

September 2021

#### Manual of Rules and Rates New Brunswick

#### Various Rule Changes for GISA (ASP) Updates Effective January 1, 2022 (New Business and Renewals)

**Effective January 1, 2022** Facility Association is implementing the following updates for new business and renewals in New Brunswick:

 There are amended rules in various sections of the manual for GISA (ASP) updates. A summary of the rule changes are attached to the Manual Bulletin on the Facility Association website.

The Facility Association website <u>www.facilityassociation.com</u> has been updated with this information.

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

**Proposed Wording** 

Change from current Premium impact

Rule

**Current Wording** 

**GENERAL SECTION** Commission Introduces new coverage This does not and Description updated in 3. Public Vehicles Exp. Indv. 3. Public Vehicles Exp. Indv. impact premiums. accordance with GISA Public Bus 6% 6% Public Bus 6% 6% Class 70, 73, 74, 78 Bulletin 2020-10. Class 70, 73, 74, 78 7.5% 10% School Bus Class 71 7.5% 10% School Bus Class 71 Hotel & Country Club Hotel & Country Club 10% 7.5% 10% 7.5% Class 72 Class 72 Private Bus Class 79 7.5% 10% Private Bus Class 7M 7.5% 10% Taxi, Limousine Class 77 6% 6% Taxi Class 7A 6% 6% Van Pool Class 79 6% 7.5% 10% Limousine Class 7B 6% Ambulance Class 76 7.5% 10% Ride Hailing Class 7C 6% 6% Funeral Vehicles Class 75 Van Pool Class 7M 7.5% 7.5% 10% 10% Short Term Rental 7.5% 10% Ambulance Class 76 7.5% 10% Class 79 Funeral Vehicles Class 75 7.5% 10% Short Term Rental 7.5% 10% Class 7M Ride Sharing Class 7N 7.5% 10% PRIVATE PASSENGER SECTION Rule 146: Short Term Rentals-Rule 146: Short Term Rentals-Unspecified 146 Introduces new coverage This does not **Unspecified Lessees - Leases of 30 Days** Lessees - Leases of 30 Days or Less and and Description updated in impact premiums. Short-Term **Ride Sharing** accordance with GISA or Less Rentals-Bulletin 2020-10. Unspecified Use POL 1 and END 5C. Insurance is provided A. Short-Term Rentals-Unspecified Lessees Lessees - Lease on a specified vehicle/per vehicle basis and - Leases of 30 days or less - Class 7M use of END 21A/B is not permitted. Use of Use POL 1 and END 5C. of 30 Davs or Less END 44 is not permitted. Insurance is provided on a specified vehicle/per Coverages/Premiums vehicle basis and use of END 21A/B is not 1. Liability, Physical Damage permitted. Use of END 44 is not permitted. **Class of Vehicle Premium** Private Passenger 250% of 07/0 rate **Coverages/Premiums** Vehicles 1. Liability, DCPD and Optional Physical Commercial Vehicles Damage Light Trucks 200% of 43/0 rate Heavy Trucks 200% of 45/0 rate **Class of Vehicle Premium** Tractors/Trailers 175% of 64/0 rate Private Passenger 250% of 07/0 rate Private Type Trailers Vehicles Liability Non-Pleasure rate Commercial Vehicles plus \$15 Light Trucks 200% of 43/0 rate DCPD Normal Rate Heavy Trucks 200% of 45/0 rate Optional Physical 250% of normal rate Tractors/Trailers 175% of 64/0 rate

Rule	Current Wording		Proposed Wording		Change from current	Premium impact
	Damage Motor Homes and Veh Camper Units Liability Physical Damage Motorcycles & Mopeds Snow Vehicles All Terrain Vehicles Any other vehicle  2. Accident Benefits, Automobile Charge the normal rate concerned.	250% of 07/0 rate 250% of Normal rate 250% of Driving Record 0 250% of normal rate 250% of normal rate Refer to Servicing Carrier	Charge the normal rate concerned. <b>B. Ride Sharing – Cla</b> Applicable where a veh with a vehicle-sharing srental company  Use POL 1 and END 5C a specified vehicle/per END 21A/B is not perm permitted.	250% of 07/0 rate 250% of Normal rate 250% of Driving Record 0 250% of normal rate 250% of normal rate Refer to Servicing Carrier  Uninsured Automobile for the type of vehicle  ss 7N icle is used in connection service, or peer-to-peer  Insurance is provided on vehicle basis and use of itted. Use of END 44 is not ental (as outlined in Section		
COMMERCIAL						
236 Short-Term	Rule 236: Short Term Unspecified Lessees or Less		Rule 236: Short Term Lessees - Leases of 3 Ride Sharing	O Days or Less and	Introduces new coverage and Description updated in accordance with GISA Bulletin 2020-10.	This does not impact premiums.
Rentals- Unspecified			A. Short-Term Rental  - Leases of 30 days of	ls-Unspecified Lessees or less – Class 7M		

