimum Deductibles

A. Liability

1. Maximum Limit(s) of Liability

Not more than \$1,000,000 except:

a) when required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards, except as provided for in b). The Liability limit may not exceed the amount required.

b) where the insured is required by his/her employer to have \$2,000,000 limits in order to obtain a contract of work (e.g. Driver Training vehicle) and, where failure to do so, will result in loss of the contract. At the Servicing Carrier's discretion the insured may be required to provide proof of the contract requirement for \$2,000,000 limits.

If the Liability insurance is required to provide distinct Road Hazard and Passenger Hazard BI limits, the maximum limit of \$1,000,000 applies separately to the two hazards.

It is permissible to provide Passenger Property Damage coverage up to \$5,000, or a higher limit if required by law, in addition to the amount(s) applicable to Road Hazard and Passenger BI.

Example 1: The insured is required by law to provide the Road Hazard limit of \$200,000 and the municipal by-law requires \$2,000,000 for Passenger BI. The policy may be issued for up to \$1,000,000 Road, \$2,000,000 Passenger BI, and \$5,000 Passenger PD using END 6c or, if licensed as a School Bus, 6b.

Example 2.: The Insured is required by a *school board regulation* to provide \$2,000,000 Passenger BI, however as this regulation is not a municipal by-law or a legislated requirement, FA will not provide the \$2,000,000 Passenger Hazard BI limit unless the insured will be prevented from obtaining contract of work.

The coverage shall be written with END 6f unless separate limits are required by the Public Vehicles Act. In that event use END 6b if the vehicle is a school bus or END 6c if the vehicle is other than a school bus.

2. Proof of Insurance

Proof of insurance amount(s) shall not exceed those required by the authority concerned.

For example: The Liability limit chosen by the applicant is \$1,000,000. Proof of insurance is required for \$500,000. The policy will be issued at \$1,000,000 but the proof of insurance shall only show \$500,000.

3. Policy Issuance Using Combined Limit – END 6f

END 6f is to be used unless separate limits are required by law for Road and Passenger Hazards. If separate limits are required END 6c is to be used.

END 6f deletes the Section A exclusion of coverage for liability for bodily injury to occupants and damage to property of passengers. The Section A limit on the face sheet of the policy shows the combined limit for Road Hazard, Passenger Hazard BI and Passenger Hazard PD. The maximum limit is \$1,000,000 unless a higher limit is required by law.

Where a combined limit is to be used, establish the premium for \$200,000 Road Hazard and Passenger Hazard BI. Apply the increased limit factor from Table D. Establish the Passenger Hazard PD premium for \$5,000, and if required apply the increased limit factor from Table C. Add the two premiums together. The combined total of Road Hazard and Passenger Hazard limits may not exceed the maximum limit of Liability stated in this rule, except as provided under 1a) or b).

4. Policy Issuance Using END 6b (School Bus only) or END 6c
END 6b and 6c are to be used only when required by law. The Road Hazard limit is shown on the face sheet of the policy under Liability limit. END 6b or 6c must be attached to the policy and must indicate the limits applicable to Passenger Hazard BI and Passenger Hazard PD.

On END 6b and 6c, the limits applicable to Passenger Hazard are shown separately for bodily injury to one person, bodily injury to two or more persons, and damage to property carried in the automobile. It is also possible to show a single limit for Passenger Hazard Bodily Injury and Passenger Hazard Property Damage under 2 (b).

For example: On END 6b or 6c the limits would be shown

2 (a)	\$1,000,000	for any one person
	\$1,000,000	for two or more persons
	\$5,000	damage to property

Do not show an amount under 2 (b) unless required by law in which case no amount is to be entered under 2 (a).

5. Policy Issuance Using END 22 Passenger Property Damage

This endorsement is used to insure the passenger property damage when END 6a, 6d or 6b (where separate limits are required for Passenger Hazard Bodily Injury & Property Damage) is attached to the policy.

END 22N Cargo Insurance - Facility Association does not provide this coverage.

Rule 300: Coverages Available and Minimum Deductibles (continued)

B. Accident Benefits

As prescribed by statute.

