FACILITY ASSOCIATION

October 2026

Manual of Rules and Rates
NEW BRUNSWICK

Driver's Policy Rule Changes
Effective January 1, 2027 (New Business and Renewals)

Effective January 1, 2027 Facility Association is implementing the following updates for new business and renewals in New Brunswick:

- Revised the Driver's Policy rules within the section of the manual to improve consistency, clarity and overall sequence.

- A summary of the rule changes is attached to the Manual Bulletin on the Facility Association website

The Facility Association website www.facilityassociation.com has been updated with this information.

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

FACILITY ASSOCIATION NEW BRUNSWICK RATES & RULES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JANUARY 1, 2027

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th></tr>
<tr><td colspan="4">DRIVER'S POLICY SECTION</td></tr>
<tr><td>Rule 708:

Rating Class</td><td>Rating class is determined by the type of vehicle being driven and the use. Refer to the specific section of the manual for rating criteria.

<table><tr><th>Vehicle Type</th><th>Section of Manual</th></tr><tr><td>Private passenger</td><td>Private Passenger Section</td></tr><tr><td>Truck</td><td>Commercial Section</td></tr><tr><td>Taxi</td><td>Public Vehicles Section</td></tr><tr><td>Bus</td><td>Public Vehicles Section</td></tr></table></td><td>Rating class is determined by the type of vehicle being driven and the use. Refer to the specific section of the manual for rating criteria.

<table><tr><th>Vehicle Type</th><th>Section of Manual</th></tr><tr><td>Private Passenger</td><td>Private Passenger Section</td></tr><tr><td>Commercial Vehicle
~~Truck~~</td><td>Commercial Section</td></tr><tr><td>Taxi</td><td>~~Public Vehicles Section~~
Driver's Policy coverage Not Available due to Policy Exclusion</td></tr><tr><td>Bus</td><td>~~Public Vehicles Section~~
Driver's Policy coverage Not Available due to Policy Exclusion</td></tr></table></td><td>Coverage is unavailable for certain vehicle types due to the Driver's Policy exclusions. FA updated the manual to reflect this</td></tr>
<tr><td>Rule 709:

Driving Record</td><td>Driving record is determined by the type of vehicle being driven and the driver's experience. Refer to the specific section of the manual for driving record requirements.

<table><tr><th>Vehicle Type</th><th>Section of Manual</th></tr><tr><td>Private passenger</td><td>Private Passenger Section</td></tr><tr><td>Truck</td><td>Commercial Section</td></tr><tr><td>Taxi</td><td>Public Vehicles Section</td></tr><tr><td>Bus</td><td>Public Vehicles Section</td></tr></table></td><td>Driving record is determined by the type of vehicle being driven and the driver's experience. Refer to the specific section of the manual for driving record requirements.

<table><tr><th>Vehicle Type</th><th>Section of Manual</th></tr><tr><td>Private Passenger</td><td>Private Passenger Section</td></tr><tr><td>Commercial Vehicle
~~Truck~~</td><td>Commercial Section</td></tr><tr><td>Taxi</td><td>~~Public Vehicles Section~~
Driver's Policy coverage Not Available due to Policy Exclusion</td></tr><tr><td>Bus</td><td>~~Public Vehicles Section~~
Driver's Policy coverage Not Available due to Policy Exclusion</td></tr></table></td><td>Coverage is unavailable for certain vehicle types due to the Driver's Policy exclusions. FA updated the manual to reflect this</td></tr>
</table>

FACILITY ASSOCIATION

August 2026

Manual of Rules and Rates
NEW BRUNSWICK

Commercial Rule Changes
Effective November 1, 2026 (New Business and Renewals)

Effective November 1, 2026 Facility Association is implementing the following updates for new business and renewals in New Brunswick:

- Re-align the Commercial rules within the section of the manual to improve consistency, clarity and overall sequence.

- A summary of the rule changes is attached to the Manual Bulletin on the Facility Association website.

The Facility Association website www.facilityassociation.com has been updated with this information.

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

FACILITY ASSOCIATION NEW BRUNSWICK RATES & RULES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE NOVEMBER 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
COMMERCIAL VEHICLE SECTION				
Table of Contents New Brunswick	**Rule 205: Definitions .....** A. Commercial Vehicle ..... B. Vehicle ..... C. Trailer ..... D. Owned/Leased ..... E. Rating Information ..... F. Types of Commercial Vehicles..... G. Gross Vehicle Weight (GVW) ..... H. Machinery or Apparatus	**Rule 205: Definitions .....** A. Commercial Vehicle ..... B. Vehicle ..... C. Trailer ..... D. Owned/Leased ..... E. Rating Information ..... F. Types of Commercial Vehicles ..... G. Gross Vehicle Weight (GVW) ..... H. Machinery or Apparatus ..... I. List Price New	Re-align the Commercial section of the manual to improve consistency, clarity, and overall sequence	This will not impact premiums
Table of Contents New Brunswick	**Rule 211: Vehicle Rate Group .....** A. Rate Group Table I ..... B. List Price New ..... C. Rate Group Table II	**Rule 211: Vehicle Rate Group .....** A. Rate Group Table I..... ~~B. List Price New.....~~ ~~C~~.B Rate Group Table II.....	Re-align the Commercial section of the manual to improve consistency, clarity, and overall sequence	This will not impact premiums
Rule 205 Definition	**A. Commercial Vehicle** **....** **H. Machinery or Apparatus** Commercial vehicles are often equipped with machinery or apparatus. There are two types: 1. The equipment is designed to perform a function by means of motive power. This function is both additional to and separate from the functions of transportation and travel (e.g. welding, spraying, excavating, well drilling, cooking equipment). Insurance must be made subject to END 30(B) which excludes coverage under Liability and Accident Benefits while at the site of the work (operation of the machinery or apparatus). Refer to Rule 243: Endorsements Applicable to POL 1 (Owner's Policy). **...**	**A. Commercial Vehicle** **....** **H. Machinery or Apparatus** Commercial vehicles are often equipped with machinery or apparatus. There are two types: 1. The equipment is designed to perform a function by means of motive power. This function is both additional to and separate from the functions of transportation and travel (e.g. welding, spraying, excavating, well drilling, cooking equipment). Insurance must be made subject to END 30(B) which excludes coverage under Liability and Accident Benefits while at the site of the work (operation of the machinery or apparatus). Refer	Re-align the Commercial section of the manual to improve consistency, clarity, and overall sequence	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RATES & RULES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE NOVEMBER 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 205 Definition	END 30(B) and 31 cannot be attached to the vehicle at the same time. In circumstances where coverage for attached machinery is excluded by endorsement from the commercial vehicle, coverage may be purchased on a commercial property/general liability policy.	to Rule 243: Endorsements Applicable to POL 1 (Owner's Policy). **...** END 30(B) and 31 cannot be attached to the vehicle at the same time. In circumstances where coverage for attached machinery is excluded by endorsement from the commercial vehicle, coverage may be purchased on a commercial property/general liability policy. **I. List Price New** The Manufacturer's Suggested Retail Price (MSRP) new(plus taxes) of the vehicle, including the value of the body, all permanently attached equipment and any customizing features.	Move the rule from Rule 211 (Vehicle Rate Group) to Rule 205 (Definition) to enhance usability and comprehension.	This will not impact premiums
Rule 211: Vehicle Rate Group	**...** **A. Rate Group Table I** This table lists by manufacturer, model and series, standard production pick-up, utility, van (panel or sedan delivery) or wagon types, having Gross Vehicle Weights not exceeding 4,500kg. **...** **B. List Price New** The Manufacturer's Suggested Retail Price (MSRP) new (plus taxes) of the vehicle, including the value of the body, all permanently attached equipment and any customizing features. **C. Rate Group Table II** The model year and List Price New are used to determine the rate group. **...**	**...** **A. Rate Group Table I** This table lists by manufacturer, model and series, standard production pick-up, utility, van (panel or sedan delivery) or wagon types, having Gross Vehicle Weights not exceeding 4,500kg. **...** ~~**B. List Price New**~~ ~~The Manufacturer's Suggested Retail Price (MSRP) new (plus taxes) of the vehicle, including the value of the body, all permanently attached equipment and any customizing features.~~ ~~**C.**~~**B. Rate Group Table II** The model year and List Price New are used to determine the rate group. **...**	Re-align the Commercial section of the manual to improve consistency, clarity, and overall sequence. Move the rule from Rule 211 (Vehicle Rate Group) to Rule 205 (Definition) to enhance usability and comprehension.	This will not impact premiums

FACILITY ASSOCIATION

July 2026

Manual of Rules and Rates
NEW BRUNSWICK

2026 Private Passenger CLEAR Rate Group Tables
Effective November 1, 2026 (New Business and Renewals)

Effective November 1, 2026 Facility Association is implementing the following updates for new business and renewals in New Brunswick:

- 2026 Private Passenger CLEAR Rate Group Tables having a range of 1-13 for Accident Benefits Rate Groups;

The Facility Association website www.facilityassociation.com has been updated with this information.

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

FACILITY ASSOCIATION

April 2026

Manual of Rules and Rates
New Brunswick

Private Passenger Rule Changes
Effective August 1, 2026 (New Business and Renewals)

Effective August 1, 2026 Facility Association is implementing the following updates for new business and renewals in New Brunswick:

- FA has undertaken a review of the FARM Private Passenger Rules in an effort to simplify, streamline and harmonize underwriting rules across all jurisdictions. The successful completion of this allows for the ease of use for all users.

- A summary of the rule changes is attached to the Manual Bulletin on the Facility Association website.

The Facility Association website www.facilityassociation.com has been updated with this information.

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

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
GENERAL SECTION				
Table of Contents	**General Information Table of Contents .....** **Plan Of Operation .....** **Risks Not Specifically Provided For .....** **Policy Term .....** **Commission .....** **Facility Association Agency Account .....** Entries in the Agency Account ..... Payment of Agency Account ..... Overdue Agency Account ..... **Midterm Transfer of Business and Broker of Record** **Letter of Authorization .....**	**General Information Table of Contents .....** **Plan Of Operation .....** **Risks Not Specifically Provided For .....** **Policy Term .....** **Commission .....** **Facility Association Agency Account .....** Entries in the Agency Account ..... Payment of Agency Account ..... Overdue Agency Account ..... **Midterm Transfer of Business and Broker of Record** **Letter of Authorization .....** **Proof of Insurance.....** Processing Fees for Filings	This section will be moved to the General Section of the manual from Rule 137	This will not impact premiums
Proof of Insurance	**NEW**	**Processing Fees for Filings** Please contact your Servicing Carrier for a schedule of fees which will be charged on a 100% cost recovery basis. **Any charge required by the authority concerned shall be in addition to, and separate from, the processing fees**	This section will be moved to the General Section of the manual from Rule 137.E	This will not impact premiums
PRIVATE PASSENGER SECTION				
Table of Contents	**Rule 101: Coverages Available and Minimum Deductibles.....** A. Liability..... B. Accident Benefits ..... C. Uninsured Automobile..... D. Optional Physical Damage..... E. Direct Compensation Property Damage (DCPD)..... F. Family Protection Coverage (END 44) ..... G. Minimum Coverage	**Rule 101: Coverages Available and Minimum Deductibles.....** A. Liability ..... B. Accident Benefits ..... C. Uninsured Automobile ..... D. Direct Compensation Property Damage (DCPD) .... E. Optional Physical Damage and Deductibles..... F. Family Protection Coverage ..... G. Minimum Coverage	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Table of Contents	**Rule 104: New Policies .....** A. Application Form..... B. Owners Policy (APP 1) ..... C. Faxed Applications ..... D. Computer Generated Application Forms ..... E. Applicant's Signature..... F. Name of the Insured..... G. Other Insurance ..... H. Verification of Driving History	**Rule 104: New Policies .....** A. Application Form..... B. Owners Policy (APP 1) ..... ~~C. Faxed Applications .....~~ C. Computer Generated Application Forms ..... D. Applicant's Signature ..... E. Name of the Insured ..... F. Other Insurance..... G. Variation in Coverage..... H. Verification of Driving History	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Table of Contents	**Rule 106: Definitions .....** A. Private Passenger Vehicle..... B. Operator Assignment..... C. Business Use ..... D. Pleasure Use ..... E. Driving to and from work ..... F. Passengers carried for compensation ..... G. Age..... H. Owned/Leased..... I. Valid Operator's Licence ..... J. Common-law Relationship / Spouse ..... K. Types of Licence Suspension ..... L. Driver Training.....	**Rule 106: Definitions .....** A. Private Passenger Vehicle..... B. Operator Assignment..... C. Business Use ..... D. Pleasure Use ..... E. Driving to and from work ..... F. Passengers carried for compensation ..... G. Age..... H. Owned/Leased ..... I. Valid Operator's Licence ..... J. Common-law Relationship / Spouse ..... K. Types of Licence Suspension ..... L. Driver Training..... M. Every Driver in the Household	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Table of Contents	**Rule 108: Not applicable.....**	**Rule 108: ~~Not applicable~~ Discounts .....**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Table of Contents	**Rule 112: Method of Rating for More Than One Use.....**	**Rule 112: ~~Method of Rating for More Than One Use~~ Not applicable.....**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Table of Contents	**Rule 114: New Drivers.....** A. New Driver Definition ..... B. Learner's Permit/Level One ..... C. Driving Record.....	**Rule 114: New Drivers.....** A. New Driver Definition ..... B. Learner's Permit/Level One ..... C. ~~Driving Record~~ New Driver Credit.....	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Table of Contents	**Rule 126: Policy Term .....**	**Rule 126: ~~Policy Term~~ Not applicable.....**	This section is already listed in the General Section	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Table of Contents	**Rule 131: Time on Risk Tables** A. Pro Rata..... B. (Pro Rata) Day Table..... C. Short Term Tables..... D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles).....	**Rule 131: Time on Risk Tables** A. Pro Rata..... B. ~~(~~Pro Rata~~)~~ Day Table..... C. Short Term Tables..... ~~D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)~~.....	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Table of Contents	**Rule 133: Commission Schedule .....**	**Rule 133: ~~Commission Schedule~~ Not applicable.....**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Table of Contents	**Rule 137: Proof of Insurance Where Notice of Cancellation or Deletion is Require**d..... A. Financial Responsibility Certificate ..... B. Renewal or Offer to Renew..... C. Policy Cancellation or Vehicle Deletion..... D. Filing Liability Limits.....	**Rule 137: Proof of Insurance Where Notice of Cancellation or Deletion is Require**d..... A. Financial Responsibility Certificate ..... B. Renewal or Offer to Renew..... C. Policy Cancellation or Vehicle Deletion..... ~~D. Filing Liability Limits.....~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions.	This will not impact premiums
Table of contents	**Rule 142: Suspension of Operator's Licence – Use of END 28** ..... A. If there is no other driver of the vehicle . ..... B. If there is another licensed driver of the vehicle ..... C. If the person concerned does drive without a valid licence..... D. Unsigned END 28 ..... E. Completion of END 28	**Rule 142: Suspension of Operator's Licence ~~– Use of END 28~~** ..... A. If there is no other driver of the vehicle. ..... B. If there is another licensed driver of the vehicle ..... C. If the person concerned does drive without a valid licence..... D. Unsigned END 28 ..... E. Completion of END 28	FA is aiming to harmonize and simplify the wordings across all jurisdictions.	This will not impact premiums
Rule 100: Filed Underwriting Rules	**A. The insurer's rules for declining to issue, terminating or refusing to renew a contract are:** 1. The risk does not meet the object of the Facility Association which is to ensure the availability of automobile insurance, as required by law, in those provinces and territories of Canada in which the Association operates, to the owners and licensed drivers of motor vehicles who would otherwise have difficulty obtaining such insurance. 2. The applicant does not have an insurable interest in the vehicle.	**A. The insurer's rules for declining to issue, terminating or refusing to renew a contract are:** 1. The risk does not meet the object of the Facility Association which is to ensure the availability of automobile insurance, as required by law, in those provinces and territories of Canada in which the Association operates, to the owners and licensed drivers of motor vehicles who would otherwise have difficulty obtaining such insurance. 2. The Applicant does not have an insurable interest in the vehicle.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 100: Filed Underwriting Rules	3. The vehicle is registered in a jurisdiction other than one in which the application for coverage is being completed or the vehicle is not operated at any time in a jurisdiction in which the Association operates. If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction. For example: The vehicle is registered in New Brunswick but the application is being completed in Alberta. The vehicle must be registered in Alberta or an Agent/Broker in New Brunswick must complete and submit the application for coverage in New Brunswick. Exception: See Rule 100.C Non- Residents and Vehicles Not Registered in Jurisdiction 4. The driver of the vehicle does not hold a valid operator's licence. If the licence of the only driver is suspended, Facility Association shall provide a policy covering Comprehensive or Specified Perils cover only until there is a driver holding a valid operator's licence. See Rule 142: Suspension of Operator's Licence and Rule 101: Minimum Coverage. 5. The application is incomplete, has not been signed by the applicant, or has not been bound by the Agent/Broker. 6. The Applicant/Agent/Broker refuse to provide the sufficient valid information to write the risk. "Sufficient valid information to write the risk" includes data to properly rate the risk and to report the risk information in accordance with the Automobile Statistical Plan. 7. The vehicle is not in the possession of the applicant (i.e., has been stolen or cannot be located). This restriction is not intended to be used as a denial of a valid theft claim. 8. A certificate of mechanical fitness and road worthiness has not been provided in accordance with the Manual of Rules and Rates e.g. home made vehicles, rate group listed as A.	3. The vehicle is registered in a jurisdiction other than one in which the application for coverage is being completed or the vehicle is not operated at any time in a jurisdiction in which the Association operates. If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction. ~~For example: The vehicle is registered in New Brunswick but the application is being completed in Alberta. The vehicle must be registered in Alberta or an Agent/Broker in New Brunswick must complete and submit the application for coverage in New Brunswick~~. Exception: See Rule 100.C ~~Non- Residents and Vehicles Not Registered in Jurisdiction~~ 4. The driver of the vehicle does not hold a valid operator's licence. If the licence of the only driver is suspended, Facility Association shall provide a policy covering Comprehensive or Specified Perils cover only until there is a driver holding a valid operator's licence. See Rule 142: ~~Suspension of Operator's Licence~~ and Rule 101~~: Minimum Coverage~~. 5. The application is incomplete, has not been signed by the Applicant, or has not been bound by the Agent/Broker. 6. The Applicant/Agent/Broker refuses to provide the sufficient valid information to write the risk. "Sufficient valid information to write the risk" includes data to properly rate the risk and to report the risk information in accordance with the Automobile Statistical Plan. 7. The vehicle is not in the possession of the Applicant (i.e., has been stolen or cannot be located). This restriction is not intended to be used as a denial of a valid theft claim. 8. A certificate of mechanical fitness and road worthiness has not been provided in accordance with the Manual of Rules and Rates e.g. home made vehicles, rate group listed as A.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 100: Filed Underwriting Rules	9. Non-payment of premium for the current policy period (for purposes of termination only). 10. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police. **B. Rules for refusing to provide or continue a coverage are:** 1. Optional physical damage coverage shall not be provided where an Applicant or any person who is a regular or frequent operator of the vehicle, has, within the immediately preceding thirty-six months: a) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the insurer; **or** b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; **or** c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; **or** d) Wilfully made a false statement in respect of a claim. * Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation. 2. Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and at the Servicing Carrier's discretion a current safety certificate.	9. Non-payment of premium for the current policy period (for purposes of termination only). 10. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police. *(Applicable to New Brunswick, Northwest Territories, Nunavut, Ontario, Prince Edward Island and Yukon only)* **B. Rules for refusing to provide or continue a coverage are:** 1. Optional physical damage coverage shall not be provided where an Applicant or any person who is a regular or frequent operator of the vehicle, has, within the immediately preceding thirty-six months: a) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; **or** b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; **or** c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; **or** d) Wilfully made a false statement in respect of a claim. * Misrepresentation means an Applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation. 2. Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and at the Servicing Carrier's discretion a current safety certificate.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 100:

Filed Underwriting Rules</td>
<td>NOTE: No policy shall be written for vehicles branded ‘nonrepairable’.