Rule	Current W	ording	Proposed Wo	ding	Change from current	Premium impact
Lessees – Lease of 30 Days or Less	Use POL 1 and END 5C. on a specified vehicle/p use of END 21A/B is no END 44 is not permitted  Coverages/Premium: 1. Liability, Physical Class of Vehicle Private Passenger Vehicles Commercial Vehicles Light Trucks Heavy Trucks	Insurance is provided per vehicle basis and t permitted. Use of d.  S Damage Premium 250% of 07/0 rate  200% of 43/0 rate 200% of 45/0 rate	Use POL 1 and END 5C. Insurance is provided of vehicle basis and use of permitted. Use of END of the coverages/Premium: 1. Liability, DCPD and Damage  Class of Vehicle Private Passenger Vehicles Commercial Vehicles	n a specified vehicle/per f END 21A/B is not 44 is not permitted.  S d Optional Physical  Premium 250% of 07/0 rate	Change from current	Premium impact
	Tractors/Trailers Private Type Trailers Liability  DCPD Optional Physical Damage Motor Homes and Veh Camper Units Liability Physical Damage Motorcycles & Mopeds Snow Vehicles All Terrain Vehicles Any other vehicle	Non-Pleasure rate plus \$15 Normal Rate 250% of normal rate sicles with mounted 250% of Normal rate 250% of Driving Record 0 250% of normal rate 250% of normal rate 250% of normal rate Refer to Servicing Carrier	Light Trucks Heavy Trucks Tractors/Trailers Private Type Trailers Liability  DCPD Optional Physical Damage Motor Homes and Veh Camper Units Liability Optional Physical Damage Motorcycles & Mopeds Snow Vehicles	250% of 07/0 rate 250% of Normal rate 250% of Driving Record 0 250% of normal rate		
	2. Accident Benefits, Automobile Charge the normal rate concerned.		Charge the normal rate concerned.  B. Ride Sharing – Cla	ss 7N icle is used in connection		

Rule	<b>Current Wording</b>	Proposed Wording	Change from current	Premium impact
		rental company		
		Use POL 1 and END 5C. Insurance is provided on a specified vehicle/per vehicle basis and use of END 21A/B is not permitted. Use of END 44 is not permitted.		
		Rate as Short-Term Rental (as outlined in Section A above) and code as Class 7N.		
PUBLIC SECT	ION			1
Table of Contents 307 Rating Class	D. Private Bus – 79 E. Van Pool – 79 F. Taxi – 77 G. Limousine	D. Private Bus – 7M E. Van Pool – 7M F. Taxi – 7A G. Limousine – 7B K. Ride Hailing - Class 7C	Description updated in accordance with GISA Bulletin 2020-10	This does not impact premiums.
307.D Rating Class	D. Private Bus – Class 79	D. Private Bus – Class 7M	Description updated in accordance with GISA Bulletin 2020-10	This does not impact premiums.
307. E  Rating Class	E. Van Pool – Class 79	E. Van Pool – Class 7M	Description updated in accordance with GISA Bulletin 2020-10	This does not impact premiums.
307. F Rating Class	F. Taxi – Class 77	F. Taxi – Class 7A	Description updated in accordance with GISA Bulletin 2020-10	This does not impact premiums.
307. G Rating Class	G. Limousine	G. Limousine – Class 7B	Description updated in accordance with GISA Bulletin 2020-10	This does not impact premiums.
307. K Rating Class	NEW	K. Ride Hailing - Class 7C Attach END 6A and insert rated use of vehicle.  A vehicle used in connection with Ride Hailing is a	Type of Use creased in accordance with GISA bulletin 2020-10.	This does not impact premiums.
		motor vehicle, used to provide pre-arranged transportation of passengers for compensation through use of a transportation network.		
		Ride Hailing vehicles do not solicit, accept or transport passengers other than through the use of a transportation network.		
		Code and rate as a Taxi		