C. Physical Damage

Public vehicles, excluding buses, valued at \$500,000 or more may not be insured for physical damage. Buses valued at \$750,000 or more may not be insured for physical damage.

The following table indicates the minimum deductibles on any physical damage coverages for vehicles whose list price new exceeds \$52,500.

PUBLIC VEHICLES	
List Price new	Minimum Deductible
\$52,501 – \$76,000	\$2,500
\$76,001 – \$100,000	\$4,000
Over \$100,000	5% of the said value to nearest \$250
All Rate Groups	END 40 is mandatory on any vehicle with prior fire and total vehicle theft claims within the past 60 months.
<i>Example: If the appraised value is \$123,000, 5% is \$6,150. The deductible shall be \$6,250 and the rating factor for \$2,500 or more applies</i>	

D. Uninsured Automobile

As provided in the policy.

The premium for this coverage or the location of the applicable rate is shown on the rate pages. Where no premium or the location of the rate is shown, charge \$11.

E. Family Protection Coverage (END 44)

Not available on vehicles rated in this section of the manual.

Rule 301: Definitions

A. Public Vehicles

Vehicles used for the carrying of passengers classified in Rule 303. Vehicles rated as Private Passenger vehicles with END 6a attached to permit the occasional carriage of passengers for compensation are not considered to be Public vehicles. Where a vehicle is used for carrying passengers for compensation but is not classified in Rule 303, full details must be provided to the Servicing Carrier including a description of the vehicle, its intended use and its seating capacity.

B. Road Hazard

Liability for bodily injury to others excluding passengers and liability for property damage excluding property carried in or on the insured vehicle.

C. Passenger Hazard - Bodily Injury (BI)

Liability for bodily injury to passengers (Passenger Hazard Bodily Injury (PHBI) and liability for damage to the property of passengers (PHPD).

D. Radius

The radius of operation is the distance between terminal points, which is taken to be one-half the distance travelled by the vehicle over its complete route - from the starting point of its trip to its return to the same point

E. Seating Capacity

The number of persons, excluding the driver, that can be carried seated by the insured vehicle.

F. List Price New

The Manufacturer's Suggested Retail Price new (plus taxes) of the vehicle including the value of the body, all permanently attached equipment and any customizing features.

G. Owned /Leased

The expression "owned by" (as in a vehicle owned by the applicant) includes "leased to" if the applicant is/was responsible for obtaining the Liability insurance for the leased vehicle concerned. A similar interpretation applies to "owns", "ownership", etc.

Rule 302: Rating Territory

The rating territories are described in the Territory section of this manual.

If a filing is required for a higher rated territory, the rate for that higher rated territory must be used regardless of the number of trips to that higher rated jurisdiction.

The applicable rating territory is that in which the vehicle "is and will be chiefly used". If however, the vehicle is operated regularly to or through other territories, the highest rated of those territories is to be used. A vehicle that travels through a higher rated territory from a lower rated territory where it is garaged, to another lower rated territory where the work is performed, shall be charged the higher rated territory.

For example: The insured business, based in Labrador, is operating a tour bus to Ontario. The highest rated territory through which the vehicle is operated is Toronto, Ontario (Territory 20). The vehicle must be rated using Ontario Territory 20 rates.

The insured's business is in Labrador and is operating a tour bus between Labrador and Quebec. The vehicle is regularly used outside the jurisdiction of registration and a jurisdiction in which FA operates. See **Rule 33 Vehicles Used Outside Jurisdiction of Registration**. The vehicle must be rated using Ontario Territory 20 rates.

Where the vehicle is operated in the U.S., see **Rule 28 U.S. Exposure**.

Rule 303: Rating Class**A. Public Bus - Classes 70, 73, 74, 78**

A vehicle that is used for carrying passengers for compensation on public streets or highways including charters and/or sightseeing trips. The insured is in the business of providing transportation of persons.

For example: The insured owns a bus which is used to transport people to and from a ski resort. The sole purpose of the insured's business is to provide transportation. If the resort owned the bus then the rating would be that of a Hotel/Country Club Bus. If the resort did not own the bus but paid the insured to transport people to the resort then the rating would be that of a Public Bus.

The class is based upon the radius of operation.