3. Where a vehicle is licensed for highway/road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided. For DCPD coverage, establish rate group according to Rule 116 Vehicle Rate Group.

C. Non Residents and Vehicles Not Registered in Jurisdiction
These vehicles may be operated for 6 months at which point they must be registered and plated in this jurisdiction. A policy of insurance may be required to cover the vehicle during this period. If necessary FA will issue a short term policy for a period not to exceed 6 months to cover the insurance requirement. Upon expiry the policy will lapse and will not be renewed. If the vehicle is registered in this jurisdiction prior to the expiry of the short term policy, the short term policy will be cancelled pro rata and a new POL 1 will be issued for a 6 or 12 month term.</td>
<td>NOTE: No policy shall be written for vehicles branded ‘non-repairable’.

3. Where a vehicle is licensed for ~~highway/~~road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided. For DCPD (Not available in Northwest Territories, Nunavut and Yukon) coverage, establish rate group according to Rule 116~~ Vehicle Rate Group~~.

C. Non Residents and Vehicles Not Registered in Jurisdiction
As per chart below, these vehicles may be operated for ~~6 months~~ certain number of days at which point they must be registered and plated in~~ this~~ that jurisdiction. A policy of insurance may be required to cover the vehicle during this period. If necessary, FA will issue a short term policy for a period not to exceed ~~6 months~~ the time frame indicated in the chart below to cover the insurance requirement.

Upon expiry, the policy will lapse and will not be renewed. If the vehicle is registered in ~~this~~ that jurisdiction prior to the expiry of the short term policy, the short term policy will be cancelled pro rata and a new POL 1 will be issued for a 6 or 12 month term.
<table>
<tr><th>Time Frame to Register and Plate Vehicle</th><th>Jurisdiction</th></tr>
<tr><td>60 days</td><td>Ontario and Yukon</td></tr>
<tr><td>90 Days</td><td>Alberta, Newfoundland & Labrador, Northwest Territories, Nova Scotia and Nunavut</td></tr>
<tr><td>4 months</td><td>Prince Edward Island</td></tr>
<tr><td>6 Months</td><td>New Brunswick</td></tr>
</table>
</td>
<td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td>
<td>This will not impact premiums</td>
</tr>
<tr>
<td>Rule 101:

Coverages Available and Minimum Deductibles</td>
<td>A. Liability
Not more than $2,000,000 except:
• When required by American or Canadian federal or provincial statute, by regulations issued under authority thereof or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required.</td>
<td>A. Liability
Not more than $2,000,000 except:
• When required by American or Canadian federal or provincial statute, by regulations issued under authority thereof or by municipal by-laws (but not by other local authorities such as school boards). ~~The Liability limit may not exceed the amount required.~~</td>
<td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td>
<td>This will not impact premiums</td>
</tr>
</table>

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 101:

Coverages Available and Minimum Deductibles</td>
<td>If proof of insurance is issued, the amounts shown on the proof may not exceed those required by the authority concerned.

If it is necessary to provide a Liability limit that falls between two limits for which premiums or limit factors are indicated in this manual, the premium or limit factor applicable to the higher of those two limits shall be used.

B. Accident Benefits
As prescribed by statute.

C. Uninsured Automobile
As prescribed by statute.

D. Optional Physical Damage
Optional physical damage coverage shall not be provided or continued for Private Passenger Vehicles valued at $1,000,000 or more.
All Perils is no longer available.

a) Minimum Deductibles
The following table indicates the minimum deductibles available. Use in accordance with the rate group table approved for use in each jurisdiction.
<table>
<tr><th>CLEAR Rate Group</th><th>Minimum Deductibles Collision/ Comprehensive / Specified Perils</th><th>Table A</th></tr>
<tr><td>1-40</td><td>$500</td><td>Up to $30,000</td></tr>
<tr><td>41 – 59</td><td>$1,000</td><td>$30,001 - $60,000</td></tr>
</table>
</td>
<td>If proof of insurance is issued, the amounts shown on the proof may not exceed those required by the authority concerned.

If it is necessary to provide a Liability limit that falls between two limits for which premiums or limit factors are indicated in this manual, the premium or limit factor applicable to the higher of those two limits shall be used.

Where it is required and permissible to provide a higher Liability limit and the manual does not provide the necessary increased limit factor, contact your Servicing Carrier.

B. Accident Benefits
As prescribed by statute. Optional increased benefits are available in Ontario only.

C. Uninsured Automobile
As prescribed by statute. Uninsured Automobile applicable in all jurisdictions except in Alberta, Northwest Territories, Nunavut and Yukon where Uninsured Automobile coverage is not available.

D. Direct Compensation Property Damage (DCPD)
Deductibles are available in Ontario only.

DCPD applicable in all jurisdictions except in Northwest Territories, Nunavut and Yukon where DCPD coverage is not available.

E. Optional Physical Damage and Deductibles
Optional physical damage coverage shall not be provided or continued for any vehicle ~~Private Passenger Vehicles~~ valued at $1,000,000 or more.
.
All Perils is no longer available.

a) Minimum Deductibles
The following table indicates the minimum deductibles available. Use in accordance with the rate group table approved for use in each jurisdiction.</td>
<td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td>
<td>This will not impact premiums</td>
</tr>
</table>

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 101:

Coverages Available and Minimum Deductibles</td>
<td>
<table>
<tr><td>60 - 79</td><td>$2,500</td><td>$60,001 - $80,000</td></tr>
<tr><td>80 - 89</td><td>$5,000</td><td>$80,001 - $100,000</td></tr>
<tr><td>90 - 99</td><td>$10,000</td><td>$100,001+</td></tr>
</table>
Refer to Rule 116: Vehicle Rate Group for further information on Rate Group A.

All RG’s – END 40 is mandatory for all vehicles with a previous fire or total theft loss within the last 60 months.

NOTE: For risks with claims, refer to the following chart. Where a risk is eligible for one deductible based on rate group/vehicle and another based on claims, the higher deductible applies.
<table>
<tr><td colspan="3">Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)</td><td rowspan="2">Deductible amount applicable to the coverage under which the claims were made*</td></tr>
<tr><td>In prior 12 months</td><td>In prior 36 months</td><td>In prior 60 months (fire and/or total theft)</td></tr>
<tr><td>3</td><td>-</td><td>2</td><td>$2,500</td></tr>
<tr><td>-</td><td>3</td><td>-</td><td>$1,000</td></tr>
<tr><td>-</td><td>4</td><td>-</td><td>$2,500</td></tr>
<tr><td>-</td><td>5 or more</td><td>-</td><td>5% of LPN (minimum deductible $5000)</td></tr>
<tr><td>-</td><td>-</td><td>3 or more</td><td>No coverage</td></tr>
</table>
*Claims that have occurred under All Perils coverage shall be assigned to the appropriate section of the coverage i.e. Collision or Comprehensive

Higher deductibles based on claims shall only be imposed when there have been a sufficient number of claims under
</td>
<td>
<table>
<tr><th>CLEAR Rate Group</th><th>Minimum Deductibles Collision/ Comprehensive / Specified Perils</th><th>Table A</th></tr>
<tr><td>1-40</td><td>$500</td><td>Up to $30,000</td></tr>
<tr><td>41 – 59</td><td>$1,000</td><td>$30,001 - $60,000</td></tr>
<tr><td>60 - 79</td><td>$2,500</td><td>$60,001 - $80,000</td></tr>
<tr><td>80 - 89</td><td>$5,000</td><td>$80,001 - $100,000</td></tr>
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NOTE: For risks with claims, refer to the following chart. Where a risk is eligible for one deductible based on rate group/vehicle and another based on claims, the higher deductible applies.
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<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 101:

Coverages Available and Minimum Deductibles</td>
<td>any given coverage to warrant such application. For example one Collision loss and three Comprehensive losses in the previous 12 months will result in the application of a $2,500 deductible on Comprehensive only. Only if the insured has sustained three Collision losses as well, would $2,500 deductible be applied to the Collision coverage.

b) Vehicles insured for Comprehensive/Specified Perils only shall be renewed once and then lapsed at the next renewal if there is no other vehicle with Liability coverage on the policy. Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.

c) Certain endorsements require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the Statutory Conditions or issued without the endorsement or the endorsement may be deleted and the policy re-rated accordingly. See Rule 122: Endorsement Forms/Wordings.

E. Direct Compensation Property Damage (DCPD)
No deductibles are applicable.
F. Family Protection Coverage (END 44)
For a brief description please see Rule 152: Endorsements. The premium varies with the Liability limit applicable to the vehicle. The coverage limit provided by this endorsement is the same as the Liability limit applicable to the vehicle.

For example: If the vehicle is insured with a Liability limit of $2,000,000 the END 44 will also have a limit of $2,000,000.

END 44 is not available for vehicles that are subject to the Public Section of this manual.

G: Minimum Coverage
Policies are required to provide at least the statutory minimum coverage applicable to the jurisdiction in which the vehicle is registered except as indicated below:

Exception</td>
<td>
<table>
<tr><td>-</td><td>5 or more</td><td>-</td><td>5% of LPN (minimum deductible $5000)</td></tr>
<tr><td>-</td><td>-</td><td>3 or more</td><td>No coverage</td></tr>
</table>
*Claims that have occurred under All Perils coverage shall be assigned to the appropriate section of the coverage i.e. Collision or Comprehensive

Higher deductibles based on claims shall only be imposed when there have been a sufficient number of claims under any given coverage to warrant such application. ~~For example one Collision loss and three Comprehensive losses in the previous 12 months will result in the application of a $2,500 deductible on Comprehensive only. Only if the insured has sustained three Collision losses as well, would $2,500 deductible be applied to the Collision coverage.~~
b) Vehicles insured for Comprehensive/Specified Perils only shall be renewed once and then lapsed at the next renewal if there is no other vehicle with Liability coverage on the policy. Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.
~~**c)** Certain endorsements require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the Statutory Conditions or issued without the endorsement or the endorsement may be deleted and the policy re-rated accordingly. See Rule 122: Endorsement Forms/Wordings.~~

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For a brief description please see Rule 152: Endorsements. The premium varies with the Liability limit applicable to the vehicle. The coverage limit provided by this endorsement is the same as the Liability limit applicable to the vehicle.

~~For example: If the vehicle is insured with a Liability limit of $2,000,000 the END 44 will also have a limit of $2,000,000.~~

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</tr>
</table>

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 101: Coverages Available and Minimum Deductibles	**When an automobile is temporarily out of use and in storage:** a) Coverage other than Comprehensive or Specified Perils may be suspended by means of END 16 for those vehicles that are temporarily laid up. This endorsement does not suspend coverages that relate to 'driving other vehicles'. The endorsement may be used in respect of most private passenger and commercial-type vehicles. In no event shall a refund be granted for any cancellation period of less than sixty (60) consecutive days. Suspended coverages are reinstated by means of END 17. Note: END 44 may remain on a policy where 'moving' coverages have been suspended by means of END 16. b) In the case of an existing policy that includes Comprehensive or Specified Perils coverage, coverages other than Comprehensive or Specified Perils coverage may be deleted. Note: Neither (a) nor (b) above is applicable for the following: • Vehicles for which proof of insurance is issued or filed. • Recreational vehicles to which the Recreational section applies. • Vehicles that were never intended to be driven (e.g. vehicles in a collection). • Vehicles for sale whether or not on an auto dealer's lot. • Experience rated risks. **Note:** If Liability and Accident Benefits coverage is removed or suspended twice in one year, then removal of those coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while coverage is removed or suspended. If Liability and Accident Benefits coverages are not added to the vehicle by the anticipated end date, the vehicle shall be renewed once and then lapsed at the next	**G: Minimum Coverage** Policies are required to provide at least the statutory minimum coverage applicable to the jurisdiction in which the vehicle is registered except as indicated below: **Exception** **When an automobile is temporarily out of use and in storage:** a) Coverage other than Comprehensive or Specified Perils may be suspended by means of END 16 for those vehicles that are temporarily laid up. This endorsement does not suspend coverages that relate to 'driving other vehicles'. The endorsement may be used in respect of most private passenger and commercial-type vehicles. I~~n no event shall a refund be granted for any cancellation period of less than sixty (60) consecutive days.~~ END 44 may remain on a policy where 'moving' coverages have been suspended by means of END 16. Suspended coverages are reinstated by means of END 17. ~~Note: END 44 may remain on a policy where 'moving' coverages have been suspended by means of END 16.~~ In no event shall a refund be granted for any cancellation period of less than sixty (60) consecutive days. b) In the case of an existing policy that includes Comprehensive or Specified Perils coverage, coverages other than Comprehensive or Specified Perils coverage may be deleted. **Note:** 1. Neither (a) nor (b) above is applicable for the following: • Vehicles for which proof of insurance is issued or filed. • Recreational vehicles to which the Recreational section applies. • Vehicles that were never intended to be driven (e.g. vehicles in a collection). • Vehicles for sale whether or not on an auto dealer's lot. • Experience rated risks.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 101: Coverages Available and Minimum Deductibles	renewal if there is no other vehicle with Liability and Accident Benefits coverages on the policy.	~~**Note:**~~ 2. If ~~Liability and Accident Benefits~~ mandatory coverage is removed or suspended twice in one year, then removal of those coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while coverage is removed or suspended 3. If ~~Liability and Accident Benefits~~ mandatory coverages are not added to the vehicle by the anticipated end date, the vehicle shall be renewed once and then lapsed at the next renewal if there is no other vehicle with ~~Liability and Accident Benefits~~ mandatory coverages on the policy. 4. In the case of a new application, a policy may not be issued for Comprehensive or Specified Perils only.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 103: Binding Coverages New Policies	**A. Requirements/Procedures for binding new policies** 1. The Agent/Broker must have a fully completed application signed by the registered owner(s) of the vehicle(s) detailing all information on the risk. Supplementary questionnaires, if required, must be completed and signed by the applicant. If the Servicing Carrier is required to have a driver's permission to obtain a Driver Record Abstract, that written authorization must accompany the application. 2. Before binding coverage the Agent/Broker must either a) Collect or assume responsibility for the full indicated premium (experience rated risks at Driving Record 0 or, if established, the promulgated fleet rating) **or** b) Obtain a fully completed premium finance contract together with the full down payment required and promptly send that contract to the finance company office. 3. The insurance shall take effect as of the time and date the coverage is bound, as evidenced by the Application signed by the Insured. However, except when the	**Rule 103: Binding Coverage – New Policies** **A. Requirements/Procedures for binding new policies** 1. The Agent/Broker must have a fully completed application signed by the registered owner(s) of the vehicle(s) detailing all information on the risk. Supplementary questionnaires, if required, must be completed and signed by the Applicant. If the Servicing Carrier is required to have a driver's permission to obtain a Driver Record Abstract, that written authorization must accompany the application. 2. Before binding coverage the Agent/Broker must either: a) Collect or assume responsibility for the full indicated premium (experience rated risks at Driving Record 0 or, if established, the promulgated fleet rating) **or** b) Obtain a fully completed premium finance contract together with the full down payment required and promptly send that contract to the finance company office. 3. The insurance shall take effect as of the time and date the coverage is bound, as evidenced by the Application signed by the Insured. However, except when the	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 103: Binding Coverages New Policies	binding time is 12.01 a.m. of a future date, the policy shall be shown as effective at 12.01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date. *For example:* a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 1. However, the coverage is in effect as of 1:00 p.m. on June 1. b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1. 4. If the application form cannot be sent to the Servicing Carrier on the date on which coverage was effected, it must be sent the next working day. 5. The Servicing Carrier shall normally issue the policy within 30 days of the effective date. If the Agent/Broker does not receive the policy and the full term liability card within that time, a further temporary liability card must be issued by the Agent/Broker and the Servicing Carrier must be contacted immediately to determine the status of the policy. 6. Before optional physical damage coverage can be bound on a vehicle branded as 'salvage' or 'rebuilt' a valid vehicle registration and at the Servicing Carrier's discretion a current safety certificate, must be provided to the Servicing Carrier with the application. **B. Term of binding new policies** The term of binding and of the temporary liability card is 30 days. The temporary liability card may not be amended to indicate a longer period. If a short term policy is to be issued, the temporary liability card shall be amended to indicate a shorter period.	binding time is 12.01 a.m. of a future date, the policy shall be shown as effective at 12.01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date. ~~*For example:*~~ ~~a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 1. However, the coverage is in effect as of 1:00 p.m. on June 1.~~ ~~b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.~~ 4. If the application form cannot be sent to the Servicing Carrier on the date on which coverage was effected, it must be sent the next working day. 5. The Servicing Carrier shall normally issue the policy within 30 days of the effective date. If the Agent/Broker does not receive the policy and the full term liability card within that time, a further temporary liability card must be issued by the Agent/Broker and the Servicing Carrier must be contacted immediately to determine the status of the policy. 6. Before optional physical damage coverage can be bound on a vehicle branded as 'salvage' or 'rebuilt' a valid vehicle registration and at the Servicing Carrier's discretion a current safety certificate, must be provided to the Servicing Carrier with the application. **B. Term of binding new policies** The term of binding and of the temporary liability card is 30 days. The temporary liability card may not be amended to indicate a longer period. If a short term policy is to be issued, the temporary liability card shall be amended to indicate a shorter period.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 104: New Policies	**A. Application Form** Every application for insurance must be made on a current approved Facility Association Application Form and must be fully completed and signed by both the applicant and Agent/Broker where required or as prescribed under Rule 104:D. Computer Generated Application Forms. A copy of the valid registration for all owned vehicles being insured, regardless of vehicle type or use, will be required with the application. If the registration cannot be submitted with the application, a copy of the registration is required within 30 days of binding coverage. Where a copy of the valid registration is not provided, the following shall apply: • Policy shall be issued with all vehicles at the correct premium. • If any registration is not provided within 30 days from the date requested by the Servicing Carrier, the policy shall be cancelled by registered letter. • If the missing registration is provided before the cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for the vehicles meeting the registration requirement. **B. Owners Policy (APP 1)** Only the Facility Association application forms may be used. The form requires the Agent/Broker to indicate the time and date that coverage is bound. The multi-part form includes a temporary liability card. **C. Faxed Applications** Fully completed and signed Facility Association application forms submitted by fax are acceptable in lieu of original applications. Where required, these applications must be accompanied by the appropriate questionnaires or supplements. Where the original application has been submitted without signature, a signed and faxed copy of the application is acceptable to complete the signature requirement. **D. Computer Generated Application Forms**	**A. Application Form** Every application for insurance must be made on a current approved Facility Association or Standard Application Form. ~~and~~ Must be fully completed and signed by both the Applicant and Agent/Broker where required ~~or as prescribed under Rule 104:D. Computer Generated Application Forms~~. A copy of the valid registration for all owned vehicles being insured, regardless of vehicle type or use, will be required with the application. If the registration cannot be submitted with the application, a copy of the registration is required within 30 days of binding coverage. Where a copy of the valid registration is not provided, the following shall apply: • Policy shall be issued with all vehicles at the correct premium. • If any registration is not provided within 30 days from the date requested by the Servicing Carrier, the policy shall be cancelled by registered letter. • If the missing registration is provided before the cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for the vehicles meeting the registration requirement. **B. Owners Policy (APP 1)** The only forms applicable is the current approved ~~the~~ Facility Association or Standard Application Form (APP 1) ~~may be used~~. The form requires the Agent/Broker to indicate the time and date that coverage is bound. ~~The multi-part form includes a temporary liability card.~~ ~~**C. Faxed Applications**~~ ~~Fully completed and signed Facility Association application forms submitted by fax are acceptable in lieu of original applications. Where required, these applications must be accompanied by the appropriate questionnaires or supplements. Where the original application has been submitted without signature, a signed and faxed copy of the application is acceptable to complete the signature requirement.~~ **C. Computer Generated Application Forms**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 104: New Policies	These application forms are acceptable but must be in the standard format approved by the applicable regulatory authority and must include all information that is required to be provided on the current approved standard application form. A standard temporary liability card may be used. The computerized application must be signed and dated by the applicant. . **E. Applicant's Signature** The applicant's signature shall be provided on the Facility Association manual application form or the computerized application form at the time of binding whenever possible. If the applicant's signature cannot be obtained at the time of binding, the Servicing Carrier shall allow the Agent/Broker 30 days to obtain a signature on the original application provided the Agent/Broker assumes responsibility for the full indicated premium. In the meantime, the Agent/Broker must send a copy of the completed but unsigned application to the Servicing Carrier. **If a signed copy of the application is not received by the Servicing Carrier within the 30 day time period, the Servicing Carrier shall immediately cancel the policy by registered letter. The Agent/Broker shall be responsible for the full indicated earned premium for the time on risk.** **F. Name of the Insured** Insurance contracts must be made with individuals who have both the capacity to contract and are legal entities. If the applicant is not an individual(s), the name(s) appearing on the policy must be that of a legal entity i.e., a limited company or partnership. The name of the insured must include or be the same as the name on the vehicle registration. For garage and non-owned risks, the name of the business registered with the appropriate municipal, provincial or federal authority must	These application forms are acceptable but must be in the standard format approved by the applicable regulatory authority and must include all information that is required to be provided on the current approved Standard Application Form. ~~A standard temporary liability card may be used.~~ The computerized application must be signed and dated by the Applicant as well as the Agent/Broker where required. **D. Applicant's Signature** The Applicant's signature shall be provided on the current approved Facility Association or Standard ~~manual~~ Application Form or the computerized application form at the time of binding whenever possible. If the Applicant's signature cannot be obtained at the time of binding, the Servicing Carrier shall allow the Agent/Broker 30 days to obtain a signature on the original application provided the Agent/Broker assumes responsibility for the full indicated premium. In the meantime, the Agent/Broker must send a copy of the completed but unsigned application to the Servicing Carrier. **If a signed copy of the application is not received by the Servicing Carrier within the 30 day time period, the Servicing Carrier shall immediately cancel the policy by registered letter. The Agent/Broker shall be responsible for the full indicated earned premium for the time on risk.** **E. Name of the Insured** Insurance contracts must be made with individuals who have both the capacity to contract and are legal entities. If the Applicant is not an individual(s), the name(s) appearing on the policy must be that of a legal entity i.e., a limited company or partnership. The name of the Insured must include or be the same as the name on the vehicle registration. ~~For garage and non-owned risks, the name of the business registered with the appropriate municipal, provincial or federal authority must~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 104: New Policies	be used. *For example:* The vehicle is registered to Pat Doe who is operating Pat's Garage. The name of the insured may be shown as Pat Doe o/a Pat's Garage. **Two or More Names as Registered Owner of the Vehicle:** Where an application is received for vehicle(s) registered in two names, such as husband's and wife's names, the application must be signed by both parties. In the event the policy is to be cancelled at the insured's request, both signatures are required on the request for cancellation. **Two or More Vehicles Registered to Different Names:** If the applicant has vehicles leased from different leasing companies, or, one vehicle registered for example in the father's name and one in the son's name, separate policies must be maintained. If the vehicles are separately registered to an applicant and his or her spouse only, they may be insured under the same policy. Both must sign the application and any subsequent request to cancel a policy or delete a vehicle or coverage. If the applicant has vehicle(s) leased from the same leasing company and owned vehicle(s), separate policies may not be necessary.	~~be used. *For example:* The vehicle is registered to Pat Doe who is operating Pat's Garage. The name of the insured may be shown as Pat Doe o/a Pat's Garage.~~ **Two or More Names as Registered Owner of the Vehicle:** Where an application is received for vehicle(s) registered in two names, such as ~~husband's and wife's~~ spouse's/partner's names, the application must be signed by both parties. In the event the policy is to be cancelled at the Insured's request, both signatures are required on the request for cancellation. **Two or More Vehicles Registered to Different Names:** If the Applicant has vehicles leased from different leasing companies, or, one vehicle registered for example in the ~~father's~~ Applicant's name and one in the ~~son's~~ child's name, separate policies must be maintained. If the vehicles are separately registered to an Applicant and ~~his or her~~ their spouse/partner only, they may be insured under the same policy. Both must sign the application and any subsequent request to cancel a policy or delete a vehicle or coverage. If the Applicant has vehicle(s) leased from the same leasing company and owned vehicle(s), separate policies may not be necessary.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
	Where it is discovered in the middle of the policy term, that a single policy has been issued with two (or more) vehicles, one registered in one name and one in another name, both signatures shall be required on any subsequent request for cancellation of the policy or deletion of a vehicle or coverage. Separate policies must be issued at the time of next renewal.	Where it is discovered in the middle of the policy term, that a single policy has been issued with two (or more) vehicles, one registered in one name and one in another name, both signatures shall be required on any subsequent request for cancellation of the policy or deletion of a vehicle or coverage. Separate policies must be issued at the time of next renewal.		
	G. Other Insurance If there is any other insurance in force in respect of a risk:	**F. Other Insurance** If there is any other insurance in force in respect of a risk:		