Rule	Current Word	ling		Proposed Wordin	ıg		Change from current	Premium impact
				Where seating capacity exce seat over seven, add the pe applicable to Passenger Bod Accident Benefits for a Publi	er seat pi dily Injur ic Bus.	remium		
Rule 320:	The commission rates ar			The commission rates are			Description updated in	This does not
Commission	Public Vehicles	Exp.	Indv.	Public Vehicles	Exp.	Indv.	accordance with GISA	impact premiums.
Schedule	Public Bus Class 70, 73, 74, 78	6%	6%	Public Bus Class 70, 73, 74, 78	6%	6%	Bulletin 2020-10	
	School Bus Class 71	7.5%	10%	School Bus Class 71	7.5%	10%		
	Hotel & Country Club Class 72	7.5%	10%	Hotel & Country Club Class 72	7.5%	10%		
	Private Bus Class 79	7.5%	10%	Private Bus Class 7M	7.5%	10%		
	Taxi, Limousine Class 77	6%	6%	Taxi Class 7A	6%	6%		
	Van Pool Class 79	7.5%	10%	Limousine Class 7B	6%	6%		
	Ambulance Class 76	7.5%	10%	Ride Hailing Class 7C	6%	6%		
	Funeral Vehicles Class 75	7.5%	10%	Van Pool Class 7M	7.5%	10%		
	Short Term Rental	7.5%	10%	Ambulance Class 76	7.5%	10%		
	Class 79			Funeral Vehicles Class 75	7.5%	10%		
				Short Term Rental Class 7M	7.5%	10%		
				Ride Sharing Class 7N	7.5%	10%		
Short-Term Rentals- Unspecified Lessees – Lease of 30 Days or Less	Rule 332: Short Term Re Lessees - Leases of 30 Da Use POL 1 and END 5C. Insurance is provided on a se vehicle/per vehicle basis an 21A/B is not permitted. Use permitted.	ays or L specified d use of	ess END	Rule 332: Short Term Rentals-Unspecified Lessees - Leases of 30 Days or Less and Ride Sharing  A. Short-Term Rentals-Unspecified Lessees - Leases of 30 days or less - Class 7M  Use POL 1 and END 5C.  Insurance is provided on a specified vehicle/per vehicle basis and use of END 21A/B is not permitted. Use of END 44 is not permitted.		Introduces new coverage and Description updated in accordance with GISA Bulletin 2020-10.	This does not impact premiums.	
		remium 60% of 0	7/0 rate		etional P remium 50% of 0			
		00% of 43	3/0 rate	Commercial Vehicles				

Heavy Trucks 200% of 45/0 rate Tractors/Trailers 175% of 64/0 rate Private Type Trailers Liability Non-Pleasure rate plus \$15 DCPD Normal Rate Optional Physical Damage  Heavy Trucks 200% of 45/0 rate Heavy Trucks 200% of 45/0 rate Tractors/Trailers 175% of 64/0 rate Private Type Trailers Liability Non-Pleasure rate plus \$15 DCPD Normal Rate Optional Physical Optional Physical Optional Physical 250% of normal rate	Rule	Current W	Vording	Proposed Wording		Change from current	Premium impact
Motor Homes and Vehicles with mounted Camper Units Liability 250% of 07/0 rate Physical Damage 250% of Normal rate Motorcycles & 250% of Driving Mopeds Record 0 Snow Vehicles 250% of normal rate All Terrain Vehicles Refer to Servicing Carrier  2. Accident Benefits, Uninsured Automobile Charge the normal rate for the type of vehicle concerned.  2. Accident Benefits, Uninsured Automobile Charge the normal rate for the type of vehicle concerned.  B. Ride Sharing - Class 7N Applicable where a vehicle is used in connection with a vehicle sparing service, or peer-to-peer rental company  Use POL 1 and END 5C. Insurance is provided on a specified vehicle/per vehicle basis and use of END 21A/b is not permitted.  Rate as Short-Term Rental (as outlined in Section A above) and code as Class 7N.		Tractors/Trailers Private Type Trailers Liability  DCPD Optional Physical Damage Motor Homes and Veh Camper Units Liability Physical Damage Motorcycles & Mopeds Snow Vehicles All Terrain Vehicles Any other vehicle  2. Accident Benefits, Automobile Charge the normal rate	Non-Pleasure rate plus \$15 Normal Rate 250% of normal rate nicles with mounted  250% of 07/0 rate 250% of Normal rate 250% of Driving Record 0 250% of normal rate 250% of normal rate 250% of normal rate Refer to Servicing Carrier	Heavy Trucks Tractors/Trailers Private Type Trailers Liability  DCPD Optional Physical Damage Motor Homes and Veh Camper Units Liability Optional Physical Damage Motorcycles & Mopeds Snow Vehicles All Terrain Vehicles Any other vehicle  2. Accident Benefits, Charge the normal rate concerned.  B. Ride Sharing – Cla Applicable where a veh with a vehicle-sharing s rental company  Use POL 1 and END 5C a specified vehicle/per END 21A/B is not perm permitted.  Rate as Short-Term Re	200% of 45/0 rate 175% of 64/0 rate Non-Pleasure rate plus \$15 Normal Rate 250% of normal rate nicles with mounted  250% of 07/0 rate 250% of Normal rate 250% of Driving Record 0 250% of normal rate 250% of normal rate 250% of normal rate Refer to Servicing Carrier  Uninsured Automobile of or the type of vehicle  as 7N icle is used in connection service, or peer-to-peer  Insurance is provided on vehicle basis and use of itted. Use of END 44 is not		