Radius of Operation		Class
1. Used solely within the corporate limits of a city or town		70
2. Distance between terminal points:		
More than	Not more than	
	25 km (15 miles)	70
25 km	80 km (50 miles)	73
80 km	240 km (150 miles)	74
240 km (150 miles)		78

Use 6f or, if required by law, 6c.

B. School Bus - Class 71

A vehicle that is used for carrying students and teachers to and from school premises or school activities.

Rating Note:**a) Charter Trips**

If a School Bus is also used for charter trips up to (and including) 20 trips per year the premium payable must be increased according to the following percentages:

Anticipated number of trips per year	All Coverages
1 to 12	25%
13 to 20	50%

If a School bus is used for more than 20 charter trips per year, rate as a Public bus.

Use 6f or 6b if required by law.

b) Vehicles Used by Day Care Operations**Run by Individuals**

If the seating capacity is seven or less and is used by an individual who runs a day care out of his/her home, the charge for the appropriate private passenger rate class will apply plus 10% for the 6a endorsement. If the seating capacity exceeds seven seats, school bus rates apply.

Day Care Organizations

If the vehicle is used by a day care organization, rate as a school bus.

C. Hotel or Country Club Bus - Class 72

A vehicle owned by and used by a hotel, summer camp, fishing camp, whitewater rafting enterprise, resort, golf or country club and the like for carrying guests, members or employees. The operation of the bus is secondary or incidental to the insured's business.

To complete END 6f or 6c, after 'for compensation or hire only' enter "in connection with the insured's business of [enter the insured's business]"

D. Private Bus - Class 79

A vehicle that is owned by an employer and used to carry employees or a vehicle owned by an association, church or a charitable or similar organization, to carry passengers in connection with activities of the organization.

To complete END 6f or 6c, after 'for compensation or hire only' enter "in connection with the insured's business of [enter the insured's business]"

E. Van Pool - Class 79

A vehicle owned by an employer and used for one round trip each day to carry commuting employees.

To complete END 6f or 6c, after 'Use of the automobile in connection with the insured's business of [enter the insured's business]"

F. Taxi - Class 77

A vehicle that is not otherwise defined in this section, but is used for carrying passengers for compensation to a destination requested by the passenger.

A copy of the vehicle registration and completed Taxi Questionnaire must be submitted with the application

Rating Notes**1. Owner Driven Taxis**

Where the application indicates the taxi, for taxi purposes, is solely driven by the applicant (or in the case of multiple ownership by one specific owner), a 10% premium reduction shall be applied to each coverage. Family members may also drive the vehicle solely for pleasure purposes.

2. Seating Capacity Exceeds Seven

Obtain the per seat rates for Public Bus - Passenger Hazard BI and PD, Accident Benefits and Uninsured Automobile (where applicable). Multiply the per seat rate by the number of seats in excess of seven. Add this amount to the Taxi premium (the Passenger Hazard BI premium must be added before applying the Table A increased limit factor).

G. Limousine

Attach END 6a and insert rated use of vehicle.

1. Private Passenger Vehicle (includes all vehicles listed in the Private Passenger Rate Group Tables, plus any similar type vehicles not specifically in the Rate Group Tables, such as but not limited to, Passenger Vans and Stretch Limousines).

a) Airport – A vehicle used in the business of carrying passengers to and from an airport. Rate and code as a taxi.

b) Excluding Airport – A vehicle used in the business of carrying passengers for compensation under contract for transporting passengers, or in connection with specific functions such as weddings, receptions and funerals.

i. Liability and Collision – Charge 200% of the applicable Class 07 premium (DR 0, 1, 2, 3).

ii. Accidents Benefits, Comprehensive, Specified Perils – Charge 100% of the applicable Private Passenger premium.

iii. Code as Class 77.

- iv. Where seating capacity exceeds seven, rate as above and for each seat over seven add the per seat premium applicable to Passenger Bodily Injury and Accident Benefits for a Public Bus. Airport limousines that operate on an 'on call' basis should be rated as a taxi, plus the per seat charge for a Public Bus.

- 2. Vehicles manufactured as and with a licence registration of a bus – Rate and code as a Public Bus.