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 104: New Policies	a) Binding shall not be made effective before the expiry of that other insurance. b) If that other insurance is to be cancelled, a liability card may not be prepared before the insurer concerned has issued the notice of cancellation, or the insured has signed the request for cancellation. **H. Variation in Coverage** To conform to the Insurance Act, the insured must be advised if the coverage provided by the policy is not as requested in the application. **I. Verification of Driving History** In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium: a) Driver Record Abstract obtained from the appropriate government department in each Canadian or U.S. jurisdiction in which the driver has been licensed in the previous three years. Driver Record Abstracts are not to be obtained on experience rated risks or for the operators of any Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles to be insured. b) Previous Insurance History obtained on all drivers with the exception of drivers with only an international licence. This may be an electronic report ordered from a service provider, letters from previous carriers or telephone calls to previous carriers (which must be properly documented on file including name of persons spoken to, date, time etc.). Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles. See special instructions under Fleets and the Garage section.	a) Binding shall not be made effective before the expiry of that other insurance. b) If that other insurance is to be cancelled, a liability card may not be prepared before the Insurer concerned has issued the notice of cancellation, or the Insured has signed the request for cancellation. **G. Variation in Coverage** To conform to the Insurance Act, the Insured must be advised if the coverage provided by the policy is not as requested in the application. **H. Verification of Driving History** In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium: a) Driver Record Abstract obtained from the appropriate government department in each Canadian and/or U.S. jurisdiction in which the driver has been licensed in the previous three years. Driver Record Abstracts are not to be obtained on experience (fleet) rated risks ~~or for the operators of any Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles to be insured~~. b) Previous Insurance History obtained on all drivers with the exception of drivers with only an international licence. This may be an electronic report ordered from a service provider, letters from previous carriers or telephone calls to previous carriers (which must be properly documented on file including name of persons spoken to, date, time etc.). ~~Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles. See special instructions under Fleets and the Garage section.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 104: New Policies	c) If the information received is different from that reported on the application, to the extent that the premium requires amendment, the policy shall be issued at the revised premium and coverage or the Servicing Carrier shall promptly issue a correcting endorsement. d) Previous Insurance History is required only to confirm that drivers applying for First Chance Discount rating (available on private passenger vehicles only) have no at fault accidents. No prior insurance or gaps in insurance do not impact First Chance Discount Rating.	c) If the information received is different from that reported on the application, to the extent that the premium requires amendment, the policy shall be issued at the revised premium and coverage or the Servicing Carrier shall promptly issue a correcting endorsement. **Note:** Previous Insurance History is required only to confirm that drivers applying for First Chance Discount rating (available on private passenger vehicles only) have no at fault accidents. No prior insurance or gaps in insurance do not impact First Chance Discount Rating. *(Applicable to New Brunswick only)*	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 106: Definitions	**A. Private Passenger Vehicle** A vehicle listed in the Private Passenger Rate Group Table used for pleasure, commute or business. Business use does not include use as driver training vehicles, funeral vehicles, courtesy cars, vehicles held for sale or used for demonstrating or testing or any use listed in the Commercial or Public Sections even though Private Passenger rates are used to determine the premium. Vehicles over 10,000 lbs. must be rated as commercial. For trailers, camper units, motorhomes, motorcycles, mopeds, all terrain vehicles, snow vehicles, and antique/classic vehicles, see Recreational Section. **B. Operator Assignment** If there are two or more vehicles in a household and the number of drivers equals or exceeds the number of vehicles, each vehicle must have a different person designated as the principal operator. If the licence of one operator is or becomes suspended, see Rule 142: Suspension of Operator's Licence. Class 05 drivers are rated independently and their driving record is considered only in relation to the development of the Class 05 premium.	**A. Private Passenger Vehicle** A vehicle listed in the Private Passenger Rate Group Table used for pleasure, commute or business. Business use does not include use as driver training vehicles, funeral vehicles, courtesy cars, vehicles held for sale or used for demonstrating or testing or any use listed in the Commercial or Public Sections even though Private Passenger rates are used to determine the premium. Vehicles over 10,000 lbs. must be rated as commercial. For trailers, camper units, motorhomes, motorcycles, mopeds, all terrain vehicles, snow vehicles, and antique/classic vehicles, see Recreational Section. **B. Operator Assignment** The principal operator is the person who drives the vehicle the most. If there are two or more vehicles in a household and the number of drivers equals or exceeds the number of vehicles, each vehicle must have a different person designated as an operator. If the licence of one operator is or becomes suspended, see Rule 142~~: Suspension of Operator's Licence.~~ Class 05 or Class 06 drivers are rated independently and their driving record is considered only in relation to the development of Class 05 or Class 06 premium.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 106: Definitions	**C. Business Use** Includes the use of the vehicle in the applicant's occupation or profession including the incidental carriage of things used on the job. 'Commercial use' is the use of the vehicle primarily for transportation of merchandise or goods or in the case of an artisan, tools and materials. Commercial use also includes Fire and Police vehicles. *For example:* transportation of books or paperwork (e.g. accountants), laptop computers (e.g. auditors), testing kits (e.g. geologists), samples but not supplies (e.g. pharmaceutical salespersons), medical bags (e.g. veterinarian) and signs (e.g. realtors) are considered to be business uses not commercial uses. A pickup, van, 4 x 4 or other commercial type vehicle weighing less than 4.5 tonnes (10,000 lbs.) that is used for business use but not commercial use as defined in the Commercial Section, shall be rated for business use. In essence, the truck or van is being used like a car. Any vehicle 4.5 tonnes (10,000 lbs.) or more shall be rated as Commercial regardless of the use. **D. Pleasure Use** Includes the use of the vehicle for driving to and from work or school (except where Class 01 is requested) but is not used for other business, professional or vocational purposes. **E. Driving to and from work** The vehicle is used to drive between residence and place of employment or school, or part way. E.g., to bus, railway or subway stations. Such use in a car pool or other share-the-ride arrangement is included. In some cases END 6a (Permission to Carry Passengers for Compensation) may be required. **F. Passengers carried for compensation** **While going to and from work/school** If while going to and from work or school, the insured uses the vehicle to carry passengers for compensation to	**C. Business Use** Includes the use of the vehicle in the Applicant's occupation or profession including the incidental carriage of things used on the job. 'Commercial use' is the use of the vehicle primarily for transportation of merchandise or goods or in the case of an artisan, tools and materials. Commercial use also includes Fire and Police vehicles. ~~*For example:* transportation of books or paperwork (e.g. accountants), laptop computers (e.g. auditors), testing kits (e.g. geologists), samples but not supplies (e.g. pharmaceutical salespersons), medical bags (e.g. veterinarian) and signs (e.g. realtors) are considered to be business uses not commercial uses.~~ A pickup, van, 4 x 4 or other commercial type vehicle weighing less than 4.5 tonnes (10,000 lbs.) that is used for business use but not commercial use as defined in the Commercial Section, shall be rated for business use using the appropriate private passenger rating. In essence, the truck or van is being used like a car. Any vehicle 4.5 tonnes (10,000 lbs.) or more shall be rated as Commercial regardless of the use. **D. Pleasure Use** Includes the use of the vehicle for driving to and from work or school (except where Class 01 is requested) but is not used for other business, professional or vocational purposes. **E. Driving to and from work** The vehicle is used to drive between residence and place of employment or school, or part way. E.g., to bus, railway or subway stations. Such use in a car pool or other share-the-ride arrangement is included. In some cases END 6a ~~(Permission to Carry Passengers for Compensation)~~ may be required. **F. Passengers carried for compensation** **While going to and from work/school** If while going to and from work or school, the Insured uses the vehicle to carry passengers for compensation to and/or	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 106: Definitions	and/or from work or school, the policy exclusion must be modified by using END 6a. The additional premium to be charged is 10% of the Liability premium. The wording to be used on END 6a is as follows: "To carry passengers for compensation or hire to and/or from work while the insured is going to and from work". If the insured is not an individual (e.g. a partnership, company, association or municipality) the words "the insured" are replaced by "the insured's partner" or "the insured's employee", as the case may be. If compensation takes the form of giving a ride to someone in return for a ride, the use of END 6a is not required and there is no additional premium charge. **Volunteers** A volunteer is compensated for gas or mileage for the transportation of persons to medical appointments and the like. END 6a is not required and there is no additional premium charge. **As Part of Occupation** If the transportation of non-paying passengers is part of the insured's occupation (e.g. social worker) and employer reimburses for expenses, attach END 6a inserting 'as part of occupation' and rate as Class 07. If however, this occurs no more than once a week, attach END 6a and rate as Class 02 or 03. **G. Owned/Leased** The expression 'owned by' (as in 'vehicle owned by the applicant') includes 'leased to' if the applicant is or was responsible for obtaining the Liability insurance for the leased vehicle concerned. A similar interpretation applies to 'owns', 'ownership', etc. **H. Valid Operator's Licence** **1. Definition** A valid Canadian licence to drive the type of vehicle concerned. Where there is graduated licensing, a Level	from work or school, the policy exclusion must be modified by using END 6a. The additional premium to be charged is 10% of the Liability premium. The wording to be used on END 6a is as follows: "To carry passengers for compensation or hire to and/or from work while the Insured is going to and from work". If the Insured is not an individual (e.g. a partnership, company, association or municipality) the words "the Insured" are replaced by "the Insured's partner" or "the Insured's employee", as the case may be. If compensation takes the form of giving a ride to someone in return for a ride, the use of END 6a is not required and there is no additional premium charge. **Volunteers** A volunteer is compensated for gas or mileage for the transportation of persons to medical appointments and the like. END 6a is not required and there is no additional premium charge. **As Part of Occupation** If the transportation of non-paying passengers is part of the Insured's occupation (e.g. social worker) and employer reimburses for expenses, attach END 6a inserting 'as part of occupation' and rate as Class 07. If however, this occurs no more than once a week, attach END 6a and rate as Class 02 or 03. **G. Age** Not applicable in this jurisdiction **H. Owned/Leased** The expression 'owned by' (as in 'vehicle owned by the applicant') includes 'leased to' if the applicant is or was responsible for obtaining the Liability insurance for the leased vehicle concerned. A similar interpretation applies to 'owns', 'ownership', etc. **I. Valid Operator's Licence** **1. Definition** A valid Canadian licence to drive the type of vehicle concerned. Where there is graduated licensing, a Level Two	FA is aiming to harmonize and simplify the wordings across all jurisdictions There is sections that have been moved around	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 106: Definitions	Two licence is a valid operator's licence. A Learner's permit or a Level One licence (where there is graduated licensing) is not regarded as a valid operator's licence. **2. International Driver's Licence** An International Licence is not a valid licence in and of itself. It is a permit to drive in another country if the driver already has a valid licence. It is valid in Canada only for temporary residents e.g. embassy staff, exchange students, tourists. Permanent residents must apply for a licence in the Canadian jurisdiction in which they reside. Where a driver holds an International Licence, the application must show complete details of the driver's licence upon which it was granted. This would include the country in which the valid licence was issued, drivers licence number, expiry date etc. **Note:** See Rule 113: Driving Record for rating information on drivers with an International Licence. **I. Types of Licence Suspension** **1. Suspension for Cause** A suspension or cancellation of the operator's licence for a period exceeding two weeks resulting from a conviction or from the accumulation of demerit points. A suspension/cancellation/lapse because a fine was not paid is treated as an administrative suspension/ cancellation/lapse even if the fine resulted from a conviction. **2. Administrative Suspension/Cancellation/Lapse** A suspension/cancellation/lapse for a period of one year or more for any reason other than those outlined under Suspension for Cause. **J . Driver Training**	licence is a valid operator's licence. A Learner's permit or a Level One licence (where there is graduated licensing) is not regarded as a valid operator's licence. **2. International Driver's Licence** An International Licence is not a valid licence in and of itself. It is a permit to drive in another country if the driver already has a valid licence. It is valid in Canada only for temporary residents e.g. embassy staff, exchange students, tourists. Permanent residents must apply for a licence in the Canadian jurisdiction in which they reside. Where a driver holds an International Licence, the application must show complete details of the driver's licence upon which it was granted. This would include the country in which the valid licence was issued, drivers licence number, expiry date etc. **Note:** See Rule 113: Driving Record for rating information on drivers with an International Licence. **J. ~~Driver Training~~ Common-Law Relationship/Spouse** Not applicable in this jurisdiction. **K. Types of Licence Suspension** **1. Suspension for Cause** A suspension or cancellation of the operator's licence for a period exceeding two weeks resulting from a conviction or from the accumulation of demerit points. A suspension/cancellation/lapse because a fine was not paid is treated as an administrative suspension/ cancellation/lapse even if the fine resulted from a conviction. **2. Administrative Suspension/Cancellation/Lapse** A suspension/cancellation/lapse for a period of one year or more for any reason other than those outlined under Suspension for Cause **L. Driver Training** *(Applicable to New Brunswick, Newfoundland & Labrador and Nova Scotia)*	FA is aiming to harmonize and simplify the wordings across all jurisdictions. There is sections that have been moved around	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 106: Definitions	Successful completion of a driver education course conducted by certified instructors. The successful completion must be verified by a certificate signed by an official of the driving school a) The course must meet the mandated requirements and have the approval of the Provincial Safety League, the Provincial Department of Education or Government department having jurisdiction; **or** b) In jurisdictions where those organizations do not exist, or do not exercise jurisdiction, the course must be composed of a minimum of 25 hours classroom instruction plus 6 hours behind the wheel of a dual equipped vehicle with automatic transmission (8 hours in the case of a standard transmission). **K. Every Driver in the Household** a) If the policy applies to more than one vehicle "Every driver in the household" shall be interpreted to mean, "Every person who regularly or frequently drives the vehicle". b) Where the applicant is not an individual: i) If the vehicle is furnished for the regular use of one person, the "household" referred to is the household of that person ii) Otherwise, the words "Every driver in the household" shall be interpreted to mean "Every person who is permitted to drive the vehicle".	Successful completion of a driver education course conducted by certified instructors. The successful completion must be verified by a certificate signed by an official of the driving school a) The course must meet the mandated requirements and have the approval of the Provincial Safety League, the Provincial Department of Education or Government department having jurisdiction; **or** b) In jurisdictions where those organizations do not exist, or do not exercise jurisdiction, the course must be composed of a minimum of 25 hours classroom instruction plus 6 hours behind the wheel of a dual equipped vehicle with automatic transmission (8 hours in the case of a standard transmission). **M. Every Driver in the Household** a) If the policy applies to more than one vehicle "Every driver in the household" shall be interpreted to mean, "Every person who regularly or frequently drives the vehicle". b) Where the Applicant is not an individual: i) If the vehicle is furnished for the regular use of one person, the "household" referred to is the household of that person ii) Otherwise, the words "Every driver in the household" shall be interpreted to mean "Every person who is permitted to drive the vehicle".	FA is aiming to harmonize and simplify the wordings across all jurisdictions There is sections that have been moved around	This will not impact premiums
Rule 108: Not applicable	**Rule 108: Not applicable**	**Rule 108: ~~Not applicable~~ Discounts** Discounts are not available in this jurisdiction	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 109: Rating Territories	Rating Territories are described in Rule 153: Territories. The rating territory refers to where the vehicle is garaged.	The rating territories are described in the Territory section of the manual. ~~Rule 153: Territories~~. The rating territory refers to where the vehicle is garaged.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 110: Special Classification Procedure	**1. Clergy** A vehicle owned by or provided for the use of a clergy person (with o other gainful occupation) shall be rated as if used solely for pleasure. **2. Farmers** – Discount no longer available. **3. Police, Fire Department Vehicles** See the special rating instructions on Private Passenger rate pages. **4. Antique and Classic Vehicles** See Recreational Vehicles Section **5. Ambulances, Invalid Cars, Funeral Vehicles, Taxi and Limousines** See Public Vehicles Section. **6. Driver Training Vehicles, Fleets, Leased and Rental Vehicles** See Rules 146, 147, 148 and 149. **7. Electrically Powered Vehicles** – Discount no longer available	**1. Clergy** A vehicle owned by or provided for the use of a clergy person (with no other gainful occupation) shall be rated as if used solely for pleasure. **2. Farmers** ~~• Discount is no longer available.~~ No longer available in Alberta, New Brunswick, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Yukon. **3. Police, Fire Department Vehicles** See the special rating instructions on Private Passenger rate pages. **4. ~~Antique and Classic~~ Rental and Leased Vehicles** ~~See Recreational Section.~~ See Rule 146 and 147. 5. ~~Ambulances, Invalid Cars, Funeral Vehicles, Taxi and Limousines~~ Driver Training Vehicles See Public Section. See Rule 148. 6. ~~Driver Training Vehicles~~, Fleets ~~, Leased and Rental Vehicles~~ ~~See Rules 146, 147, 148 and~~ See Rule 149. **7. Electrically Powered Vehicles** ~~-Discount is no longer available~~ Discount is no longer available in Alberta, New Brunswick, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Yukon. The Liability and DCPD premiums for electrically powered vehicles are subject to a reduction of 25%. *(Applicable in Newfoundland & Labrador only).*	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 111: Rating Class	**General Notes:** 1. If there is more than one vehicle in a household and the number of drivers (including occasional drivers) equals or exceeds the number of vehicles, each vehicle must have a different driver designated as an operator. *For example:* There are three drivers in the household and three vehicles. Each driver shall be rated as an operator of one of the vehicles according to the percentage of use. 2. If the description of a class contains exclusions/stipulations regarding drivers, such exclusions/stipulations do not apply to persons who are assigned as operators of other vehicles insured in FA with the same Servicing Carrier. *For example:* Drivers B and C who are licensed 9 years are listed as operators on Driver A's policy. Driver A has been licensed for 10 years and uses the vehicle for pleasure only but would not qualify for Class 01 because there are 3 listed operators. However, if either Driver B or C is listed as an operator of another vehicle with the same Servicing Carrier in FA, Driver A could qualify for Class 01. 3. If there is one vehicle in a household and 2 or more drivers all qualifying for First Chance Discount rating, the principal operator shall be the driver generating the greatest premium and a Class 05 shall apply to the remaining driver(s) 4. If there is one vehicle in a household and 2 or more drivers, with 1 driver not qualifying for First Chance Discount rating, the principal operator shall be the driver not qualifying for First Chance Discount rating and a Class 05 shall apply to the remaining driver(s).	**General Notes:** 1.Except for Class 05, the rating class is dependent upon the vehicle's principal operator, whether or not that person is the Applicant. ~~If there is more than one vehicle in a household and the number of drivers (including occasional drivers) equals or exceeds the number of vehicles, each vehicle must have a different driver designated as an operator.~~ ~~*For example:* There are three drivers in the household and three vehicles. Each driver shall be rated as an operator of one of the vehicles according to the percentage of use.~~ 2. The principal operator is normally the person who drives the vehicle the most as declared on the application. ~~If the description of a class contains exclusions/ stipulations regarding drivers, such exclusions/ stipulations do not apply to persons who are assigned as operators of other vehicles insured in FA with the same Servicing Carrier.~~ ~~*For example:* Drivers B and C who are licensed 9 years are listed as operators on Driver A's policy. Driver A has been licensed for 10 years and uses the vehicle for pleasure only but would not qualify for Class 01 because there are 3 listed operators. However, if either Driver B or C is listed as an operator of another vehicle with the same Servicing Carrier in FA, Driver A could qualify for Class 01.~~ 3. ~~1.If there is one vehicle in a household and 2 or more drivers all qualifying for First Chance Discount rating, the principal operator shall be the driver generating the greatest premium and a Class 05 shall apply to the remaining driver(s)~~ If there is more than one vehicle in a household and the number of drivers (including occasional drivers) equals or exceeds the number of vehicles, each vehicle must have a different driver designated as a principal operator. ~~4. If there is one vehicle in a household and 2 or more drivers, with **1** driver not qualifying for First Chance Discount rating, the principal operator shall be the driver not qualifying for First Chance Discount rating and a Class 05 shall apply to the remaining driver(s).~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 111: Rating Class	5. If there is one vehicle in the household and 2 or more drivers with none qualifying for First Chance Discount rating, the principal operator shall be the driver generating the greatest premium. **Class 01** a) Pleasure use only b) No business use or commercial use c) The vehicle is not used for driving to and from work or school d) The anticipated annual mileage does not exceed 8,000 kilometers (5,000 miles). e) No driver licensed less than 9 years in Canada or U.S. with or without a separate Class 05 charge f) No more than two drivers and those drivers have held a valid driver's licence in Canada or U.S. for the past 9 years or more **Class 02** a) Pleasure use and commute use b) No business use or commercial use c) The vehicle is not used for driving to and from work or school more than 16 kilometers (10 miles) one way. d) The anticipated annual mileage does not exceed 24,000 kilometers (15,000 miles). e) No more than 2 drivers (excluding drivers rated under Class 05) and those drivers have held a valid driver's licence in Canada or U.S. for the past 9 years or more	~~5. If there is one vehicle in the household and 2 or more drivers with none qualifying for First Chance Discount rating, the principal operator shall be the driver generating the greatest premium.