**Proposed Wording** 

Change from current Premium impact

Rule

**Current Wording** 

RECREATIONAL SECTION 435 Rule 435: Short Term Rentals-Unspecified Rule 435: Short Term Rentals-Unspecified Introduces new coverage This does not Lessees - Leases of 30 Days or Less Lessees - Leases of 30 Days or Less and and Description updated in impact premiums. Short-Term Ride Sharing accordance with GISA Rentals-Use POL 1 and END 5C. Bulletin 2020-10. Unspecified A. Short-Term Rentals-Unspecified Lessees Lessees - Lease Insurance is provided on a specified - Leases of 30 days or less - Class 7M of 30 Days or vehicle/per vehicle basis and use of END Use POL 1 and END 5C. 21A/B is not permitted. Use of END 44 is not Less permitted. Insurance is provided on a specified vehicle/per vehicle basis and use of END 21A/B is not **Coverages/Premiums** permitted. Use of END 44 is not permitted. 1. Liability, Physical Damage **Class of Vehicle** Premium **Coverages/Premiums** Private Passenger 250% of 07/0 rate 1. Liability, DCPD and Optional Physical Vehicles Damage Commercial Vehicles Light Trucks 200% of 43/0 rate **Class of Vehicle Premium** Heavy Trucks 200% of 45/0 rate Private Passenger 250% of 07/0 rate Tractors/Trailers 175% of 64/0 rate Vehicles Private Type Trailers Commercial Vehicles Liability Non-Pleasure rate Light Trucks 200% of 43/0 rate plus \$15 Heavy Trucks 200% of 45/0 rate Normal Rate Tractors/Trailers 175% of 64/0 rate DCPD Private Type Trailers Optional Physical 250% of normal rate Damage Liability Non-Pleasure rate Motor Homes and Vehicles with mounted plus \$15 DCPD Normal Rate Camper Units 250% of 07/0 rate Optional Physical 250% of normal rate Liability Physical Damage 250% of Normal rate Damage Motorcycles & 250% of Driving Motor Homes and Vehicles with mounted Mopeds Record 0 Camper Units Snow Vehicles 250% of normal rate Liability 250% of 07/0 rate Optional Physical All Terrain Vehicles 250% of normal rate 250% of Normal rate Any other vehicle Refer to Servicing Damage Carrier Motorcycles & 250% of Driving Mopeds Record 0 2. Accident Benefits, Uninsured **Snow Vehicles** 250% of normal rate Automobile All Terrain Vehicles 250% of normal rate Charge the normal rate for the type of vehicle Any other vehicle Refer to Servicing concerned. Carrier

Rule	Current Word	ing		<b>Proposed Wordin</b>	g		Change from current	Premium impact
				2. Accident Benefits, Unit Charge the normal rate for to concerned.				
				B. Ride Sharing – Class 7 Applicable where a vehicle is with a vehicle-sharing service rental company	s used in			
				Use POL 1 and END 5C. Instance a specified vehicle/per vehicleND 21A/B is not permitted permitted.	le basis	and use of		
				Rate as Short-Term Rental ( A above) and code as Class		ned in Section		
	icy SECTION							
721					_		Introduces new coverage	This does not
Commission	3. Public Vehicles Public Bus	<b>Exp.</b> 6%	Indv.	3. Public Vehicles Public Bus	Exp.	Indv.	and Description updated in accordance with GISA	impact premiums.
Schedule	Class 70, 73, 74, 78	0%	0%	Class 70, 73, 74, 78	6%	6%	Bulletin 2020-10.	
	School Bus Class 71	7.5%	10%	School Bus Class 71	7.5%	10%		
	Hotel & Country Club	7.5%	10%	Hotel & Country Club	7.5%	10%		
	Class 72			Class 72				
	Class 72 Private Bus Class 79	7.5%	10%		7.5%	10%		
		7.5% 6%	10%	Class 72	7.5% 6%			
	Private Bus Class 79			Class 72 Private Bus Class 7M		10%		
	Private Bus Class 79 Taxi, Limousine Class 77	6%	6%	Class 72 Private Bus Class 7M Taxi Class 7A	6%	10%		
	Private Bus Class 79 Taxi, Limousine Class 77 Van Pool Class 79 Ambulance Class 76 Funeral Vehicles Class 75	6% 7.5% 7.5% 7.5%	6% 10% 10% 10%	Class 72 Private Bus Class 7M Taxi Class 7A Limousine Class 7B Ride Hailing Class 7C Van Pool Class 7M	6% 6% 6% 7.5%	10% 6% 6% 6% 10%		
	Private Bus Class 79 Taxi, Limousine Class 77 Van Pool Class 79 Ambulance Class 76 Funeral Vehicles Class 75 Short Term Rental	6% 7.5% 7.5%	6% 10% 10%	Class 72 Private Bus Class 7M Taxi Class 7A Limousine Class 7B Ride Hailing Class 7C	6% 6% 6% 7.5% 7.5%	10% 6% 6% 6% 10%		
	Private Bus Class 79 Taxi, Limousine Class 77 Van Pool Class 79 Ambulance Class 76 Funeral Vehicles Class 75	6% 7.5% 7.5% 7.5%	6% 10% 10% 10%	Class 72 Private Bus Class 7M Taxi Class 7A Limousine Class 7B Ride Hailing Class 7C Van Pool Class 7M Ambulance Class 76 Funeral Vehicles Class 75	6% 6% 6% 7.5% 7.5%	10% 6% 6% 6% 10% 10%		
	Private Bus Class 79 Taxi, Limousine Class 77 Van Pool Class 79 Ambulance Class 76 Funeral Vehicles Class 75 Short Term Rental	6% 7.5% 7.5% 7.5%	6% 10% 10% 10%	Class 72 Private Bus Class 7M Taxi Class 7A Limousine Class 7B Ride Hailing Class 7C Van Pool Class 7M Ambulance Class 76	6% 6% 6% 7.5% 7.5%	10% 6% 6% 6% 10%		