H. Ambulance - Class 76 Public

A vehicle constructed, equipped and used for carrying people who require medical attention or are under medical care.

Private Ambulance

An ambulance as described above but used exclusively for the carrying of the insured's employees.

Use the percentage applicable to Emergency or Non Emergency use.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier.

Attach END 6a and insert "Ambulance" and "Emergency" or "Non Emergency".

I. Invalid Car - Class 76

A vehicle constructed, equipped and used for the transportation of wheelchair passengers and other disabled persons.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier.

Rate and code according to use. *For example*, if the vehicle is being used as a private bus, then rate as a private bus.

Attach END 6a, and insert [rated use of vehicle].

J. Funeral Vehicles - Class 75

Attach END 6a and insert [rated use of vehicle].

Hearse/Casket Wagons

A vehicle used for the transportation of coffins, caskets, and flowers.

Funeral Carriage

A vehicle used for the transportation of passengers to and from funeral services.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier.

For other vehicles operated by a Funeral Director, see the Private Passenger or Commercial sections of the manual.

Rule 304: Driving Record

Driving record is the number of years of verified "Clear Record". This rule does not apply to coverages that are fleet rated.

All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.

If the applicant claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.

A. Clear Record

Throughout the period concerned:

- a) There has been no accident involving the described vehicle or one for which it has been substituted;

and

- b) The applicant has owned the described vehicle or one of a similar type for which it has been substituted.

Ownership is established from the date on which the applicant takes possession of the vehicle.

There is no requirement that drivers be accident free on other vehicles - the rating is determined from the vehicle history not the driver's history.

B. Driving Record Entitlement

Period of Clear Record immediately preceding the commencement date of the period of Insurance.	Driving Record Entitlement
Less than 1 year	0
At least 1 year	1
At least 2 years	2
At least 3 years	3

Notes:

- 1. A chargeable accident resulting in only Liability to a third party will affect only the rating of Liability coverage. A chargeable accident resulting in only Collision damage will affect only the rating of the Collision coverage.
- 2. Where an applicant owns more than one vehicle, each vehicle's driving record is established separately. Where an additional vehicle is acquired it shall develop its own driving record (initially at Driving Record 0). Where a vehicle is deleted an accident charged for on the deleted vehicle shall be transferred to a remaining vehicle with the best rated driving record.
- 3. Where a vehicle replaces another it acquires the driving record of the replaced vehicle.
- 4. Gaps in insurance coverage within the 3 years immediately preceding the effective date of the insurance shall have the following effect on the assignment of the driving record:
 - a. If a gap in insurance coverage is 24 consecutive months or more in the past 3 years, the driving record will be reduced by 1 for each 12 month gap.

- b. If a gap in insurance coverage is less than 24 consecutive months in the past 3 years and the gap is the result of a cancellation of non-payment of premium, termination for non-disclosure of a claim or conviction that would have increased the premium, or driver's licence suspension, the driving record will be reduced by 1 for each 12 month gap.
- c. If a gap in insurance coverage is less than 24 consecutive months in the past 3 years and the gap is for any reason other than one shown in b., the driving record will not be impacted.

Example 1: The applicant has proof of accident free insurance from June 1, 2002 to February 15, 2006. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (February 15, 2006 to July 1, 2006), there is no impact on the driving record.

Example 2: The applicant has proof of accident free insurance from June 1, 2002 to May 20, 2005 when the policy was cancelled for non-payment of premium. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (May 20, 2005 to July 1, 2006), but for a reason shown in b. above, the driving record is reduced by 1 year.

C. Incorrect Class of Licence

Some vehicles such as buses require the operator to maintain a specific class of licence in order to operate such vehicles. Where the operator fails to have the proper class of licence for the vehicle to be insured, rate at Driving Record 0. If evidence of the correct class of licence is not provided to the Servicing Carrier within 30 days, the policy will be cancelled by registered letter.

Rule 305: Rate Group

A. Public Bus

Determine the list price new and rate according to the 'List Price New' column on the Public Bus rate page.