~~ 4. If the description of a class contains exclusions/ stipulations regarding drivers, such exclusions/ stipulations do not apply to persons who are assigned as operators of other vehicles insured through FA with the same Servicing Carrier. **Class 01** a) Pleasure use only b) The vehicle is not used for driving to and from work or school. c) No business use or commercial use d) No driver licensed less than 9 years in Canada or the U.S. with or without a separate Class 05 charge *(Applicable to New Brunswick and Newfoundland & Labrador)* e) ~~No more than two drivers~~ Apart from the principal operator there is not more than one other driver, ~~and those drivers have~~ and that driver has held a valid driver's licence in Canada or U.S. for the past 9 years or more. *(Applicable to New Brunswick and Nova Scotia)* f) The anticipated annual mileage does not exceed 8,000 kilometers (5,000 miles). *(Applicable to New Brunswick, Nova Scotia, Northwest Territories, Nunavut, Ontario, Prince Edward Island and Yukon)* **Class 02** a) Pleasure use and commute use. b) The vehicle is not used for driving to and from work or school more than 16 kilometers (10 miles) one way. c) No business use or commercial use d) Principal operator is at least 25 years of age. e) No driver under 25 years of age unless a separate Class 05 or 06 premium is charged. f) Apart from the principal and Class 05 or 06 operator, there is not more than one other driver. g) The anticipated annual mileage does not exceed 24,000 kilometers (15,000 miles).	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 111: Rating Class	**Note:** If there are 2 or more occasional drivers licensed less than 9 years in Canada or U.S. assigned to a vehicle, the vehicle cannot be rated Class 02. **Class 03** a) Pleasure use and commute use b) No business use or commercial use c) More than 2 drivers (excluding drivers rated under Class 05) and those drivers have held a valid driver's licence In Canada or U.S. for the past 9 years or more **Class 05** Occasional driver licensed less than 9 years in Canada or U.S. where the vehicle is rated class 02, 03, 07, 10, 11, 12 or 13. **Notes: Class 05** 1) If there is one vehicle in a household and 2 or more drivers all qualifying for First Chance Discount rating, the principal operator shall be the driver generating the greatest premium and a Class 05 shall apply to the remaining driver(s). If there is one vehicle in a household and 2 or more drivers, with 1 driver not qualifying for First Chance Discount rating, the principal operator shall be the driver not qualifying for First Chance Discount rating and Class 05 shall apply to the remaining driver(s). Premium is charged for the occasional drivers by adding the Liability, DCPD, Collision Coverage. It is not permissible to issue a policy solely at Class 05 rates. 2) The Liability limit and Collision deductibles for Class 05 drivers must be identical to the limit and deductible provided for the vehicle, except when varied by END 28 (Reduction of Coverage as Respects Operation by Named Persons). 3) Class 05 develops its own driving record, based on the experience of the driver(s) concerned.	~~**Note:** If there are 2 or more occasional drivers licensed less than 9 years in Canada or U.S. assigned to a vehicle, the vehicle cannot be rated Class 02.~~ **Class 03** a) Pleasure use and commute use b) No business use or commercial use c) Principal operator is licensed at least 9 years. d) More than 2 drivers (excluding drivers rated under Class 05) and those drivers have held a valid driver's licence In Canada or U.S. for the past 9 years or more **Class 05** Occasional driver(s) licensed less than 9 years in Canada or U.S. where the vehicle is rated class 02, 03, 07, 10, 11, 12 or 13. **Notes: Class 05** ~~1) If there is one vehicle in a household and 2 or more drivers all qualifying for First Chance Discount rating, the principal operator shall be the driver generating the greatest premium and a Class 05 shall apply to the remaining driver(s).~~ ~~If there is one vehicle in a household and 2 or more drivers, with 1 driver not qualifying for First Chance Discount rating, the principal operator shall be the driver not qualifying for First Chance Discount rating and Class 05 shall apply to the remaining driver(s).~~ 1) The vehicle is first rated as if there are no occasional drivers licensed less than 9 years in Canada or U.S. Premium is then charged for ~~the~~ such occasional drivers by adding the Liability, DCPD, Collision Coverage. It is not permissible to issue a policy solely at Class 05 rates. 2) The Liability limit, DCPD *(Not available in Northwest Territories, Nunavut and Yukon)* and Collision deductibles for Class 05 drivers must be identical to the limit and deductible provided for the vehicle, except when varied by END 28. ~~(Reduction of Coverage as Respects Operation by Named Persons)~~. 3) Class 05 develops its own driving record, based on the experience of the driver(s) concerned.	FA is aiming to harmonize and simplify the wordings across all jurisdictions Note removed as located in other section of manual	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 111: Rating Class	4) Where there are 2 or more occasional drivers licensed less than 9 years in Canada or U.S.: a) **One vehicle:** If there is one vehicle in a household and 2 or more drivers all qualifying for First Chance Discount rating, the principal operator shall be the driver generating the greatest premium. Class 05 shall apply to the remaining driver(s). b) If there is one vehicle in a household and 2 or more drivers, with 1 driver not qualifying for First Chance Discount rating, the principal operator shall be the driver not qualifying for First Chance Discount rating and a Class 05 shall apply to the remaining driver(s). c) **Number of vehicles equal to number of occasional drivers licensed less than 9 years in Canada or U.S.:** Charge a Class 05 on each vehicle. d) **Number of occasional drivers exceeds the number of vehicles:** Starting with the Class 05 driver who generates the lowest driving record, each occasional driver shall be assigned to the vehicle with the highest rate group. *Example* Policy covers 3 cars, 3 drivers licensed 9 years or more in Canada or U.S. and 4 occasional drivers licensed less than 9 years in Canada or U.S. (four Class 05) eligible for First Chance Discount Rating with no driver training. Vehicle 1 rate group 5 Vehicle 2 rate group 10 Vehicle 3 rate group 13 Driver 1 Class 05 – lic'd 6 mos.	4) ~~Where~~ If there are ~~2~~ two or more occasional drivers licensed less than 9 years in Canada or U.S. *(Applicable to New Brunswick only)* a) **One vehicle:** **i.** If there is one vehicle in a household and ~~2~~ two or More driver all qualifying for First Chance Discount rating, the principal operator shall be the driver ~~generating the greatest~~ who produces the highest premium. Class 05 shall apply to the remaining driver(s). **ii** ~~b)~~If there is one vehicle in a household and ~~2~~ two or more drivers, with ~~1~~ one driver not qualifying for First Chance Discount rating, the principal operator shall be the driver not qualifying for First Chance Discount rating and a Class 05 shall apply to the remaining driver(s). **iii.** If there is one vehicle in the household and 2 or more drivers with none qualifying for First Chance Discount rating, the principal operator shall be the driver who produces the highest premium. b) ~~c)~~ **Number of vehicles equal to number of occasional drivers ~~licensed less than 9 years in Canada or U.S.~~**: Charge a Class 05 on each vehicle. c) ~~d)~~ **Number of occasional drivers exceeds the number of vehicles:** Starting with the Class 05 driver who generates the lowest driving record, each occasional driver shall be assigned to the vehicle with the highest rate group. ~~*Example*~~ ~~Policy covers 3 cars, 3 drivers licensed 9 years or more in Canada or U.S. and 4 occasional drivers licensed less than 9 years in Canada or U.S. (four Class 05) eligible for First Chance Discount Rating with no driver training.~~ ~~Vehicle 1 rate group 5~~ ~~Vehicle 2 rate group 10~~ ~~Vehicle 3 rate group 13~~ ~~Driver 1 Class 05 – lic'd 6 mos.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 111: Rating Class	Driver 2 Class 05 – lic'd 3 yrs. Driver 3 Class 05 – lic'd 5 yrs. Driver 4 Class 05 – lic'd 2 yrs. Driver 1 assigned to vehicle 3 Driver 4 assigned to vehicle 2 Driver 2 assigned to vehicle 1 5) A Class 05 premium shall not be charged for a driver whose licence is Learner or Level One. 6) If there are two or more occasional drivers licenced less than 9 years assigned to a vehicle, the vehicle cannot be rated Class 02. 7) If there is one occasional driver licenced less than 9 years assigned to a vehicle, the vehicle cannot be rated Class 01. **Class 07** a) Business use or business and pleasure use b) No commercial use c) All drivers have held a valid drivers licence in Canada or U.S. for the past 9 years or more d) No occasional driver licensed less than 9 years in Canada or U.S. unless a separate Class 05 premium is charged. e) Private passenger type vehicles used as short term rentals or driver training vehicles (refer to Rules 146 and 148.) **Class 10** Principal operator licensed 0 - 2 years in Canada or U.S. with no First Chance Discount rating applicable **Class 11** Principal operator licensed 3 - 4 years in Canada or U.S. OR Principal operator licensed 0 - 2 years in Canada or U.S. with no driver training and eligible for First Chance Discount rating	~~Driver 2 Class 05 – lic'd 3 yrs.~~ ~~Driver 3 Class 05 – lic'd 5 yrs.~~ ~~Driver 4 Class 05 – lic'd 2 yrs.~~ ~~Driver 1 assigned to vehicle 3~~ ~~Driver 4 assigned to vehicle 2~~ ~~Driver 2 assigned to vehicle 1~~ 5) A Class 05 premium shall not be charged for a driver whose licence is ~~Learner or Level One.~~ learner's permit or level one. 6) If there are two or more occasional drivers licenced less than 9 years assigned to a vehicle, the vehicle cannot be rated Class 02. 7) If there is one occasional driver licenced less than 9 years assigned to a vehicle, the vehicle cannot be rated Class 01. **Class 07** a) Business use ~~or business~~ including commute and pleasure use b) No commercial use c) Private passenger type vehicles used as short term rentals or driver training vehicles (~~refer~~ Refer to Rules 146 and 148.) d) All drivers have held a valid drivers licence in Canada or U.S. for the past 9 years or more e) No occasional driver licensed less than 9 years in Canada or U.S. unless a separate Class 05 premium is charged. **Class 10** Principal operator licensed 0 - 2 years in Canada or U.S. with no First Chance Discount rating applicable **Class 11** Principal operator licensed 3 - 4 years in Canada or U.S. OR Principal operator licensed 0 - 2 years in Canada or U.S. with no driver training and eligible for First Chance Discount rating	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 111: Rating Class	**Class 12** Principal operator licensed 5 - 6 years in Canada or U.S. OR Principal operator licensed 0 - 5 years in Canada or U.S. with driver training and eligible for First Chance Discount rating **Class 13** Principal operator licensed 7 - 8 years in Canada or U.S.	**Class 12** Principal operator licensed 5 - 6 years in Canada or U.S. OR Principal operator licensed 0 - 5 years in Canada or U.S. with driver training and eligible for First Chance Discount rating **Class 13** Principal operator licensed 7 - 8 years in Canada or U.S.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 112 Method of Rating for More than One Use	**Rule 112: Method of Rating for More Than One Use** Refer to the applicable section of this manual e.g. Commercial	**Rule 112:** ~~**Method of Rating for More Than One Use**~~ ~~Refer to the applicable section of this manual e.g. Commercial~~ **Not applicable**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 113: Driving Record	**A. Clear Record** Previous Insurance History must be obtained on the applicant and all drivers shown on the application or added to an existing policy. For commercial vehicles, Previous Insurance History must be ordered on the applicant. Verification of Previous Insurance History begins with the insurance immediately preceding the commencement of the FA policy and works backwards. The maximum applicable driving record is the number of claims-free years verified by the Previous Insurance History e.g. If 2 years are verified, the maximum driving record is 2.** Without proof of prior insurance, a maximum Driving Record 0 is applicable. ** **These are not applicable to drivers rated for the First Chance Discount **1. Vehicles Owned by Individuals** Where vehicles are owned by individuals, all the operators have held a valid Canadian or U.S. licence throughout the period concerned. Licence suspensions can affect Clear Record.	**A. Clear Record** Previous Insurance History must be obtained on the Applicant and all drivers shown on the application or added to an existing policy. ~~For commercial vehicles, Previous Insurance History must be ordered on the applicant.~~ Verification of Previous Insurance History begins with the insurance immediately preceding the commencement of the FA policy and works backwards. ~~The maximum applicable driving record is the number of claims-free years verified by the Previous Insurance History e.g. If 2 years are verified, the maximum driving record is 2.**~~ Without proof of prior insurance, a maximum Driving Record 0 is applicable. **NOTE:** These are not applicable to drivers rated for the First Chance Discount. **1. Vehicles Owned by Individuals** Where vehicles are owned by individuals, all the operators have held a valid ~~Canadian or U.S.~~ licence throughout the period concerned. Licence suspensions can affect Clear Record.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	**2. Vehicles Owned by Partnerships, a Company, Association or Municipality** The applicant has owned the described vehicle or one for which it has been substituted. (Ownership is established from the date on which the applicant takes possession of the vehicle.) Where vehicles are owned by partnerships, a company, association or municipality and the vehicles are used for pleasure and/or business purposes (not commercial); vehicles shall be rated as though they were owned by an individual. **3. For all vehicles described in 1 and 2:** a) Throughout the period concerned, there has been no accident involving the described vehicle or one for which it has been substituted as verified through a loss history report or a letter from the previous insurer. b) Throughout the period concerned, there has been no accident arising out of the use or operation of any other vehicle by the applicant, or any other driver as verified through a loss history report or a letter from the previous insurer. c) Accidents arising out of the use or operation of other vehicles for which any listed operator other than the applicant is responsible shall not be considered if the listed operator involved is currently being charged with the accident as principal operator of another vehicle (subject to Rule 135: Definition of Accident). The Servicing Carrier may ask for a copy of the policy insuring the other listed driver. Such an accident (involving other than the insured vehicle) occurring after the commencement of this insurance shall only be taken into account if a claim is made under this insurance. *Examples:* The FA policy term runs from January 2000 to January 2001. 1. In July 2000 the insured's son who is a listed driver on the FA policy has an at fault accident driving a company car assigned to him and is charged with the	**2. Vehicles Owned by Partnerships, a Company, Association or Municipality** The Applicant has owned the described vehicle or one for which it has been substituted. (Ownership is established from the date on which the Applicant takes possession of the vehicle.) Where vehicles are owned by partnerships, a company, association or municipality and the vehicles are used for pleasure and/or business purposes (not commercial); vehicles shall be rated as though they were owned by an individual. **3. For all vehicles described in 1 and 2:** a) Throughout the period concerned, there has been no chargeable accident involving the described vehicle or one for which it has been substituted as verified through a loss history report or a letter from the previous Insurer. b) Throughout the period concerned, there has been no chargeable accident arising out of the use or operation of any other vehicle by the Applicant, principal operator or any other driver as verified through a loss history report or a letter from the previous Insurer. c) Chargeable accident arising out of the use or operation of other vehicles for which any listed operator other than the Applicant is responsible shall not be considered if the listed operator involved is currently being charged with the chargeable accident as principal operator of another vehicle (subject to Rule 135~~: Definition of Accident~~). The Servicing Carrier may ask for a copy of the policy insuring the other listed driver. Such ~~an~~ a chargeable accident (involving other than the insured vehicle) occurring after the commencement of this insurance shall only be taken into account if a claim is made under this insurance. ~~*Examples:*~~ ~~The FA policy term runs from January 2000 to January 2001.~~ ~~1. In July 2000 the insured's son who is a listed driver on the FA policy has an at fault accident driving a company car assigned to him and is charged with the claim. No~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	claim. No claim is made under the FA policy. At renewal in January 2001, the claim is not included in the calculation of driving record on the FA policy because the claim involved a listed driver who is being charged for the claim an operator on another vehicle. 2. In July 2000, the insured has an at fault accident driving a company car insured with the voluntary market side of the Servicing Carrier. At renewal the claim is not included in the calculation of driving record on the FA policy because the claim occurred on a vehicle insured elsewhere after the commencement of the FA policy. 3. Same as example 2 but during 2000 there was no Collision coverage on the FA policy and the claim on the company car was a Collision claim. At renewal the insured adds Collision coverage to the FA policy. The claim is not included in the calculation of the driving record on the FA policy because the claim occurred on a vehicle insured elsewhere after the commencement of the FA policy. 4. The vehicle on the FA policy was insured for Liability and Accident Benefits only. In July 2000 there was an at fault accident resulting in damage to the described vehicle but no payout was made because there was no Collision coverage. At renewal the insured adds Collision. The accident is included in the Collision rating because the accident involved the described vehicle. Accidents on heavy or specialized vehicles shall not be taken into account when rating private passenger vehicles. See Rule 135: How to Allocate Chargeable Accidents. **4. Calculating Clear Record with a Licence Suspension/Cancellation/Lapse** Suspension of Operator's Licence can be one of two types: 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.	~~claim is made under the FA policy. At renewal in January 2001, the claim is not included in the calculation of driving record on the FA policy because the claim involved a listed driver who is being charged for the claim an operator on another vehicle.~~ ~~2. In July 2000, the insured has an at fault accident driving a company car insured with the voluntary market side of the Servicing Carrier. At renewal the claim is not included in the calculation of driving record on the FA policy because the claim occurred on a vehicle insured elsewhere after the commencement of the FA policy.~~ ~~3. Same as example 2 but during 2000 there was no Collision coverage on the FA policy and the claim on the company car was a Collision claim. At renewal the insured adds Collision coverage to the FA policy. The claim is not included in the calculation of the driving record on the FA policy because the claim occurred on a vehicle insured elsewhere after the commencement of the FA policy.~~ ~~4. The vehicle on the FA policy was insured for Liability and Accident Benefits only. In July 2000 there was an at fault accident resulting in damage to the described vehicle but no payout was made because there was no Collision coverage. At renewal the insured adds Collision. The accident is included in the Collision rating because the accident involved the described vehicle.~~ Accidents on heavy or specialized vehicles shall not be taken into account when rating private passenger vehicles. See Rule 135~~: How to Allocate Chargeable Accidents~~. **4. Calculating Clear Record with a Licence Suspension /Cancellation/Lapse** Suspension of Operator's Licence can be one of two types: **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.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	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** • If the total time suspended is less than 1 year in the past 6 years, the driving record will be reduced by 1. • If the total time suspended is 1 year or more in the past 6 years, the driving record will be calculated from the most recent reinstatement date. *Examples:* 1. Risk is eligible for Driving Record 4. One operator has 6 month suspension for demerit points. Risk now qualifies for Driving Record 3. 2. Risk is eligible for Driving Record 4. One operator has 18 month suspension for convictions reinstated May 1, 2003 and policy is effective June 1, 2003. Risk now qualifies for Driving Record 0. **B. With administrative suspensions/cancellation/ lapse:** • If the total time suspended / cancelled / lapsed is less than 1 year in the past 6 years, the driving record will not be affected. • If the total time suspended / cancelled / lapsed is 1 year or more in the past 6 years, the driving record will be reduced by 1 for every year suspended / cancelled / lapsed. *Examples:* 1. Risk is eligible for Driving Record 4. One operator has 10 month suspension for unpaid fines. Risk now qualifies for Driving Record 4.	~~**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** ~~•~~ If the total time the driver's licence has been suspended is less than 1 year in the past 6 years, the driving record will be reduced by 1. ~~•~~ If the total time the driver's licence has been suspended is 1 year or more in the past 6 years, the driving record will be calculated from the most recent reinstatement date. ~~*Examples:*~~ ~~1. Risk is eligible for Driving Record 4. One operator has 6 month suspension for demerit points. Risk now qualifies for Driving Record 3.~~ ~~2. Risk is eligible for Driving Record 4. One operator has 18 month suspension for convictions reinstated May 1, 2003 and policy is effective June 1, 2003. Risk now qualifies for Driving Record 0.~~ **B. Administrative Suspension/ Cancellation/Lapse:** A suspension/cancellation/lapse for one year or more for any reason other than those outlined in item A. Suspension for Cause. **With administrative suspensions/cancellation lapse:** If the total time the driver's licence has been suspended/ cancelled/lapsed is less than 1 year in the past 6 years, the driving record will not be affected. *(Applicable in New Brunswick only).* If the total time the driver's licence has been suspended/ cancelled/lapsed is 1 year or more in the past 6 years, the driving record will be reduced by 1 for every year suspended/cancelled/lapsed. *(Applicable in New Brunswick only).* ~~*Examples:*~~ ~~1. Risk is eligible for Driving Record 4. One operator has 10 month suspension for unpaid fines. Risk now qualifies for Driving Record 4.~~ ~~2. Risk is eligible for Driving Record 4. One operator has~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	2. Risk is eligible for Driving Record 4. One operator has 24 month suspension for unpaid fines. Risk now qualifies for Driving Record 2. Notes: 1. An operator with a licence suspension is not eligible for a First Chance Discount. 2. If the licence of the person reported as an operator is currently suspended/cancelled/lapsed see Rule 142: Suspension of Operator's Licence. 3. Alcohol Ignition Interlock Device Programme Under the Interlock Programme, the length of the licence suspension shall be calculated from the date the licence was suspended to the date the Interlock Programme was entered. *For example:* License was suspended from January 1 to July 1. The driver entered the Interlock Programme on March 1. The total time the driver's licence is considered to have been suspended is 2 months (January 1 to March 1) not 6 months. **B. Driving Record Entitlement** Driving record is determined by: • Years licensed and type of licence • Number of at-fault accidents • Prior insurance • Unacceptable gaps in insurance • Licence suspensions • Number and type of convictions	~~24 month suspension for unpaid fines. Risk now qualifies for Driving Record 2.~~ **NOTE A and B:** ~~Notes:~~ 1. An operator with a licence suspension is not eligible for a First Chance Discount. Refer to Rule 113.E *(Applicable in New Brunswick only)* ~~2. If the licence of the person reported as an operator is currently suspended/cancelled/lapsed see Rule 142: Suspension of Operator's Licence.~~ ~~3. Alcohol Ignition Interlock Device Programme Under the Interlock Programme, the length of the licence suspension shall be calculated from the date the licence was suspended to the date the Interlock Programme was entered.~~ ~~For example: License was suspended from January 1 to July 1. The driver entered the Interlock Programme on March 1. The total time the driver's licence is considered to have been suspended is 2 months (January 1 to March 1) not 6 months~~ **Ignition Interlock** Under the Ignition Interlock Program, it is a condition of the driver's licence reinstatement that the driver is prohibited from driving any motor vehicle that is not equipped with an approved ignition interlock device. For drivers who have entered the Ignition Interlock Program, the length of the licence suspension shall be calculated from the date the licence was suspended to the date the Ignition Interlock Program was entered. **B. Driving Record Entitlement** Driving record is determined by: • Years licensed and type of licence • Number of at-fault accidents • Prior insurance • Unacceptable gaps in insurance • Licence suspensions • Number and type of convictions **Notes:**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 113:

Driving Record</td>
<td>Notes:
1. The driving record established applies to all coverages for which driving record is a factor. There is no split rating. A chargeable accident will affect the rating of Liability, DCPD (Not available in Northwest Territories, Nunavut and Yukon) and Collision coverages.

2. Where an applicant owns more than one vehicle, each vehicle’s driving record is established separately. Where an additional vehicle is acquired, it will develop its own driving record.

3. Where a private passenger vehicle replaces another, it acquires the driving record of the replaced vehicle except when there is also a change of principal operator.

4. A loss history report or letter from the prior carrier in Canada or the U.S. is required to confirm claims free experience on the vehicle being insured or a vehicle for which prior insurance is acceptable. This is applicable for all driving records.
<table>
<tr><th>Type of vehicle involved in the accident</th><th>Type of vehicle for acceptable prior insurance</th></tr>
<tr><td>Private Passenger</td><td>Private Passenger, Motorhome, Light Commercial, Light Public or Garage</td></tr>
</table>
Where a loss history report or letter from the previous insurer verifying claims free experience in Canada or the U.S. is not available or refers to a type of vehicle not shown in this chart, the insured shall be eligible for a maximum of Driving Record 0.

This does not apply to drivers who qualify for First Chance Discount.

5. Class 05 is rated separately from the underlying class based on the operator(s) concerned.</td>
<td>1. The driving record established applies to all coverages for which driving record is a factor. There is no split rating. A chargeable accident will affect the rating of Liability, DCPD (Not available in Northwest Territories, Nunavut and Yukon) and Collision coverages.

2. Where an Applicant owns more than one vehicle, each vehicle’s driving record is established separately. Where an additional vehicle is acquired, it will develop its own driving record.

3. Where a private passenger vehicle replaces another, it acquires the driving record of the replaced vehicle except when there is also a change of principal operator.

4. A loss history report or letter from the prior carrier in Canada or the U.S. is required to confirm claims free experience on the vehicle being insured or a vehicle for which prior insurance is acceptable. This is applicable for all driving records.
<table>
<tr><th>Type of vehicle involved in the accident</th><th>Type of vehicle for acceptable prior insurance</th></tr>
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</table>
Where a loss history report or letter from the previous Insurer verifying claims free experience in Canada or the U.S. is not available or refers to a type of vehicle not shown in this chart, the Insured shall be eligible for a maximum of Driving Record 0.

NOTE: This does not apply to drivers who qualify for First Chance Discount. (Applicable in New Brunswick only)

5. Class 05 is rated separately from the underlying class based on the operator(s) concerned. (Applicable in New Brunswick & Newfoundland & Labrador only).
6. Rateable gaps in insurance coverage within the 6</td>
<td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td>
<td>This will not impact premiums</td>
</tr>
</table>