**April 2021** 

#### Manual of Rules and Rates NEW BRUNSWICK

# 2021 Private Passenger CLEAR Rate Group Tables 2021 Commercial Rate Group Tables Various Rule Changes Effective September 1, 2021 (New Business and Renewals)

**Effective September 1, 2021** Facility Association is implementing the following updates for new business and renewals in New Brunswick:

- 2021 Private Passenger CLEAR Rate Group Tables now having an amended range of 2 to 13 for Accident Benefits rate groups.
- 2021 Commercial Rate Group Tables (Table I and II).
- Various Rule Changes. A summary of the rule changes are attached to the Manual Bulletin on the Facility Association website.

The Facility Association website <u>www.facilityassociation.com</u> has been updated with this information.

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

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
PRIVATE PASS	ENGER SECTION			_
149.A Fleets, Definition	NEW	Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:  1. the Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations and  2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle and  3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, and  4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, and  5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.  A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.  A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.  The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 149.	Proposes a definition of "Common Manageme nt" to be used to determine if a risk is to be fleet rated.	This change will not impact premiums.  Risks that to not meet this criteria will be rated on an individually rated basis.

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
149.B Fleets, Fleet Rating	<ul> <li>Experience rating includes the following:</li> <li>Losses are taken into account in rating even if there was no insurance in effect or the loss was repaid to the insurer by or on behalf of the insured or if the insured chose not to present the claim.</li> <li>Claims (paid by the previous insurer, reimbursed to the previous insurer or paid by the insured) outside the coverage on the application.</li> <li>Any amount paid back by the insured due to an END 8 on the policy with the prior insurer.</li> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss.</li> <li>Amounts above FA deductibles when the prior insurer had higher deductibles.</li> <li>Losses falling within any special agreements with the prior insurer.</li> <li>NOTE: Full experience details must be obtained directly from the prior insurer to ensure all information on the risk is provided.</li> </ul>	<ul> <li>Experience rating includes the following:         <ul> <li>All losses (At-Fault and Not-at-fault) are always taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insured by or on behalf of the Insured or if the Insured chose not to present the claim;</li> <li>Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>Losses falling within any special agreements with the prior Insurer.</li> </ul> </li> <li>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</li> </ul>	Clarifies existing wording to indicate that at- fault and not-at- fault losses are used in fleet experience rating.	Will not impact premiums.
COMMERCIAL S				
212.B.1  Trailers, Rating of Trailers, Owned Trailers	If the number of trailers insured by a policy exceeds the number that could be used at any one time (including with any vehicles insured by other policies/insurers), the premium under Liability and DCPD for the 'excess' trailers is reduced by 50%. If all trailers do not produce the same premium, the trailer(s) that would otherwise produce the lowest premium shall be considered excess.	If the number of trailers insured by a policy exceeds the number that could be used at any one time (including with any vehicles insured by other policies/insurers), the premium under Liability and DCPD for the 'excess' trailers is reduced by 50%. If all trailers do not produce the same premium, the trailer(s) that would otherwise produce the lowest premium shall be considered excess.	Removes reference to DCPD coverage when rating excess trailers.	This may impact premiums.

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
239.A Fleets, Definition	NEW SEW	Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:  1. the Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations and  2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle and  3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, and  4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, and  5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.  A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.  A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.  The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 239	Proposes a definition of "Common Manageme nt" to be used to determine if a risk is to be fleet rated.	This change will not impact premiums.  Risks that to not meet this criteria will be rated on an individually rated basis.