B. Other Vehicles

If the Schedule of Rates requires that a Private Passenger premium be used and the vehicle is listed in the Rate Group Table in the Private Passenger section of the manual, use the Private Passenger rate group. If the vehicle is not listed in the Private Passenger Rate Group Table, determine list price new and obtain the rate group from the Rate Group Table found on the Rating Notes page in the Private Passenger section.

If the Schedule of Rates requires that a Commercial premium be used, determine the list price new and establish the rate group using Rate Group Table II in the Commercial section of the manual.

Rule 306: Rating

A. Rating for More Than One Use (refer to Rule 4)

If a vehicle is being used for more than one purpose, rate for the use with the highest percentage of exposure. If the exposure for the other use is higher than the exposure for the 'public' use, then the premium for Passenger Hazard Bodily Injury and/or Property Damage is not added to the premium for the other use.

For example: The insured has a station wagon and has been contracted by the school authority to transport children to and from school. The insured also uses the vehicle for strictly pleasure use. The school contract requires \$2,000,000. Road Hazard and \$3,000,000 Passenger Hazard Bodily Injury. Assuming Class 01 percentage of exposure is higher, the policy shall be issued using the Class 01 premium. The Liability limit on the face sheet of the policy shall show \$2,000,000.

END 6b must be attached. Under 2(a) the first and second lines shall be completed with a limit of \$3,000,000. END 6b provides that while the vehicle is being operated as a school bus, the policy shall provide \$2,000,000 Road Hazard and \$3,000,000 for bodily injury or death of one or more persons. If the insured has an accident while driving the vehicle for pleasure the policy shall provide \$2,000,000 Liability.

The additional \$3,000,000 is only applicable while the vehicle is being operated as a school bus.

The premium for 6b shall show as included on the face sheet of the policy.

B. Liability Coverages

The Liability premium is made up of three components:

- Road Hazard Bodily Injury and Property Damage
- Passenger Hazard Bodily Injury (PHBI)
- Passenger Hazard Property Damage (PHPD)

The Schedule of Rates may show separate premiums for each component or combined premiums for some.

Where the Schedule of Rates does not provide the premium for the required limit, an increased limit factor must be applied to the premium. The factors are found in the Limits Table at the beginning of the rate pages. Each coverage component has its own Table (A, B and C). In addition there is Table D which is used instead when a combined limit (where permitted) for Road Hazard and Passenger Hazard BI is required.

If the limit exceeds \$1,000,000, an excess limit factor is applied to the premium for a limit of \$1,000,000.

C. Types of Rating used for Public Vehicles

The premiums for Public Vehicles are developed on a "Per Vehicle", "Per Seat" or a "percentage" of a Private Passenger, Commercial or another Public Vehicle premium.

"Per Vehicle" If the heading on the rate page states "Per Vehicle" the premium shown on the rate page is a premium applicable to the vehicle depending upon the territory, class, driving record, seating capacity and limit.

Rule 306: Rating**C. Types of Rating used for Public Vehicles** (continued)

"Per Seat" If the heading on the rate page states "Per Seat," then to determine the premium for that coverage

1. Obtain the applicable per seat rate shown for the territory, class, driving record, seating capacity and limit. Develop the premium in stages if seat rates are shown for various numbers of seats.

For example: using hypothetical seat rates for a 35 passenger bus

Seating Capacity	Per Seat
1-12	28.66
13-29	6.97
30+	3.35

2. Multiply each rate by the number of seats in the stage

12 times 28.66 =	343.92
17 times 6.97 =	118.49
6 times 3.35 =	20.10
Total premium =	482.51
Rounded to \$483.	
3. If in addition to the per seat rate, a **basic** premium is shown on the rate page for that coverage, then it must be added to the per seat premium. In the example a hypothetical \$41.56 would be added to the \$482.51 and the total rounded to \$524.

Public Buses exceeding 32 seats – The Passenger Hazard premium is the sum of the Per Vehicle premium for Seating capacity 30-32 plus the Per Additional Seat Rate times the number of seats in excess of 32.

"Percentage" The rate page may show a class and a percentage. The premium is obtained by applying the percentage on the rate page to the premium for the class indicated at a Liability limit of \$200,000. The premiums for higher limits are obtained by applying the increased limit factors in the rate pages. Note that Public Vehicles are to be rated as Driving Record 0, 1, 2 or 3 even where there may be a better driving record available for the underlying class.