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	6. Gaps in insurance coverage within the 6 years immediately preceding the effective date of the insurance shall have the following effect on the assignment of driving record: a) If the gap in insurance coverage is 24 consecutive months or more in the past 6 years, the driving record will be reduced by 1 for each 12 months of the gap. b) If the gap in insurance coverage is less than 24 consecutive months in the past 6 years and the gap is the result of a termination for non-payment of premium, termination for nondisclosure of an accident or conviction that would have increased the premium, or driver's licence suspension for an offence related to the operation of an automobile, the driving record will be reduced by 1 for each 12 month gap in coverage. c) If the gap in insurance coverage is less than 24 consecutive months in the past 6 years and the gap is for any reason other than one cited above, the driving record will not be impacted.	years immediately preceding the effective date of the insurance will have impact ~~shall have the following effect~~ on the assignment of the driving record: ~~a) If the gap in insurance coverage is 24 consecutive months or more in the past 6 years, the driving record will be reduced by 1 for each 12 months of the gap.~~ ~~b) If the gap in insurance coverage is less than 24 consecutive months in the past 6 years and the gap is the result of a termination for non-payment of premium, termination for nondisclosure of an accident or conviction that would have increased the premium, or driver's licence suspension for an offence related to the operation of an automobile, the driving record will be reduced by 1 for each 12 month gap in coverage.~~ Rateable gaps in insurance are the result of: • a termination for non-payment of premium, • termination for nondisclosure of an accident or conviction that would have increased the premium, • driver's licence suspension for an offence related to the operation of an automobile a) If the gap in insurance coverage is less than 24 consecutive months in the past 6 years, the driving record will be reduced by 1 for each year's gap in coverage. b) If the gap in insurance coverage is less than 24 consecutive months in the past 6 years and the gap is for any reason other than the ones cited above, the driving record will not be impacted. c) If the gap in insurance coverage is 24 consecutive months or more in the past 6 years, the driving record will be reduced by 1 for each year's gap in coverage. ~~12 months of the gap.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	NOTE: Gaps in insurance coverage are not factored into the driving record of drivers who qualify for First Chance Discount rating. *For example:* The applicant has proof of accident free insurance from June 1, 2004 to February 15, 2008 when the car was sold and policy cancelled. Effective date of FA policy is July 1, 2008. Since the gap is less than 24 months (February 15, 2008 to July 1, 2008), there is no impact on the driving record. The applicant has proof of accident free insurance from June 1, 2004 to May 20, 2007 when the policy was cancelled for nonpayment of premium. Effective date of FA policy is July 1, 2008. Since the gap is less than 24 months (May 20, 2007 to July 1, 2008) but for a reason indicated above, the driving record is reduced by 1 year. 7. Where an accident or conviction surcharge (15% or more) is applied to a vehicle premium, a maximum of Driving Record 3 shall be allowed. 8. See Rule 113: New Drivers to establish Driving Record for New Drivers. 9. Credit for Driving Experience Outside Canada Driving experience gained outside Canada or the United States will not be recognized. Drivers with experience outside Canada or the United States will be rated as new drivers. 10. International Drivers Licence As a new resident of Canada, an operator is required to apply for a driver's licence in the jurisdiction in which he or she will be living. Driving Record 0 applies until a Level 2 or regular licence is issued. 11. Tourist or Temporary Resident A. If the operator is a non-resident of Canada touring North America, the remarks section of the application must indicate:	**NOTE:** Gaps in insurance coverage are not factored into the driving record of drivers who qualify for First Chance Discount rating. *(Applicable in New Brunswick only)* ~~*For example:* The applicant has proof of accident free insurance from June 1, 2004 to February 15, 2008 when the car was sold and policy cancelled. Effective date of FA policy is July 1, 2008. Since the gap is less than 24 months (February 15, 2008 to July 1, 2008), there is no impact on the driving record.~~ ~~The applicant has proof of accident free insurance from June 1, 2004 to May 20, 2007 when the policy was cancelled for nonpayment of premium. Effective date of FA policy is July 1, 2008. Since the gap is less than 24 months (May 20, 2007 to July 1, 2008) but for a reason indicated above, the driving record is reduced by 1 year.~~ 7. Where an accident or conviction surcharge (15% or more) is applied to a vehicle premium, a maximum of Driving Record 3 shall be allowed. 8. See Rule 114 ~~113: New Drivers~~ to establish Driving Record for New Drivers. 9. Credit for Driving Experience Outside Canada Driving Experience outside Canada or the United States will not be recognized. Drivers with experience Outside Canada or the United States will be rated as new drivers. 10. International Driving Permit/International Drivers Licence As a new resident of Canada, the principal ~~an~~ operator is required to apply for a driver's licence in the jurisdiction in which the Insured ~~he or she will~~ be living. Driving Record 0 applies until a Level 2 or regular licence is issued. (*Applicable in New Brunswick, Newfoundland & Labrador, Northwest Territories, Nova Scotia and Yukon only)* 11. Tourist or Temporary Resident A. If the operator is a non-resident of Canada touring North America, the remarks section of the application must indicate:	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	1. that the operator is a non-resident; 2. the country where the operator normally resides; 3. the anticipated length and purpose of the visit. If touring, the remarks section must indicate the anticipated itinerary – Refer to Rules 138 and 144. B. If the operator is a non- permanent/temporary resident, the remarks section of the application must indicate: 1) that the operator holds a valid licence from country of origin Or 2) that the operator holds a valid licence for the jurisdiction of U.S. residence And 3) a copy of the licence must be provided to the Servicing Carrier The risk shall be rated at Driving Record 0 unless the application is accompanied by documentation of driving experience in Canada or the United States acceptable to the Servicing Carrier that would verify claims free driving history. The maximum available is Driving Record 3. **C. Admission to Driving Record 5** The assignment of Driving Record 5 is permissible only if it can definitely be verified - from the Servicing Carrier's own files and/or by confirmation from previous insurers that the following requirements are met: **Every driver in the household (except as provided in the notes below) has:** a) Continuously held a valid operator's licence (with no suspensions as described in Rule 113: Clear Record) in Canada or the U.S. for the past five years; and	1. that the principal operator is a non-resident; 2. the country where the principal operator normally resides; 3. the anticipated length and purpose of the visit. If touring, the remarks section must indicate the anticipated itinerary. Refer to Rule~~s~~ 138 and Rule 144. B. If the operator is a non- permanent/temporary resident, the remarks section of the application must indicate: *(Applicable in New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island only)* 1) that the principal operator holds a valid licence from country of origin Or 2) that the principal operator holds a valid licence for the jurisdiction of U.S. residence And 3) a copy of the valid driver's licence from the originating country must be provided to the Servicing Carrier The risk shall be rated at Driving Record 0 unless the application is accompanied by documentation of driving experience in Canada or the United States acceptable to the Servicing Carrier that would verify claims free driving history. The maximum available is Driving Record 3. **C. Admission to Driving Record 5** The assignment of Driving Record 5 is permissible only if it can definitely be verified – from the Servicing Carrier's own files and/or by confirmation from previous Insurers that the following requirements are met: **Every driver in the household (except as provided in the notes below) has:** a) Continuously held a valid operator's licence (with no suspensions as described in Rule 113~~: Clear Record~~) in Canada or the U.S. for the past five years; and	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	b) Not been involved in an at fault accident during the past five years; and c) Not had during the past three years any conviction(s) warranting a surcharge. **Notes:** 1) Where the policy applies to more than one private passenger vehicle but there is only one driver for two or more of the vehicles, if any one of the vehicles that he/she drives is ineligible for Driving Record 5 because of driving history, none of those vehicles is eligible. 2) Driving Record 5 may apply to a Class 05 driver provided every occasional driver rated under Class 05 meets all requirements. Class 05 qualifies independently of the underlying class 02, 03 or 07. Therefore, if the 05 driver(s) do not qualify for Driving Record 5, the underlying class may still be eligible and vice versa.. 3) Verification If an application is submitted requesting Driving Record 5, and it meets all requirements concerning period licensed and convictions and 5 years claims free experience is confirmed through a loss history report or a letter from the previous insurer, the risk shall be rated at Driving Record 5 (provided there is no unacceptable gap in coverage of 12 months or more in the preceding 5 years – Refer to Rule 113:B.). 4) Subsequent Renewals For a risk to be renewed at Driving Record 5, it must continue to meet Driving Record 5 requirements. 5) For drivers to qualify for Driving Record 5 under First Chance Discount rating, drivers must have: a) Held a valid driver's licence in Canada or U.S. for the past 5 years b) Not completed an approved driver training course c) No at-fault accidents d) No convictions e) No licence suspensions	b) Not been involved in a~~n~~ chargeable (at fault) accident during the past five years; and c) Not had during the past three years ~~any conviction(s) warranting a surcharge.~~ a serious or major conviction nor more than two minor convictions. **Notes:** 1) If the policy applies to more than one vehicle 'Every driver in the household 'shall be interpreted to mean, 'Every person who regularly or frequently drives the vehicle'. 2) Where the policy applies to more than one private passenger vehicle but there is only one driver for two or more of the vehicles, if any one of the vehicles that the Insured ~~he/she~~ drives is ineligible for Driving Record 5 because of driving history, none of those vehicles is eligible. 3) Driving Record 5 may apply to a Class 05 driver provided every occasional driver rated under Class 05 meets all requirements. Class 05 qualifies independently of the underlying class 02, 03 or 07. Therefore, if the 05 driver(s) do not qualify for Driving Record 5, the underlying class may still be eligible and vice versa. *(Applicable to New Brunswick and Newfoundland & Labrador only)* For drivers to qualify for Driving Record 5 under First Chance Discount rating, drivers must have *(Applicable in New Brunswick only):* a) Held a valid driver's licence in Canada or U.S. for the past 5 years b) Not completed an approved driver training course c) No at-fault accidents d) No convictions e) No licence suspensions 4) Where the Applicant is not an individual: a) If the vehicle is furnished for the regular use of one person, the 'household' referred to is the household of that person. b) Otherwise, the words 'Every driver in the household' shall be interpreted to mean 'Every person who is permitted to drive the vehicle'.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	6) If the policy applies to more than one vehicle "Every driver in the household" shall be interpreted to mean, "Every person who regularly or frequently drives the vehicle". **D. Admission to Driving Record 6** Subject to the Notes below regarding Class 05 drivers, every driver in the household (including every occasional driver) has, at the commencement date of the period of insurance: a) continuously held a valid operator's licence for the past six years – this requirement does not permit any suspension (as defined in Rule 106) of the licence during the past six years; and b) Not been involved in an at fault accident (as defined in Rule 135) during the past six years; and c) Not during the past three years had a conviction for any of the traffic offences referred to or listed in Rule 136. **Notes:** 1. If the policy applies to more than one private passenger vehicle but there is only one driver for two or more of the vehicles: If **any** one of the vehicles that he/she drives is ineligible for Driver Record 6 because of driving history, **none** of those vehicles is eligible. 2. In order for Class 05 to qualify for Driving Record 6, every occasional driver to whom the Class 05 premium applies must meet the requirements 'a', 'b' and 'c' above	5) Verification If an application is submitted requesting Driving Record 5, and it meets all requirements concerning period licensed and convictions and 5 years claims free experience is confirmed through a loss history report or a letter from the previous insurer, the risk shall be rated at Driving Record 5 provided there are no rateable gaps in coverage ~~(provided there is no unacceptable gap in coverage of 12 months or more~~ in the preceding 5 years. Refer to Rule 113.B. 6) Subsequent Renewals For a risk to be renewed at Driving Record 5, it must continue to meet the Driving Record 5 requirements. There is no 'forgiveness' feature. **D. Admission to Driving Record 6** ~~Subject to the Notes below regarding Class 05 drivers, every~~ Every driver in the household (including every occasional driver) has, at the commencement date of the period of insurance: a) Continuously held a valid operator's licence (with no suspensions as described in Rule 113) in Canada or the U.S. for the past six years. ~~– this requirement does not permit any suspension (as defined in Rule 106) of the licence during the past six years; and~~ b) Not been involved in a~~n~~ chargeable (at fault) accident ~~(as defined in Rule 135)~~ during the past six years; and c) Not during the past three years had a conviction for any of the traffic offences referred to or listed in Rule 136. **Notes:** 1. If the policy applies to more than one private passenger vehicle but there is only one driver for two or more of the vehicles: If **any** one of the vehicles that the Insured ~~he/she~~ drives is ineligible for Driver Record 6 because of driving history, **none** of those vehicles is eligible. 2. In order for Class 05 to qualify for Driving Record 6,every occasional driver to whom the Class 05 premium applies must meet the requirements 'a', 'b' and 'c' above or must	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	or must qualify for First Chance Discount rating with driver training. If any driver to whom the Class 05 applies does not meet either criteria, the Class 05 cannot be eligible for Driving Record 6. Class 05 qualifies independently of the underlying class 02, 03 or 07. Therefore, if the 05 driver(s) do not qualify for Driving Record 6, the underlying class may still be eligible and vice versa. 3. If an application is submitted requesting Driving Record 6, and it meets all requirements concerning period licensed and convictions and 6 years claims free experience is confirmed through a loss history report or a letter from the previous insurer, the risk shall be rated at Driving Record 6 (provided there is no unacceptable gap in coverage of 1 year or more in the preceding 6 years – Refer to Rule 113:B.). Where a loss history report or letter from the previous insurer is not available, the insured shall be eligible for a maximum of Driving Record 0. 4. For a risk to be renewed at Driving Record 6, it must continue to meet Driving Record 6 requirements. 5. For drivers to qualify for Driving Record 6 under First Chance Discount rating, drivers must have: a) Held a driver's licence in Canada or U.S for less than 6 years b) Completed an approved driver training course c) No at-fault accidents d) Conformed to the Recently Licensed Driver Rate Reduction– Insurance Act e) No licence suspensions **E. First Chance Discount** This is for inexperienced drivers who have no at fault claims, convictions or licence suspensions. If the rated driver has been licensed less than 6 years in Canada or the United States:	qualify for First Chance Discount rating with driver training. If any driver to whom the Class 05 applies does not meet either criteria, the Class 05 cannot be eligible for Driving Record 6. Class 05 qualifies independently of the underlying class 02, 03 or 07. Therefore, if the 05 driver(s) do not qualify for Driving Record 6, the underlying class may still be eligible and vice versa. 3. If an application is submitted requesting Driving Record 6, and it meets all requirements concerning period licensed and convictions and 6 years claims free experience is confirmed through a loss history report or a letter from the previous Insurer, the risk shall be rated at Driving Record 6 provided there are no rateable gaps in coverage ~~(provided there is no unacceptable gap in coverage of 1 year or more~~ in the preceding 6 years – Refer to Rule 113:B.~~).~~ ~~Where a loss history report or letter from the previous insurer is not available, the insured shall be eligible for a maximum of Driving Record 0.~~ 4. For a risk to be renewed at Driving Record 6, it must continue to meet Driving Record 6 requirements. There is no 'forgiveness' feature. 5. For drivers to qualify for Driving Record 6 under First Chance Discount rating, drivers must have: a) Held a driver's licence in Canada or U.S for less than 6 years b) Completed an approved driver training course c) No at-fault accidents d) Conformed to the Recently Licensed Driver Rate Reduction– Insurance Act e) No licence suspensions f) No convictions **E. First Chance Discount** This is for inexperienced drivers who have no at fault claims, convictions or licence suspensions. If the rated driver has been licensed less than 6 years in Canada or the United States:	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving Record	- with driver training, Driving Record '6' is applicable. - without driver training, Driving Record '3' is applicable. - without driver training but licensed more than 3 years, the actual driving record is applicable e.g. Driver licensed 4 years is eligible for Driving Record 4. If a risk to which First Chance Discount rating applies is involved in an at-fault accident, the risk shall be disqualified from First Chance Discount rating on the next renewal. If the driver to whom First Chance Discount rating is applied does not conform to the Recently Licensed Driver Rate Reduction Regulation, the driving record reverts to the actual years claims-free and the impact from gaps in insurance or no insurance, licence suspensions and convictions is applied.	- with driver training, Driving Record '6' is applicable. - without driver training, Driving Record '3' is applicable. - without driver training but licensed more than 3 years, the actual driving record is applicable ~~e.g. Driver licensed 4 years is eligible for Driving Record 4.~~ If a risk to which First Chance Discount rating applies is involved in an at-fault accident, the risk shall be disqualified from First Chance Discount rating on the next renewal. If the driver to whom First Chance Discount rating is applied does not conform to the Recently Licensed Driver Rate Reduction Regulation, the driving record reverts to the actual years claims-free and the impact from gaps in insurance or no insurance, licence suspensions and convictions is applied.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 114: New Drivers	**A. New Driver Definition** A new driver is a person who has held a valid operator's licence to drive a private passenger vehicle for a period of less than 5 years in Canada or the U.S. **B. Learner's Permit/Level One** Where the applicant, owner or sole operator holds only a Learners Permit, the risk will only qualify for Driving Record 0 until a valid operator's licence is obtained. If there is another operator in the household, that operator must be designated as the principal operator of the vehicle and rated accordingly. In all other cases, a driver with a Learners Permit or Level One licence shall not be rated as a driver or considered in the determination of class and driving record. Where the Level One learner's licence driver is the sole operator of a vehicle, there is no requirement to obtain the name and licence number of the driver who will accompany the Level One learner's licence driver. In the event information on the accompanying driver is provided, no driving record abstract or previous insurance history report is to be ordered for that driver.	**A. New Driver Definition** A new driver is a person who has held a valid operator's licence to drive a private passenger vehicle for a period of less than 5 years in Canada or the U.S. **B. Learner's Permit/Level One** (Level One/Level Two apply to those jurisdictions with Graduated Licensing) Where the Applicant, owner or sole operator holds only a Learners Permit or Level One Licence, the risk will only qualify for Driving Record 0 until a valid operator's licence is obtained. If there is another operator in the household, that operator must be designated as the principal operator of the vehicle and rated accordingly. In all other cases, a driver with a Learners Permit or Level One licence shall not be rated as a driver or considered in the determination of class and driving record. Where the Learner/Level One driver is rated as the principal ~~the sole~~ operator, there is no requirement to obtain the name and licence number of the driver who will accompany the Learner/Level One driver. In the event information on the accompanying driver is provided, no driving record abstract or previous insurance history report is to be ordered for that driver.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 114: New Drivers	**C. Driving Record** Drivers will be rated according to the number of years licensed, at fault accidents, gaps in insurance, licence suspensions, and convictions. Drivers will be rated on actual experience and no additional credits will be allowed e.g. driver training or 1 year in addition to the actual years licensed. For drivers licensed less than 6 years in Canada or the United States, refer to Rule 113:E First Chance Discount.	**C. ~~Driving Record~~ New Driver Credit** *(Applicable to New Brunswick only)* Drivers will be rated according to the number of years licensed, at fault accidents, gaps in insurance, licence suspensions, and convictions. Drivers will be rated on actual experience in Canada or the United States and no additional credits will be allowed e.g. driver training or 1 year in addition to the actual years licensed. ~~For drivers licensed less than 6 years in Canada or the United States, refer to Rule 113:E First Chance Discount.~~ **First Chance Credit** *(Applicable to New Brunswick only)* This is for inexperienced drivers who have no at fault claims, convictions or licence suspensions. If the rated driver has been licensed less than 6 years in Canada or the United States: - with driver training, Driving Record '6' is applicable. - without driver training, Driving Record '3' is applicable. - without driver training but licensed more than 3 years, the actual driving record is applicable e.g. Driver licensed 4 years is eligible for Driving Record 4. If a risk to which First Chance Credit rating applies is involved in an at-fault accident, the risk shall be disqualified from First Chance Credit rating on the next renewal. If the driver to whom First Chance Credit rating is applied does not conform to the Recently Licensed Driver Rate Reduction Regulation, the driving record reverts to the actual years claims-free and the impact from gaps in insurance or no insurance, licence suspensions and convictions is applied.	FA is aiming to harmonize and simplify the wordings across all jurisdiction and moving Rule 113.E First Chance Credit to Rule 114.C for consistency	This will not impact premiums
Rule 116: Vehicle Rate Group	For most vehicles the rate groups can be found in the Rate Group Table, which lists vehicles by manufacturer, model and year. If a current year make/model is not listed but it was listed in the immediately preceding year, use the rate group for	For most vehicles the rate groups can be found in the Rate Group Table, which lists vehicles by manufacturer, model and year. If a current year make/model is not listed but it was listed in the immediately preceding year, use the rate group for	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 116: Vehicle Rate Group	the immediately preceding year. If it was not listed in the immediately preceding year (It is a new model or there is a gap in model years), use rate group assigned by IBC's Vehicle Data Services. For model years prior to the earliest year shown in the Rate Group Tables, use the rate group for the oldest model year shown in the Rate Group Tables. The presence of after market equipment may affect the rate group. If the Insured wants coverage based on the value of the vehicle, the value must be substantiated by an appraisal from an independent appraiser acceptable to the Servicing Carrier at the Insured's expense and END 19 applied. **Rate Group "A"** The rate group is based on the insured's estimate of the vehicle's value. See the table at the beginning of the rate pages. **If estimated value is $15,000 or more** Where the vehicle's estimated value is $15,000 or more, the following requirements apply: If the vehicle is newly acquired from a dealer, a copy of the purchase agreement, confirming the vehicle's make/model, year, serial number and purchase price, must be sent to the Servicing Carrier. In any other circumstance, the value must be substantiated by an appraisal from an independent appraiser acceptable to the Servicing Carrier at the Applicant's expense. **ND 19 and END 40** Where the rate group is shown as 'A' or the estimated value is greater than $15,000 a completed and signed END 19 must be attached to the policy where the policy provides optional physical damage coverage. END 40 must be attached to the policy where there has been a prior fire or total vehicle theft loss within the past 60 months and the policy provides optional physical damage coverage. Where the policy provides only Third Party	the immediately preceding year. If it was not listed in the immediately preceding year (It is a new model or there is a gap in model years), use rate group assigned by IBC's Vehicle Data Services. For model years prior to the earliest year shown in the Rate Group Tables, use the rate group for the oldest model year shown in the Rate Group Tables. The presence of aftermarket equipment may affect the rate group. If the Insured wants coverage based on the value of the vehicle, the value must be substantiated by an appraisal from an independent appraiser acceptable to the Servicing Carrier at the Insured's expense and END 19 applied. **Rate Group "A"** The rate group is based on the Insured's estimate of the vehicle's value. See the table at the beginning of the rate pages. **If estimated value is $15,000 or more** Where the vehicle's estimated value is $15,000 or more, the following requirements apply: If the vehicle is newly acquired from a dealer, a copy of the purchase agreement, confirming the vehicle's make/model, year, serial number and purchase price, must be sent to the Servicing Carrier. In any other circumstance, the value must be substantiated by an appraisal from an independent appraiser acceptable to the Servicing Carrier at the Applicant's expense. **END 19 and END 40** Where the rate group is shown as 'A' or the estimated value is greater than $15,000 a completed and signed END 19 must be attached to the policy where the policy provides optional physical damage coverage. END 40 must be attached to the policy where there has been a prior fire or total vehicle theft loss within the past 60	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 116: Vehicle Rate Group	Liability, DCPD, Accident Benefits, and Uninsured Automobile Coverage attachment of END 19 and END 40 is not required. **After Market Equipment** If the equipment is sound or electronic equipment, refer to Rule 152. If the equipment is other than sound or electronic equipment or a lift kit, the Servicing Carrier will require a copy of the bills of sale or, if they are not available, an appraisal to substantiate the value of the aftermarket equipment. Where a lift kit has been added to the vehicle in addition to other aftermarket equipment, the value of the lift kit must be included in the total value of the aftermarket equipment. Where the value of the equipment is $3,000 or greater, an additional premium shall be charged. For every $3,000 of equipment, a charge equivalent to a rate group increase of 1 shall be made. If the value of the aftermarket equipment is less than $3,000 no additional premium shall be charged. Where the value of the aftermarket equipment cannot be substantiated, END 19 reflecting the vehicle's actual cash value shall be attached to the policy.	months and the policy provides optional physical damage coverage. Where the policy provides only mandatory coverages, ~~Third Party Liability, DCPD, Accident Benefits, and Uninsured Automobile Coverage~~ attachment of END 19 and END 40 is not required. **After Market Equipment** If the equipment is sound or electronic equipment, refer to Rule 152 (END 37 and/or END 38). If the equipment is other than sound or electronic equipment or a lift kit, the Servicing Carrier will require a copy of the bills of sale or, if they are not available, an appraisal to substantiate the value of the aftermarket equipment. Where a lift kit has been added to the vehicle in addition to other aftermarket equipment, the value of the lift kit must be included in the total value of the aftermarket equipment. Where the value of the equipment is $3,000 or greater, an additional premium shall be charged. For every $3,000 of equipment, a charge equivalent to a rate group increase of 1 shall be made. If the value of the aftermarket equipment is less than $3,000 no additional premium shall be charged. Where the value of the aftermarket equipment cannot be substantiated, END 19 reflecting the vehicle's actual cash value shall be attached to the policy.