

TO: All Agents and Brokers (ALL CANADA)

BULLETIN NO.: ALL.AGCY 2023-01

DATE: April 6, 2023

SUBJECT: Taxi Driving Record Assignment Reminders and Job Aid

Facility Association (FA) would like to remind all Agents and Brokers of the following with respect to establishing a Driving Record on Taxis across Canada:

- Driving Record Assignment is based on the number of verified years a **vehicle** is continuously owned, insured as well as at-fault accident free;
- Driver-specific loss experience is not sufficient to warrant a driving record better than DR 0;
- Existing Taxi policies where prior accommodations were made to allow a higher driving record based on Driver-specific loss experience will be grandfathered until the current policy is cancelled;

As well, please be reminded that Facility Association ended all accommodations related to the COVID-19 pandemic as of August 31, 2021 (refer to Bulletin All Canada SC2021-03 on the following page). Any Taxi policies where accommodations were made to allow a better driving record will continue until the current policy is cancelled.

Finally, Facility Association and Nordic Insurance has created a Job Aid to assist Agents and Brokers in the interpretation of Rule 309 (Driving Record). A copy of this job aid is attached to this bulletin and will also be available on the [Nordic Broker site](#).

This bulletin is being distributed by Servicing Carriers to whom all enquiries should be addressed.

TO: ALL BROKERS AND AGENTS

BULLETIN NO: All-Canada SC2021-03

DATE: August 31, 2021

SUBJECT: Update: COVID-19 Response

As the pandemic continues, the Facility Association continues to actively work with Servicing Carriers to balance supporting the needs of consumers with the need to maintain service standards.

As such, all FARM COVID-19 relief measures, previously outlined under All-Canada SC2020-01, will cease effective September 1, 2021.

Please contact your Servicing Carriers should you have any questions.

att: All-Canada SC2020-01, Facility Association–COVID-19 Response (Common Questions)

JOB AID: Establishing Driving Records on Taxi Risks

The following wording is taken directly from the Facility Association Manual of Rules & Rates, with customized examples added to illustrate the existing manual wording.

Please note that this job aid is intended to assist in the establishment of a Driving Record on Taxis and is not intended to replace the Facility Association Manual of Rules & Rates ('the manual'). In the event of any discrepancy between this job aid and the manual, the wording in the manual shall take precedence. We recommend that Users consult the manual to ensure accuracy when quoting.

Driving Record (DR) Assignment: The Basics

As stated under Rule 309 (Driving Record) and 309.A (Clear Record), Taxi Driving Records are determined based on: **the number of years the Applicant has owned the taxi and the verified accident-free period for the Taxi or one for which it has been directly substituted.**

Example: Establishing a Driving Record

Eff Date	Scenario	# AF Losses on Veh	Assigned DR	Explanation of Assigned DR
Jan 1-23	It has been verified that the Insured has owned a 2010 Chevrolet Impala (used as a Taxi) since October 1, 2020, to Present . There are no claims associated with this vehicle.	0	2	Due to 2 full years of verified claims free ownership.

Example: Establishing a Driving Record with a Vehicle Substitution

Eff Date	Scenario	# AF Losses on Veh	Assigned DR	Explanation of Assigned DR
Jan 1-23	It has been verified that the Insured owned a 2008 Toyota Camry (used as a Taxi) from August 1, 2017, to October 1, 2020 . On October 1, 2020 , the Insured substituted their 2008 Toyota Camry for a 2010 Chevrolet Impala. The 2010 Chevrolet Impala will be used as a Taxi. There are no claims associated with this vehicle.	0	3	Due to more than three (3) full and verified claims free years of ownership for the described vehicle and the one for which it was substituted for.

Example: Establishing a Driving Record with a Vehicle Substitution and an At Fault Loss

Eff Date	Scenario	# AF Losses on Veh	Assigned DR	Explanation of Assigned DR
Jan 1-23	It has been verified that the applicant owned a 2008 Toyota Camry (used as a Taxi) from August 1, 2017, to October 1, 2020 . On October 1, 2020 , the Insured substituted their 2008 Toyota Camry for a 2010 Chevrolet Impala. The 2010 Chevrolet Impala will be used as a Taxi. There was an <i>at fault loss</i> on the 2008 Toyota Camry on September 1, 2020.	1	2	Due to two (2) full and verified claims free years of ownership for the described vehicle, and the one for which it was substituted for.