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
239.B Fleets, Fleet Rating	<ul> <li>Experience rating includes the following:</li> <li>Losses are taken into account in rating even if there was no insurance in effect or the loss was repaid to the insurer by or on behalf of the insured or if the insured chose not to present the claim.</li> <li>Claims (paid by the previous insurer, reimbursed to the previous insurer or paid by the insured) outside the coverage on the application.</li> <li>Any amount paid back by the insured due to an END 8 on the policy with the prior insurer.</li> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss.</li> <li>Amounts above FA deductibles when the prior insurer had higher deductibles.</li> <li>Losses falling within any special agreements with the prior insurer.</li> <li>NOTE: Full experience details must be obtained directly from the prior insurer to ensure all information on the risk is provided.</li> </ul>	<ul> <li>Experience rating includes the following:</li> <li>All losses (At-Fault and Not-at-fault) are always taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insured by or on behalf of the Insured or if the Insured chose not to present the claim;</li> <li>Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>Losses falling within any special agreements with the prior Insurer.</li> <li>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</li> </ul>	Clarifies existing wording to indicate that at- fault and not-at- fault losses are used in fleet experience rating.	Will not impact premiums.
PUBLIC SECTIO	)N			
335.A Fleets, Definition	NEW	Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:  1. the Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations and  2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle and  3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, and  4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices,	Proposes a definition of "Common Manageme nt" to be used to determine if a risk is to be fleet rated.	This change will not impact premiums.  Risks that to not meet this criteria will be rated on an individually rated basis.

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
335.B Fleets, Fleet Rating	<ul> <li>Experience rating includes the following:</li> <li>Losses are taken into account in rating even if there was no insurance in effect or the loss was repaid to the insurer by or on behalf of the insured or if the insured chose not to present the claim.</li> <li>Claims (paid by the previous insurer, reimbursed to the previous insurer or paid by the insured) outside the coverage on the application.</li> <li>Any amount paid back by the insured due to an END 8 on the policy with the prior insurer.</li> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss.</li> <li>Amounts above FA deductibles when the prior insurer had higher deductibles.</li> <li>Losses falling within any special agreements with the prior insurer.</li> <li>NOTE: Full experience details must be obtained directly from the prior insurer to ensure all information on the risk is provided.</li> </ul>	code of conduct, training and service standards, and  5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.  A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.  A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.  The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 335.  Experience rating includes the following:  All losses (At-Fault and Not-at-fault) are always taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insured chose not to present the claim;  Claims (paid by the previous Insurer, reimbursed to the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;  Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;  Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;  Amounts above FA deductibles when the prior Insurer had higher deductibles;  Losses falling within any special agreements with the prior Insurer.  NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.	Clarifies existing wording to indicate that at- fault and not-at- fault losses are used in fleet experience rating.	Will not impact premiums.

Rule

Ruie	Current Wording	Approved Wording	from Current	impact on existing policies
RECREATIONAL			,	1
409.B.	Calculating Driving Record with a Licence     Suspension/Cancellation/Lapse	Calculating Driving Record with a Licence     Suspension/Cancellation/Lapse	Updates the current	This will not impact
Motorcycles & Mopeds, Driving Record	Suspension of Operator's Licence can be one of two types:	Suspension of Operator's Licence can be one of two types:	rule to include the maximum DR	premiums.
	A. Suspension for cause: A driver's licence suspension or cancellation for more than two weeks resulting from a conviction or an accumulation of demerit points.	A. Suspension for cause: A driver's licence suspension or cancellation for more than two weeks resulting from a conviction or an accumulation of demerit points.	applicable on Motorcycle /Mopeds	
	B. Administrative Suspension/Cancellation/Lapse: A suspension/cancellation/lapse for one year or more for any reason other than those outlined in item A.	B. Administrative Suspension/Cancellation/Lapse: A suspension/cancellation/lapse for one year or more for any reason other than those outlined in item A.		
	A. With suspensions for cause     For the total of all suspensions within the last 3 years, deduct 1 year for each year (or partial year) of suspension from the driving record.	A. With suspensions for cause     For the total of all suspensions within the last 5 years, deduct 1 year for each year (or partial year) of suspension from the driving record (maximum Driving Record 3).		
	Examples: i. Principal operator is eligible for driving record 3. Has 6 month suspension for demerit points. Now qualifies for driving record 2.	Examples: i. Principal operator is eligible for driving record 4. Has 6 month suspension for demerit points. Now qualifies for driving record 3.		
	ii. Principal operator is eligible for driving record 3. Has been reinstated May 1, 2005 after an 18 month suspension for convictions. Policy is effective June 1, 2005. Now qualifies for Driving Record 1.	ii. Principal operator is eligible for driving record 4. Has been reinstated May 1, 2005 after an 18 month suspension for convictions. Policy is effective June 1, 2005. Now qualifies for Driving Record 2.		
	<ul> <li>B. With administrative suspensions/cancellation/lapse:</li> <li>If the total time suspended/cancelled/lapsed is less than 1 year in the past 3 years, the driving record will not be affected.</li> <li>If the total time suspended/cancelled/lapsed is 1 year or more in the past 3 years, the driving record will be reduced by 1 for every year (or partial year) suspended/ cancelled/ lapsed.</li> </ul>	<ul> <li>B. With administrative suspensions/cancellation/lapse:</li> <li>If the total time suspended/cancelled/lapsed is less than 1 year in the past 5 years, the driving record will not be affected.</li> <li>If the total time suspended/cancelled/lapsed is 1 year or more in the past 5 years, the driving record will be reduced by 1 for every year (or partial year) suspended/ cancelled/ lapsed.</li> </ul>		