D. Physical Damage

Where a premium for a rate group or deductible is not shown on the rate page, first calculate the rate group premium by multiplying the base premium by the rate group factor, round to the nearest dollar, then multiply by the deductible factor.

To calculate All Perils add together the Collision premium and the Comprehensive premium times the All Perils factor shown on the rate page.

E. Premium Determination

Ensure that the vehicle is a Public Vehicle.

1. Establish the rating territory
2. Establish the rating class, including any special factors.
3. Establish the driving record
4. Establish the rate group and minimum deductible. Refer to the rate page and the rate per vehicle, per seat or percentage of underlying class.
5. Develop the total premium for each coverage
6. Apply any required U.S. exposure and currency differential surcharge.
7. Apply fleet rating or any accident/conviction surcharge.

Rule 307: Endorsements**END 20 - Loss of Use**

Facility Association does not provide this coverage for Public Vehicles.

After Market Sound and Electronic Communication Equipment

Where the vehicle is equipped with sound or electronic communication equipment, other than factory installed equipment, application of either END 37 or END 38 is mandatory in those jurisdictions where the endorsements and the END 38 rate have been approved. See Endorsement Section.

END 37 - Limitation to Automobile Sound and Electronic Communication Equipment

This endorsement limits the amount of coverage on such equipment to \$1,500. Where a vehicle is covered for All Perils, Comprehensive or Specified Perils, this endorsement must be added if the applicant does not wish to purchase additional coverage. The endorsement must be signed by the insured.

END 38 - Increased Limit, Automobile Sound and Electronic Communication Equipment

Where a vehicle is covered for All Perils, Comprehensive or Specified Perils, and the applicant wishes to purchase additional coverage for the equipment, this endorsement may be added. Additional coverage may be purchased at a rate of \$30 per \$1,000 of value or part thereof in excess of \$1,500. Documentation (appraisal or receipts) is necessary to substantiate the value stated in the endorsement. The endorsement must be signed by the insured.

For example: END 38 has a limit of \$4,300. The premium for END 38 shall be \$90.

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
PROPOSED CHANGES FOR FILING 2007**

Rule	Current wording in manual	Revised wording	Change from current wording
changes		\$50 charge for each such transaction in excess of 2 in a 30 day period or more than 12 in a 12 month period.	This may increase rates for some insureds on mid-term changes.
18:E.5 Cancellation of renewals in outlying areas	<p>In areas where ICS or a similar courier service is not available, an Agent/Broker may flat cancel a renewal by faxing a request to the Servicing Carrier within 10 days of the renewal effective date, as long as the renewal documents and liability cards reach the Servicing Carrier's office within 25 days of the renewal effective date.</p> <p>The fax must provide the insured's name, policy number, date of the request, Agent/Broker's signature, copy of the liability card and the statement 'We are returning the above renewal for flat cancellation.'</p> <p>Agent/Brokers who need to use this procedure must make arrangements to do so with their Servicing Carriers in advance. They must provide their Servicing Carriers with written confirmation that courier service is not available in their area.</p>	No longer applicable	<p>Deletes rule as there is no disadvantage to using Canada Post or advantage to using courier.</p> <p>All renewals should reach the Servicing Carrier within 15 days to be eligible for a flat cancellation regardless of the method of delivery.</p> <p>This should have little impact on rates.</p>
24:C How to allocate chargeable accidents	<p>Paragraph 2 A chargeable accident resulting in only Liability to a third party will affect only the rating of Liability coverage. A chargeable accident resulting in only Collision damage will affect only the rating of the Collision coverage.</p>	<p>Paragraph 2 A chargeable accident will affect the rating of both Liability and Collision coverages.</p>	<p>Eliminates split driving records and creates consistency in charging for at-fault claims with all driving records.</p> <p>This may increase rates for some insureds with at-fault accidents.</p>
25:D Conviction definitions		<p>Serious Failure to have Ignition Interlock installed and functioning when it is a requirement for driver's licence reinstatement</p>	<p>Adds conviction to 'Serious' list.</p> <p>This may increase rates for a small number of insureds on new business and renewals.</p>
33: Vehicles used outside province of registration	Previously in bulletin	<p>6. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</p> <p>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</p>	<p>Puts back part of normal handling per instructions outlined in previous bulletin. Missed when new manual was sent for approval.</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
PROPOSED CHANGES FOR FILING 2007**