Vehicle Ownership and Driving Record Assignment

Ownership is established from the date on which the Applicant takes possession of the vehicle. There is no requirement that the drivers are accident free on other vehicles – The rating is determined from the vehicle history not the driver's history.

If it has been established that the Named Insured has owned the described vehicle or one for which it has been directly substituted for and there has been no accidents involving the described vehicles the driving record would be established for each verified year of accident-free ownership to a maximum driving record 3.

Example: Establishing Driving Record based on Vehicle Ownership History

Eff Date	Scenario	# AF Losses on Veh	Assigned DR	Explanation of Assigned DR
Jan 1-23	<p>The applicant purchases and takes ownership of a 2010 Toyota Camry on March 1, 2020. It was not a replacement for another vehicle and is currently used as a Taxi.</p> <p>The vehicle as been continuously insured since the purchase date of March 1, 2020, with no prior claims reported on this vehicle.</p> <p>The Insured had an at fault loss with a vehicle insured elsewhere on December 1, 2022.</p>	0	2	The December 1, 2022 at fault loss did not occur on the 2010 Toyota Camry. It was verified that the Insured owned the described vehicle for two (2) full years and there were no losses involving this vehicle. The December 1, 2022, at fault loss is not taken into consideration, as Driving Record assignment is based on vehicle history and not the driver's history

Driving Record Assignment with Multiple Taxis

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 starting with a driving record 0.

Example: Adding a Newly Acquired Taxi

Eff Date	Scenario	# AF Losses on Veh	Assigned DR	Explanation of Assigned DR
Jan 1-23	The Insured currently has a 2010 Toyota Camry (used as a Taxi) insured at a Driving Record 3. The Insured purchases a new Taxi, with no prior losses while owned, and is adding it to the insurance policy.	0	0	As the new Taxi has no prior verified ownership and claims free history, the vehicle would be assigned a Driving Record 0.

Where a vehicle replaces another (direct substitution) it will acquire the driving record from the replaced vehicle.

Example: Direct Substitution of a Taxi

Eff Date	Scenario	# AF Losses on Veh	Assigned DR	Explanation of Assigned DR
Jan 1-23	The insured currently has a 2010 Chevrolet Impala insured on the policy as a Taxi, assigned a DR 3. On February 15, 2023, the Insured has traded in this vehicle for a 2020 Toyota Camry.	0	3	As the 2020 Camry replaced the 2010 Camry, the new vehicle acquires the driving record for the replaced vehicle.

Gaps in coverage over 60 days (Ontario Only)

Note: For all other Jurisdictions, refer to Rule 309.B

Where there is an insurance gap in excess of 60 days immediately preceding the effective date of the insurance, and the Insured provides a reason acceptable to the servicing carrier for the gap, the driving record shall be established by totalling the period of verified claims free ownership period in the past 3 years and then deduct the total period of gaps in the same period. The result shall be rounded down to the next lowest number. The reason for the gap must be provided to the Servicing Carrier otherwise the vehicle shall be rated at a Driving Record 0.

Example: Vehicle with a gap in coverage

Eff Date	Scenario	# AF Losses on Veh	Assigned DR	Explanation of Assigned DR
Mar 1-23	<p>Verified claims free ownership has been established for a 2010 Toyota Camry (used as a Taxi) for the period March 1, 2020, to December 1, 2022. There is a gap in coverage over 60 days from December 1, 2022, until the effective date of March 1, 2023.</p> <p>No explanation for the gap in coverage was provided to the Servicing Carrier.</p>	0	0	Gaps in coverage over 60 days with no reason provided to the Servicing Carrier will impact DR Assignment. As no acceptable reason for the gap was provided, the vehicle is assigned a DR 0.

Additional Reminders:

- Prior insurance experience of drivers are not taken into consideration for the purposes of Driving Record assignment.
- Driver experience will impact rating if chargeable convictions are present, to which a conviction surcharge would apply. Refer to Rule 323.
- Verified claims free ownership is established at the beginning of each policy term. Midterm changes to driving records **are not allowed**.

Version	Date	Author	Changes
1.0	April 5, 2023	Facility Association	Issued
1.1	April 11, 2023	Facility Association	Correction of Example