Change

Premium

Rule	Current Wording			Approved Wording			Change from Current	Premium impact on existing policies
	has 24 month susqualifies for Drivin  Notes: 1. An operator wifer a driver train 2. Alcohol Ignition Under the Interlicence suspens the licence was Programme was For example: Licens July 1. The driver en March 1. The total ti have been suspended not 6 months.  Regardless of the per	pension for uning Record 3.  or Driving Record 3.  or Driving Record 1.  th a licence suspining discount or an Interlock Devidence Programme ion shall be calcusted to the sentered.  e was suspended to the sentered the Interlock tered the Interlock Trough and the driver's list 2 months (Jatriod during whice Permit or Level Driving Record	ension is not eligible new driver credit.  The Programme of the length of the lated from the date date the Interlock  I from January 1 to the length of the lated from the date date the Interlock  I from January 1 to the length of the length of the lated from January 1 to length of the lated from January 1 to length of the length of the lated from January 1 to length of the length of the length of the lated from January 1 to length of the length o	has 24 month susp qualifies for Driving  Notes:  1. An operator wi for a driver train  2. Alcohol Ignition Under the Interl licence suspense the licence was Programme was  For example: Licens July 1. The driver en March 1. The total ti have been suspended not 6 months.  Regardless of the per	pension for ung Record 4.  or Driving Record 4.  or Driving Record 2.  th a licence suspining discount or Interlock Devictor Shall be calcusted as entered.  e was suspended to the sentered the Interlocme the driver's lid is 2 months (Jariod during whice Permit or Level Driving Record)	pension is not eligible new driver credit.  The length of the ulated from the date date the Interlock  If from January 1 to ck Programme on icence is considered to nuary 1 to March 1)  The an operator has held One Licence, the risk	Updates the current rule to include the maximum DR applicable on Motorcycle /Mopeds	This will not impact premiums.

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	4. New Drivers Where the applicant, actual owner or principal operator holds only a Learner's Licence/Permit or Level One Licence, the risk will qualify for only Driving Record 0 until a regular motorcycle licence is obtained. Refer to Rule 409:B.  Accumulation of experience begins only when a permanent licence (Level 2) is obtained. A newly licensed driver will qualify for only Driving Record 0 for the first year. 'Newly licensed' does not include Learner's Licence/ Permit or Level One Licence.  A licensed (beyond stage one learner's licence) new driver shall be rated according to the number of years without at fault accidents or licence suspensions at the commencement of the period of insurance.  Note: Maximum driving record is 3.	Where the applicant, actual owner or principal operator holds only a Learner's Licence/Permit or Level One Licence, the risk will qualify for only Driving Record 0 until a regular motorcycle licence is obtained. Refer to Rule 409:B.  Accumulation of experience begins only when a permanent licence (Level 2) is obtained. A newly licensed driver will qualify for only Driving Record 0 for the first year. 'Newly licensed' does not include Learner's Licence/ Permit or Level One Licence.  A licensed (beyond stage one learner's licence) new driver shall be rated according to the number of years without at fault accidents or licence suspensions at the commencement of the period of insurance.	Updates the current rule to include the maximum DR applicable on Motorcycle /Mopeds	This will not impact premiums.
438.A Fleets, Definition	NEW	Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:  1. the Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations and  2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle and  3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, and  4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, and  5. Failure to adhere to any of the above will result in the termination of the agreement	Proposes a definition of "Common Manageme nt" to be used to determine if a risk is to be fleet rated.	This change will not impact premiums. Risks that to not meet this criteria will be rated on an individually rated basis.