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 122: Endorsement Forms/ Wording	**Rule 122: Endorsement Forms/ Wordings** Changes to standard approved forms are not permitted. Rule 152: Endorsements Applicable to POL 1 (Owner's Policy) provides certain details and rating instructions for approved endorsement forms. The descriptions are brief and reference must be made to the actual wordings of these forms to ascertain the full provisions and restrictions. Certain endorsements require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the Statutory Conditions or the	**Rule 122: Endorsement Forms/Wordings** Changes to standard approved forms are not permitted. Rule 152~~: Endorsements Applicable to POL 1 (Owner's Policy)~~ provides certain details and rating instructions for approved endorsement forms. The descriptions are brief and reference must be made to the actual wordings of these forms to ascertain the full provisions and restrictions. Certain endorsements require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the Statutory Conditions or the	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 122: Endorsement Forms/ Wording	endorsement may be deleted and the policy re-rated accordingly. If a vehicle is registered in both the husband's name and the wife's name, endorsements that require signature must be signed by both husband and wife. If it is discovered that a policy is covering two vehicles (one registered in the husband's name and one in the wife's name), both signatures shall be required on any endorsements that require signature. Provided the endorsement form does not indicate the expiry date of the policy and continues to refer to a particular vehicle (policy vehicle item number did not change), once an endorsement form has been signed, it need not be signed again on subsequent policy renewal terms.	endorsement may be deleted and the policy rerated accordingly. If a vehicle is registered in both the ~~husband's name and the wife's~~ spouse's/partner's names, endorsements that require signature must be signed by both ~~husband and wife~~ spouses/partners. If it is discovered that a policy is covering two vehicles (each registered separately in the ~~husband's name and one in the wife's~~ spouse's/partner's name), both signatures shall be required on any endorsements that require signature. Provided the endorsement form does not indicate the expiry date of the policy term ~~and continues to refer to a particular vehicle (policy vehicle item number did not change)~~, once an endorsement form has been signed, it need not be signed again on subsequent policy renewal terms.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 124: Premiums	**A. Premium Quotations** The Agent/Broker is responsible for calculating premiums in accordance with this manual, including the "base" premiums applicable to experience (fleet) rated risks. Experience rated risk premiums are calculated at Driving Record 0. Where there is any doubt on the matter, the Servicing Carrier will be pleased to assist in establishing risk classifications, but the Servicing Carrier shall not make premium quotations except where the manual does not provide for the particular coverage required. The Servicing Carrier shall require clarification from the Agent/Broker if the information on the application contradicts the quoted premium. **B. Manual Rates** The rates published in this manual are for annual policy terms. For six-month policies charge 52% of the annual premium **except** for Motorcycles/Mopeds, Snow Vehicles and Antique Vehicles. See the **Recreational Vehicle** section for rating instructions on these vehicles.	**A. Premium Quotations** The Agent/Broker is responsible for calculating premiums in accordance with this manual, including the "base" premiums applicable to experience (fleet) rated risks. Experience rated risk premiums are calculated at Driving Record 0. Where there is any doubt on the matter, the Servicing Carrier will be pleased to assist in establishing risk classifications, but the Servicing Carrier shall not make premium quotations except where the manual does not provide for the particular coverage required. The Servicing Carrier shall require clarification from the Agent/Broker if the information on the application contradicts the quoted premium. **B. Manual Rates** The rates published in this manual are for annual policy terms. For ~~six-month~~ six month private passenger policies charge 52% of the annual premium ~~**except** for Motorcycles/Mopeds, Snow Vehicles and Antique Vehicles. See the **Recreational Vehicle** section for rating instructions on these vehicles~~.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 124: Premiums	Fleets as defined in Rule 149: Fleets are not eligible for six month policies. **C. Premium Rounding** The premium for each coverage shall be rounded to the nearest whole dollar. A premium that includes 50 cents or more shall be rounded up to the next whole dollar. e.g. 46.56 will be rounded up to $47.00 and 46.44 will be rounded down to $46.00. This applies to all premium transactions, including refunds except where the policy is cancelled by registered letter at the request of the Agent/Broker or by the Servicing Carrier. In that event, the return premium shall ***always*** be rounded up to the next whole dollar ($45.10 will be rounded up to $46.00). **D. Minimum Premium/Minimum Retained Premium** The minimum premium for any automobile policy or renewal and, the minimum retained premium in the event of cancellation of the policy, is $25, regardless of the term of insurance. The minimum retained premium must be stated on the declaration page of the policy. Note: The minimum premium and minimum retained premium for garage policies (POL 4) is $250.00.	Fleets as defined in Rule 149~~: Fleets~~ are not eligible for six month policies. **C. Premium Rounding** The premium for each coverage shall be rounded to the nearest whole dollar. A premium that includes 50 cents or more shall be rounded up to the next whole dollar~~. e.g.~~ ($46.56 will be rounded up to $47.00 and 46.44 will be rounded down to $46.00). This applies to all premium transactions, including refunds except where the policy is cancelled by registered letter at the request of the Agent/Broker or by the Servicing Carrier. In that event, the return premium shall ***always*** be rounded up to the next whole dollar ($45.10 will be rounded up to $46.00). **D. Minimum Premium/Minimum Retained Premium** The minimum premium for any private passenger automobile policy or renewal and, the minimum retained premium in the event of cancellation of the policy, is $25, regardless of the term of insurance. The minimum retained premium must be stated on the declaration page of the policy. ~~Note: The minimum premium and minimum retained premium for garage policies (POL 4) is $250.00.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 125: Premium Determination	**Note: The individual risk is assessed on the total drivers assigned to a vehicle.** 1. Ensure that the vehicle qualifies as a private passenger vehicle. See the definition in Rule 106. Also see Rule 112 for Method of Rating. 2. Establish the territory and rate group. 3. Establish the rating class. (See Rule 111.) ** 4. Establish the driving record. **	**~~Note: The individual risk is assessed on the total drivers assigned to a vehicle.~~** 1. Ensure that the vehicle qualifies as a private passenger vehicle. ~~See the definition in~~ Refer to Rule 106. ~~Also see Rule 112 for Method of Rating.~~ 2. Establish the rating territory. ~~and rate group.~~ Refer to Rule 109. 3. Establish the rating class. ~~(See~~ Refer to Rule 111.~~) **~~ 4. Establish the driving record.~~ **~~ Refer to Rule 113 and Rule 114.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 125: Premium Determination	5. Establish the number accident-free years. 6. Refer to the schedule of rates in this section and Establish the manual premium for each coverage. 7. Refer to Rule 136 (Additional Charges). Determine 1. The total accidents for all drivers and 2. The driver with the highest conviction surcharge. Total the surcharge for both accidents and convictions and apply to the vehicle premium. ** Where drivers are occasional drivers and licensed less than 9 years in Canada or U.S., they are rated separately under Class 05. *Example 1*: • 3 drivers and 1 vehicle • Pleasure use 12,000km annual mileage • Driver 1 licensed 15 years no accidents • Driver 2 licensed 10 years no accidents • Driver 3 licensed 6 years no accidents • Vehicle rated Class 12 Driving Record 6 *Example 2*: • 2 drivers and 1 vehicle • Pleasure use 12,000 km annual mileage • Driver 1 licensed 15 years, 2 at fault accidents in 3 years and 2 minor convictions • Driver 2 licensed 10 years, 1 at fault accident within past year and Impaired Driving in 3 years • Vehicle rated Class 01 Driving Record 0 with 130% surcharge *Example 3*: • 3 drivers and 1 vehicle • Pleasure use 12,000km annual mileage	5. Establish the vehicle rate group. Refer to Rule 126. ~~number accident-free years~~. 6. Apply any special factors to ~~Refer to the schedule of rates in this section and Establish~~ the manual premium for each coverage. Refer to the Rate Pages. ~~7. Refer to Rule 136 (Additional Charges). Determine 1. The total accidents for all drivers and 2. The driver with the highest conviction surcharge. Total the surcharge for both accidents and convictions and apply to the vehicle premium.~~ 7. Apply any appropriate discounts and/or accident/conviction surcharges. Refer to Rule 136. The combined total of applicable discount percentages shall be deducted from the combined total of appliable surcharge percentages and the result applies to the appropriate coverage premiums. ~~** Where drivers are occasional drivers and licensed less than 9 years in Canada or U.S., they are rated separately under Class 05.~~ ~~*Example 1:*~~ ~~• 3 drivers and 1 vehicle~~ ~~• Pleasure use 12,000km annual mileage~~ ~~• Driver 1 licensed 15 years no accidents~~ ~~• Driver 2 licensed 10 years no accidents~~ ~~• Driver 3 licensed 6 years no accidents~~ ~~• Vehicle rated Class 12 Driving Record 6~~ ~~*Example 2:*~~ ~~• 2 drivers and 1 vehicle~~ ~~• Pleasure use 12,000 km annual mileage~~ ~~• Driver 1 licensed 15 years, 2 at fault accidents in 3 years and 2 minor convictions~~ ~~• Driver 2 licensed 10 years, 1 at fault accident within past year and Impaired Driving in 3 years~~ ~~• Vehicle rated Class 01 Driving Record 0 with 130% surcharge~~ ~~*Example 3:*~~ ~~• 3 drivers and 1 vehicle~~ ~~• Pleasure use 12,000km annual mileage~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 125: Premium Determination	• Driver 1 licensed 10 years no accidents or convictions • Driver 2 licensed 25 years, 1 at fault accident this year, no convictions • Driver 3 licensed 2 years no accidents or convictions with driver training • Vehicle rated Class 01 Driving Record 0 + Class 05 Driving record 6 See Rule 111 - General Notes	~~• Driver 1 licensed 10 years no accidents or convictions~~ ~~• Driver 2 licensed 25 years, 1 at fault accident this year, no convictions~~ ~~• Driver 3 licensed 2 years no accidents or convictions with driver training~~ ~~• Vehicle rated Class 01 Driving Record 0 + Class 05 Driving record 6~~ ~~See Rule 111 - General Notes~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 126: Policy Term	**Rule 126: Policy Term** Every policy or renewal shall be issued for a term of either one year or six months. See also Rule 145: Purchasing Vehicles in Jurisdiction Where FA Does Not Operate and Rule 100.C Non Residents and Vehicle Not Registered in Jurisdiction. A short term policy may be issued in the event that the vehicle/item is in transit in or through the jurisdiction, i.e. a single trip from a location within a jurisdiction in which Facility Association operates to another location within a jurisdiction in Canada or the continental U.S.A. A short term policy may also be issued for a vehicle being temporarily operated in a jurisdiction in which it is not registered. The Servicing Carrier may accept an application for a short term policy and issue the policy accordingly or accept an application for a 6 or 12 month term and a cancellation voucher signed to provide coverage for only the shortened term. The premium for the policy shall be calculated using the highest rated territory of the originating jurisdiction and the applicable short term table in this manual, subject always to the minimum retained policy premium. **Policies subject to Rule 149: Fleets cannot be issued for a term of 6 months.**	**Rule 126: ~~Policy Term~~ Not applicable** ~~Every policy or renewal shall be issued for a term of either one year or six months. See also Rule 145: Purchasing Vehicles in Jurisdiction Where FA Does Not Operate and Rule 100.C Non Residents and Vehicle Not Registered in Jurisdiction.~~ ~~A short term policy may be issued in the event that the vehicle/item is in transit in or through the jurisdiction, i.e. a single trip from a location within a jurisdiction in which Facility Association operates to another location within a jurisdiction in Canada or the continental U.S.A. A short term policy may also be issued for a vehicle being temporarily operated in a jurisdiction in which it is not registered.~~ ~~The Servicing Carrier may accept an application for a short term policy and issue the policy accordingly or accept an application for a 6 or 12 month term and a cancellation voucher signed to provide coverage for only the shortened term.~~ ~~The premium for the policy shall be calculated using the highest rated territory of the originating jurisdiction and the applicable short term table in this manual, subject always to the minimum retained policy premium.~~ **~~Policies subject to Rule 149: Fleets cannot be issued for a term of 6 months.~~**	FA is aiming to harmonize and simplify the wordings across all jurisdictions. This section is already listed in the General Section.	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	**A. A change to a policy shall not be processed if:** a) The change is substantial e.g. the insured is covered under POL 1 and now requires POL 4 or 6 instead. A new policy may be necessary. If in doubt, the Agent/Broker should contact the Servicing Carrier for direction. If a new policy is required, a new application must be submitted. The existing policy shall be cancelled pro rata. b) There is a change of the jurisdiction in which a vehicle is registered and the vehicle must be registered in the new jurisdiction. The insurance on the vehicle must be cancelled. Upon receipt of a copy of the replacing policy application, or temporary liability card from the new jurisdiction, the refund shall be calculated on a pro rata basis, subject to the minimum retained premium. **B. Name of Insured When Adding or Deleting Vehicles** **Leased Vehicles** • Where the insured has a leased vehicle and is returning the vehicle to the lessor and replacing it with an owned vehicle, provided there is no change in the name of the insured (the person who actually applied for the insurance), the change to remove the lessor's name from the policy and the vehicle substitution may be made by endorsement. A release of the lessor's interest must be obtained or comparable notification of the change must be sent to the lessor by registered mail. • Where an insured has an owned vehicle, and is now obtaining a leased vehicle and disposing of the owned vehicle, the change to the vehicle and name of insured may be made by endorsement, provided there is no change in the name of the applicant, other than to add the lessor's name to the policy. • In situations where the insured has an owned vehicle and a leased vehicle, separate policies may not be necessary for each vehicle. Where an insured has two	**A. A change to a policy shall not be processed if:** a) The change is substantial e.g. the Insured is covered under POL 1 and now requires POL 4 or 6 instead. A new policy may be necessary. If in doubt, the Agent/Broker should contact the Servicing Carrier for direction. If a new policy is required, a new application must be submitted. The existing policy shall be cancelled pro rata. b) There is a change of the jurisdiction in which a vehicle is registered and the vehicle must be registered in the new jurisdiction. The insurance on the vehicle must be cancelled. Upon receipt of a copy of the replacing policy application, or temporary liability card from the new jurisdiction, the refund shall be calculated on a pro rata basis, subject to the minimum retained premium. **B. Name of Insured When Adding or Deleting Vehicles** **Leased Vehicles** • Where the Insured has a leased vehicle and is returning the vehicle to the lessor and replacing it with an owned vehicle, provided there is no change in the name of the Insured (the person who actually applied for the insurance), the change to remove the lessor's name from the policy and the vehicle substitution may be made by endorsement. A release of the lessor's interest must be obtained or comparable notification of the change must be sent to the lessor by registered mail. • Where an Insured has an owned vehicle and is now obtaining a leased vehicle and disposing of the owned vehicle, the change to the vehicle and name of Insured may be made by endorsement, provided there is no change in the name of the Applicant, other than to add the lessor's name to the policy. • In situations where the Insured has an owned vehicle and a leased vehicle, separate policies may not be necessary for each vehicle.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	or more vehicles leased from different leasing companies, a separate application is required for each vehicle. **Owned Vehicles** **Two or More Names as Registered Owner of the Vehicle:** Where an application is received for vehicle(s) registered in two names, such as Pat and Drew Doe, the application must be signed by both parties. In the event the policy is to be cancelled at the insured's request, both signatures are required on the request for cancellation. **Two or More Vehicles Registered to Different Names:** If the applicant has vehicles leased from different leasing companies or, one vehicle registered for example in the father's name and one in the son's name, separate policies must be maintained. If the applicant has vehicle(s) leased from the same leasing company and owned vehicle(s), separate policies may not be necessary. **C. Amending or Deleting Coverage on Vehicles with Lessees or Lienholders** Where physical damage coverage is being amended or deleted on a leased vehicle or a vehicle on which there is a lienholder, the Servicing Carrier must send a notice to the lessor or lienholder to advise of the coverage being amended or deleted and the effective date of the transaction. **D. Binding Coverage - Policy Changes** If the change involves a vehicle for which proof of insurance has been filed or is required, please also see Rule 137: Proof of Insurance. Before binding coverage the Agent/Broker must collect or assume responsibility for any indicated additional premium. **Procedure of notification** 1. The Agent's/Broker's procedure for reporting changes to the Servicing Carrier must be acceptable to the	• Where an Insured has two or more vehicles leased from different leasing companies, a separate application is required for each vehicle. **Owned Vehicles** **Two or More Names as Registered Owner of the Vehicle:** Where an application is received for vehicle(s) registered in two names, such as Pat and Drew Doe, the application must be signed by both parties. In the event the policy is to be cancelled at the Insured's request, both signatures are required on the request for cancellation. If the situation is other than the Applicant and spouse, refer to the Servicing Carrier prior to quoting or binding to verify the rating. **Two or More Vehicles Registered to Different Names:** If the Applicant has vehicles leased from different leasing companies or, one vehicle registered for example in the ~~father~~ parent's name and one in the ~~son~~ child's name, separate policies must be maintained. Separate applications must be submitted for each policy. ~~If the applicant has vehicle(s) leased from the same leasing company and owned vehicle(s), separate policies may not be necessary.~~ **C. Amending or Deleting Coverage on Vehicles with Lessees or Lienholders** Where optional physical damage coverage is being amended or deleted on a leased vehicle or a vehicle on which there is a lienholder, the Servicing Carrier must send a notice to the lessor or lienholder to advise of the coverage being amended or deleted and the effective date of the transaction. **D. Binding Coverage - Policy Changes** If the change involves a vehicle for which proof of insurance has been filed or is required. ~~, please also see~~ Refer to Rule 137~~: Proof of Insurance.~~ Before binding coverage, the Agent/Broker must collect or assume responsibility for any indicated additional premium. **Procedure of notification** 1. The Agent's/Broker's procedure for reporting changes to the Servicing Carrier must be acceptable to the Carrier. The	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	Carrier. The request for change must be made in writing and **specify the effective date and the effective time.** 2. Faxed or mailed policy change requests are acceptable. 3. If the policy change request cannot be sent to the Servicing Carrier on the date the insured makes the request, it must be sent to the Servicing Carrier on the next working day. 4. The Servicing Carrier shall normally issue any required endorsement, updated Certificate of Insurance (if required) and permanent liability card (if required) within 30 days of the effective date of the change. 5. Coverage may not be shown as effective prior to the date and time that the request was received by the Agent/Broker from the insured, except when contractual coverage exists automatically under the policy and notice is given within the time permitted. A permissible .policy change is in effect as of the time and date requested. 6. Before physical damage coverage can be bound on a branded vehicle (salvage or rebuilt) a valid vehicle registration and at the Servicing Carrier's discretion a current safety certificate, must be submitted with the request for a policy change (addition or substitution). 7. Where a vehicle is being added or substituted, a copy of the valid vehicle registration will be required with the request for the policy change. If the registration cannot be submitted with the request for policy change, a copy of the registration must be submitted within 30 days of binding coverage. Where a copy of the valid registration is not provided, the following shall apply: • The vehicle(s) shall be added or substituted at the correct premium.	request for change must be made in writing and **specify the effective date and the effective time.** 2. Faxed or mailed policy change requests are acceptable. 3. If the policy change request cannot be sent to the Servicing Carrier on the date the Insured makes the request, it must be sent to the Servicing Carrier on the next working day. 4. The Servicing Carrier shall normally issue any required endorsement, updated Certificate of Insurance (if required) and permanent liability card (if required) within 30 days of the effective date of the change. 5. Coverage may not be shown as effective prior to the date and time that the request was received by the Agent/ Broker from the Insured, except when contractual coverage exists automatically under the policy and notice is given within the time permitted. A permissible policy change is in effect as of the time and date requested. 6. Before optional physical damage coverage can be bound on a branded vehicle as ~~(~~'salvage' or 'rebuilt'~~)~~ a valid vehicle registration and at the Servicing Carrier's discretion a current safety certificate, must be submitted with the request for a policy change ~~(addition or substitution).~~ **NOTE:** No policy shall be written for vehicles branded 'non-repairable'. 7. Where a vehicle is being added or substituted, a copy of the valid vehicle registration will be required with the request for the policy change. If the registration cannot be submitted with the request for policy change, a copy of the registration must be submitted within 30 days of binding coverage. Where a copy of the ~~valid~~ registration is not provided, the following shall apply: • The vehicle(s) shall be added or substituted at the correct premium.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	• If any registration is not provided within 30 days of the date requested by the Servicing Carrier, the policy shall be cancelled by registered letter. • If the missing registration(s) is provided before the cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for the vehicles meeting the registration requirement. **NOTE:** No policy shall be written for vehicles branded 'non-repairable'. **E. Deletions of Vehicles and Coverages** a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day. For example: The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/ coverage effective 12:01 a.m. on September 6. b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) more than 30 days after the date the deletion was requested to be effected, the deletion shall take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured). For example: The Insured requests deletion of a vehicle/ coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.	• If any registration is not provided within 30 days of the date requested by the Servicing Carrier, the policy shall be cancelled by registered letter. • If the missing registration(s) is provided before the cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for the vehicles meeting the registration requirement. ~~**NOTE:** No policy shall be written for vehicles branded 'non-repairable'.~~ **E. Deletions of Vehicles and Coverages** a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day. For example: The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/ coverage effective 12:01 a.m. on September 6. b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) more than 30 days after the date the deletion was requested to be effected, the deletion shall take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured). For example: The Insured requests deletion of a vehicle/ coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	**Note for a) and b)** If the date the request was received by the Agent/Broker is not evident the Agent/Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier. c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold. *For example:* The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6. d) In the event that a vehicle has been **written off** in a claim, deletion shall not be effected prior to the day after the loss occurred. If the request for vehicle deletion is received more than 30 days after the date of loss, the deletion shall be effected: i) The day after the salvage is signed over to the insurer; or ii) The date the policy is no longer under the temporary substitute auto provision, if that date is later than the date salvage was signed over. *For example:* The vehicle has been written off in a claim June 1. On September 1 the Servicing Carrier receives a request to delete the vehicle effective June 1. Upon checking with the claims department, the Servicing Carrier ascertains that salvage was signed over to the claims department on June 15. However, the insured had a rental vehicle covered under the policy's temporary substitute auto coverage until June 20. The Servicing Carrier will delete the vehicle effective 12:01 a.m. June 21.	**Note for a) and b)** If the date the request was received by the Agent/Broker is not evident the Agent/Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier. c) In the event that the **vehicle has been sold**, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold. *For example:* The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6. d) In the event that a vehicle has been **written off** in a claim, deletion shall not be effected prior to the day after the loss occurred. If the request for vehicle deletion is received more than 30 days after the date of loss, the deletion shall be effected: i) The day after the salvage is signed over to the insurer; **or** ii) The date the policy is no longer under the temporary substitute auto provision, if that date is later than the date salvage was signed over. *For example:* The vehicle has been written off in a claim June 1. On September 1 the Servicing Carrier receives a request to delete the vehicle effective June 1. Upon checking with the claims department, the Servicing Carrier ascertains that salvage was signed over to the claims department on June 15. However, the insured had a rental vehicle covered under the policy's temporary substitute auto coverage until June 20. The Servicing Carrier will delete the vehicle effective 12:01 a.m. June 21.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	e) In the event the insured has placed coverage through the voluntary market, upon receipt of a copy of the replacing policy application or temporary liability card, the Servicing Carrier shall delete effective the date that replacement coverage took effect.	e) In the event the Insured has placed coverage through the voluntary market, upon receipt of a copy of the replacing policy application or temporary liability card, the Servicing Carrier shall delete effective the date that replacement coverage took effect.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
	Servicing Carriers shall proceed with deletion as outlined in a) or b) unless the Servicing Carrier is aware or is made aware, that the circumstances outlined in points c), d) or e) exist.	Servicing Carriers shall proceed with deletion as outlined in a) or b) unless the Servicing Carrier is aware or is made aware, that the circumstances outlined in points c), d) or e) exist.		
	F. New or Replacement Driver If the change includes an additional or replacement driver, the Servicing Carrier shall be required to verify the driving history by ordering: a) Driver Record Abstract must be obtained from the appropriate government department in each Canadian or U.S. jurisdiction in which the driver has been licensed in the previous three years. Driver Record Abstracts are not to be obtained on experience rated risks or for the operators of any Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles to be insured. b) Previous Insurance History must be obtained on the additional or replacement driver(s). This may be an electronic report ordered from a service provider, letters from previous carriers or telephone calls to previous carriers (which must be properly documented on file including name of persons spoken to, date, time etc.). Insurance history is not required for Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles. See special instructions under Fleets and Garage Sections. Previous Insurance History is required to confirm that drivers applying for First Chance Discount rating (available on private passenger vehicles only) have no at-fault accidents.	**F. New or Replacement Driver** *(Applicable to New Brunswick only)* If the change includes an additional or replacement driver, the Servicing Carrier shall be required to verify the driving history by ordering: a) Driver Record Abstract must be obtained from the appropriate government department in each Canadian or U.S. jurisdiction in which the driver has been licensed in the previous three years. ~~Driver Record Abstracts are not to be obtained on experience rated risks or for the operators of any Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles to be insured.~~ On experience (fleet) rated risks, the abstract is not required. b) Previous Insurance History must be obtained on the additional or replacement driver(s) added to the policy. This may be an electronic report ordered from a service provider, letters from previous carriers or telephone calls to previous carriers (which must be properly documented on file including name of persons spoken to, date, time etc.). ~~Insurance history is not required for Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles. See special instructions under Fleets and Garage Sections.~~ Previous Insurance History is required to confirm that drivers applying for First Chance Discount rating (available on private passenger vehicles only) have no at-fault accidents.		