Rule	Current wording in manual	Revised wording	Change from current wording
		Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20 Region 3 – West and North Rate as Alberta Territory 4	This has no impact on rates.
37: Driver Training Vehicles	Use POL 1 with END 6d. This endorsement extends the Liability section of the policy to cover the applicant's liability for student drivers/observers.	All Driver Training Vehicles (regardless of vehicle type) shall be rated based on the trainer and that individual's experience. These vehicles shall not be rated for the trainee. Use POL 1 with END 6d. This endorsement extends the Liability section of the policy to cover the applicant's liability for student drivers/observers.	Clarifies that rating is based on the trainer to ensure consistency in handling. This may have minimal impact on rates decreasing rates for a few insureds on new business and renewals.
PUBLIC			
303:G. Limousine	Attach END 6a and insert rated use of vehicle. 1. Private Passenger Vehicle (includes all vehicles listed in the Private Passenger Rate Group Tables, plus any similar type vehicles not specifically in the Rate Group Tables, such as but not limited to, Passenger Vans and Stretch Limousines) (a) Airport – A vehicle used in the business of carrying passengers to and from an airport. Rate and code as a taxi. (b) Excluding Airport – A vehicle used in the business of carrying passengers for compensation under contract for transporting passengers, or in connection with specific functions such as weddings, receptions and funerals. i. Liability and Collision – Charge 200% of the applicable Class 07 premium (DR 0, 1, 2, 3). ii. Accident Benefits, Comprehensive, Specified Perils – Charge 100% of the applicable Private Passenger premium.	Attach END 6a and insert rated use of vehicle. 1. Private Passenger Vehicle (includes all vehicles listed in the Private Passenger Rate Group Tables, plus any similar type vehicles not specifically in the Rate Group Tables, such as but not limited to, Passenger Vans and Stretch Limousines) (a) Airport – A vehicle used in the business of carrying passengers to and from an airport. (b) Excluding Airport – A vehicle used in the business of carrying passengers for compensation under contract for transporting passengers, or in connection with specific functions such as weddings, receptions and funerals. 2. For all uses listed above, code and rate as a Taxi. 3. Where seating capacity exceeds seven, rate as above and, for each seat over seven, add the per seat premium applicable to Passenger Bodily Injury and Accident Benefits for a Public Bus. 4. For vehicles manufactured as a bus and with a licence registration of a bus, code and rate as a Public Bus.	Simplifies the approach to determining premium and clarifies the wording. All limos are rated as taxis.

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
PROPOSED CHANGES FOR FILING 2007**

Rule	Current wording in manual	Revised wording	Change from current wording
	iii. Code as Class 77. iv. Where seating capacity exceeds seven, rate as above and for each seat over seven add the per seat premium applicable to Passenger Bodily Injury and Accident Benefits for a Public Bus. Airport limousines that operate on an 'on call' basis should be rated as a taxi, plus the per seat charge for a Public Bus. 2. Vehicles manufactured as and with a licence registration of a bus – Rate and code as a Public Bus.		<p align="center">This may decrease rates for insureds on new business and renewals.</p>
304:B. Driving record entitlement	Note 1 A chargeable accident resulting in only Liability to a third party will affect only the rating of Liability coverage. A chargeable accident resulting in only Collision damage will affect only the rating of Collision coverage.	Note 1 The driving record established applies to all coverages concerned. A chargeable accident will affect the rating of both Liability and Collision coverages.	Eliminates split driving records. <p align="center">This may increase rates for some insureds on new business and renewals.</p>
STANDARD ENDORSEMENT FORMS			
END 29	Additional Coverage as Respects Operation By Named Persons	Additional Coverage as Respects Operation By Named Persons - Not available on Facility Association policies	Discontinues use of endorsement due to no demand. <p align="center">This has no impact on rates.</p>