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
		between the Named Insured and Vehicle Owner.  A signed 'Facility Association Common Management Attestation', signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.  A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.  The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 438.		
438.B Fleets, Fleet Rating	<ul> <li>Experience rating includes the following:</li> <li>Losses are taken into account in rating even if there was no insurance in effect or the loss was repaid to the insurer by or on behalf of the insured or if the insured chose not to present the claim.</li> <li>Claims (paid by the previous insurer, reimbursed to the previous insurer or paid by the insured) outside the coverage on the application.</li> <li>Any amount paid back by the insured due to an END 8 on the policy with the prior insurer.</li> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss.</li> <li>Amounts above FA deductibles when the prior insurer had higher deductibles.</li> <li>Losses falling within any special agreements with the prior insurer.</li> <li>NOTE: Full experience details must be obtained directly from the prior insurer to ensure all information on the risk is provided.</li> </ul>	<ul> <li>Experience rating includes the following:</li> <li>All losses (At-Fault and Not-at-fault) are always taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insured by or on behalf of the Insured or if the Insured chose not to present the claim;</li> <li>Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>Losses falling within any special agreements with the prior Insurer.</li> <li>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</li> </ul>	Clarifies existing wording to indicate that at- fault and not-at- fault losses are used in fleet experience rating.	Will not impact premiums.



**March 2021** 

#### Manual of Rules and Rates NEW BRUNSWICK

#### Commercial Rule 201 Change Effective August 1, 2021 (New Business and Renewals)

**Effective August 1, 2021** Facility Association is implementing the following updates for new business and renewals in New Brunswick:

• There is an amended rule in Commercial section of the manual. A summary of the rule change is attached to the Manual Bulletin on the Facility Association website.

The Facility Association website <u>www.facilityassociation.com</u> has been updated with this information.

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

**Approved Wording** 

Change

Premium

**Current Wording** 

Rule

					from Current	impact on existing policies
<b>COMMERCIAL S</b>	ECTION					
201:C  Coverages Available and Minimum Deductibles,	a) Minimum Deductibles for Light Commercial Vehicles (Gross Vehicle Weight up to 4,500 kg)  The deductibles are to be no less than:		a) Minimum Deductibles for Light Commercial Vehicles (Gross Vehicle Weight Up To 4,500 kg)  The deductibles are to be no less than:		Minimum Physical Damage Deductible	This will not impact premiums.
Damage Coverage and Deductibles	15 and under	\$500	15 and under	\$500	Vehicles with a RG of 22 and over.	
and Deductibles	16 – 18	\$1,000	16 – 18	\$1,000		
	19 – 21	\$2,500	19 – 21	\$2,500		
	22 and over	10% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).	22 and over	5% of List Price New rounded to the nearest \$250 (minimum deductible \$2,500, maximum		
	END 40	END 40 is mandatory on any	END 40	deductible \$5,000).		
		vehicles with prior fire and total	END 40	END 40 is mandatory on any		
		theft claims within the past 60 months		vehicles with prior fire and total theft claims within the past 60		
	months	monus	4	months		
	b) Minimum Deductibles for Heavy Commercial Vehicles (Gross Vehicle Weight over 4,500kg)  The following deductibles are based on Vehicle List Price New, including the cost of any customizations and attached		b) Minimum Deductibles for Heavy Commercial Vehicles (Gross Vehicle Weight Over 4,500kg)  The following deductibles are based on Vehicle List Price New, including the cost of any customizations and attached		Amends Minimum Physical Damage Deductible for Heavy Vehicles.	This will not impact premiums.
	equipment. Deductibles are to be rounded to the nearest		equipment. Deductibles are to be rounded to the nearest			
	\$500 and are to be no less than:		\$250 and are to be no less than:			
	List Price New	Minimum Deductible	List Price New	Minimum Deductible		
	Vehicle Make and	10% of List Price New (minimum	Vehicle Make and	5% of List Price New rounded to		
	Model listed in	deductible \$5,000).	Model listed in	the nearest \$250 (minimum		
	Commercial Rate		Commercial Rate	deductible \$2,500, maximum		
	Group Table I	100/ CL' D' N	Group Table I	deductible \$5,000).		
	<\$50,001	10% of List Price New	<\$50,001	\$2,500		
	\$50,001-\$75,000 \$75,001 - \$100,000	12% of List Price New	\$50,001 - \$65,000	\$3,500	1	
	\$100,001 -	15% of List Price New 20% of List Price New	\$65,001 - \$80,000	\$4,000		
	\$100,001 -	20% of List Pfice New	\$80,001 - \$100,000	\$5,000		
	\$125,000 \$125,001 and Over	25% of List Price New	\$60,001 - \$100,000	φ3,000		
	\$123,001 and 5ver	25 /0 of Elist Filed New				

Rule	Current Wording		Approved Wording		Change from Current	Premium impact on existing policies
	is \$122,000, 20% is \$	END 40 is mandatory on any vehicles with prior fire and total theft claims within the past 60 months  new of Class 42 Sand & Gravel truck 524,400. The deductible shall be g factor for \$2,500 or more applies.	is \$122,000 5% is \$6,1	Commercial Vehicles with Physical	END 40 is now mandatory on Heavy Vehicles with Physical Damage Coverage.	This will not impact premiums