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	If the information is different from that reported, to the extent that the premium or coverage requires amendment, the Servicing Carrier shall promptly issue a correcting endorsement. **G. Midterm Policy Change Premium Calculation** In regard to the period licensed, period of ownership, the period since the date of an accident, the period since the date of a conviction, the rating is always based on the position as at the effective date of the policy period, (or, in the case of a subsequent addition/substitution of a driver or addition of a vehicle as at the addition/substitution date). Mid-term rerating is NOT permissible in respect of changes that occur in regard to those matters during the period of insurance merely because of the lapse of time. **Rates to be used** **Addition of a vehicle:** Rates in effect at the effective date of the transaction. **Addition of a coverage or other midterm transactions:** Rates in effect at the start of the policy period. **Method of premium calculation:** Premiums for midterm policy changes are calculated (pro rata) by using the Day Table except in the case of Snow Vehicles, Motorcycles/Mopeds and Antique Vehicles. For those vehicles, Short Term tables 3 and 4 are to be used for all coverages except Comprehensive/Specified Perils for which the Day Table is used. **Minimum premiums for midterm changes:** A minimum additional premium of $5 shall be charged for any transaction that includes one or more of the following, regardless of the period of insurance: • addition of a vehicle or a coverage • increase of a Liability limit • decrease of a deductible	If the information is different from that reported, to the extent that the premium or coverage requires amendment, the Servicing Carrier shall promptly issue a correcting endorsement. **G. Midterm Policy Change Premium Calculation** In regard to the period licensed, period of ownership, the period since the date of an accident, the period since the date of a conviction, the rating is always based on the position as at the effective date of the policy period, (or, in the case of a subsequent addition/substitution of a driver or addition of a vehicle as at the addition/substitution date). Mid-term rerating is NOT permissible in respect of changes that occur in regard to those matters during the period of insurance merely because of the lapse of time. **Rates to be used** **Addition of a vehicle:** Rates in effect at the effective date of the transaction. **Addition of a coverage or other midterm transactions:** Rates in effect at the start of the policy period. **Method of premium calculation:** Premiums for midterm policy changes are calculated ~~(~~pro rata~~)~~ by using the Day Table ~~except in the case of Snow Vehicles, Motorcycles/Mopeds and Antique Vehicles. For those vehicles, Short Term tables 3 and 4 are to be used for all coverages except Comprehensive/Specified Perils for which the Day Table is used.~~ **Minimum premiums for midterm changes:** A minimum additional premium of $5 shall be charged for any transaction that includes one or more of the following, regardless of the period of insurance: • addition of a vehicle or a coverage • increase of a Liability limit • decrease of a deductible	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	**Note 1:** Any additional premium of **less** than $5 may be waived by the Servicing Carrier unless mentioned above. Return premiums may not be waived. **Note 2:** When a vehicle, not newly acquired, is substituted for another on the policy there will be a $50 charge for each such substitution in excess of 2 in a 30 day period or more than 12 in a 12 month period.	**Note 1:** Any additional premium of **less** than $5 may be waived by the Servicing Carrier unless mentioned above. Return premiums may not be waived. **Note 2:** When a vehicle, not newly acquired, is substituted for another on the policy or added to the policy for less than 7 days, there will be a $50 charge for each such substitution in excess of 2 in a 30 day period or more than 12 in a 12 month period.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 128: Renewals	**A. Before issuing a Renewal:** If the renewal involves a vehicle for which proof of insurance has been filed or is required – see Rule 137: Proof of Insurance. NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed. **Experience Rated, Garage and Commercial Risks** may require the Agent/Broker to determine whether the information on record and/or coverages needs revision or updating. **A Driver Record Abstract** must be obtained for those risks where eligibility or rating is dependent upon driving history. These must be ordered on all drivers prior to every renewal (for six month policies every other renewal). Renewals shall only be offered on policies for annual or six month terms.	**A. Before issuing a Renewal:** If the renewal involves a vehicle for which proof of insurance has been filed or is required, see Rule 137~~: Proof of Insurance~~. ~~NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.~~ ~~**Experience Rated, Garage and Commercial Risks**~~ Individually rated or experience rated private passenger risks may require the Agent/Broker to determine whether the information on record and/or coverages needs revision or updating. A driver record abstract must be obtained for those risks where eligibility or rating is dependent upon driving history. These must be ordered on all drivers prior to every renewal (for six month policies every other renewal). *(Applicable to Alberta, New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island)* Renewals shall only be offered on policies for annual or six month terms. **NOTE:** Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 128: Renewals	**B. Accidents Occurring Between Renewal Process Date & Effective Date** Once a renewal or offer to renew has been processed, and the Servicing Carrier receives notice of an at fault loss that occurred prior to the renewal's effective date, the Servicing Carrier shall amend the renewal rating accordingly. **C. Renewal Processing** **1. Other than Direct Billing** **Servicing Carrier Responsibilities** i. Renewal Notice to Agent/Broker The renewal documents shall be issued by the Servicing Carrier and must reach the Agent's/Broker's address no later than 30 days prior to the policy's current expiry date. ii. Renewal Notice to the Insured The renewal notice and/or renewal documents must reach the Insured no later than 30 days prior to renewal date. **Agent/Broker Responsibilities** Before releasing any renewal documents the Agent/Broker must collect or assume responsibility for the full renewal premium. In the case of experience (fleet) rated risks, where renewals may be late due to missing information, the Agent/Broker is responsible for the premium calculated at Driving Record 0. For other than experience rated risks, if the Servicing Carrier is unable to issue renewals in the required time period, the Agent/Broker must issue a temporary liability card to the insured and collect a downpayment based on the estimated annual premium for the upcoming renewal term. **Or**	shall be non-renewed. *(Applicable to New Brunswick, Northwest Territories, Nunavut, Ontario, Prince Edward Island and Yukon)* **B. Accidents Occurring Between Renewal Process Date & Effective Date** Once a renewal or offer to renew has been processed, and the Servicing Carrier receives notice of an at fault loss that occurred prior to the renewal's effective date, the Servicing Carrier shall amend the renewal rating accordingly. **C. Renewal Processing** **1. Other than Direct Billing** **Servicing Carrier Responsibilities** ~~i. Renewal Notice to Agent/Broker~~ The renewal documents shall be issued by the Servicing Carrier and must reach the Agent's/Broker's address no later than 30 days prior to the policy's current expiry date. ~~ii. Renewal Notice to the Insured~~ ~~The renewal notice and/or renewal documents must reach the Insured no later than 30 days prior to renewal date.~~ **Agent/Broker Responsibilities** Before releasing any renewal documents the Agent/Broker must collect or assume responsibility for the full renewal premium. In the case of experience (fleet) rated risks, where renewals may be late due to missing information, the Agent/Broker is responsible for the premium calculated at Driving Record 0. For other than experience rated risks, if the Servicing Carrier is unable to issue renewals in the required time period, the Agent/Broker must issue a temporary liability card to the Insured and collect a downpayment based on the estimated annual premium for the upcoming renewal term. **Or** If the risk is to be newly placed on monthly pay plan *(if available),* provide all information and documents required to the Servicing Carrier. **Or**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 128: Renewals	Obtain a fully completed premium finance contract together with the full downpayment required and promptly send that contract to the premium finance company. **Renewal not accepted** If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier: a) Return all renewal documents (including liability cards) to the Servicing Carrier; OR b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office; OR c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date. If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater. Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above. If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.	Obtain a fully completed premium finance contract together with the full downpayment required and promptly send that contract to the premium finance company. **Renewal not accepted** If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier: a) Return all renewal documents (including liability cards) to the Servicing Carrier; OR b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office; OR c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date. If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater. Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above. If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 128: Renewals	**2. Direct Billing Renewals** **Servicing Carrier Responsibilities** a) For each policy an offer to renew shall be issued by the Servicing Carrier. The offer to renew must reach the insured's last known address no later than 30 days prior to the policy's current expiry date b) The payment due date must be clearly indicated on the offer to renew and must be the same as the policy's current expiry date. c) If the required premium is received by the Servicing Carrier no later than 15 days after the payment due date, the Servicing Carrier shall promptly issue the appropriate renewal documents to the insured. d)The renewal documents must not be released by the Servicing Carrier until the full premium is received or the required first payment is received on time by the Servicing Carrier (by first payment due date if a deferred premium payment plan is available). If this rule is followed, neither the Carrier nor the agent/broker incurs any responsibility for the premium. If the Servicing Carrier follows any other unauthorized procedure, the Servicing Carrier will be responsible for the earned premium for the time on risk calculated on a pro rata basis and will be required to stop offering a Direct Bill option. **Payment Not Received** If the required payment is not received by the Servicing Carrier within 15 days of the payment due date, the policy shall be treated as though it has expired and the Servicing Carrier shall advise the Agent/Broker accordingly within the following 10 days.	**2. Direct Billing Renewals** **Servicing Carrier Responsibilities** a) For each policy an offer to renew shall be issued by the Servicing Carrier. The offer to renew must reach the insured's last known address no later than 30 days prior to the policy's current expiry date b) The payment due date must be clearly indicated on the offer to renew and must be the same as the policy's current expiry date. c) If the required premium is received by the Servicing Carrier no later than 15 days after the payment due date, the Servicing Carrier shall promptly issue the appropriate renewal documents to the insured. d) The renewal documents must not be released by the Servicing Carrier until the full premium is received or the required first payment is received on time by the Servicing Carrier (by first payment due date if a deferred premium payment plan is available). If this rule is followed, neither the Carrier nor the agent/broker incurs any responsibility for the premium. If the Servicing Carrier follows any other unauthorized procedure, the Servicing Carrier will be responsible for the earned premium for the time on risk calculated on a pro rata basis and will be required to stop offering a Direct Bill option. **Payment Not Received** If the required payment is not received by the Servicing Carrier within 15 days of the payment due date, the policy shall be treated as though it has expired and the Servicing Carrier shall advise the Agent/Broker accordingly within the following 10 days.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 129: Cancellations	**A. Midterm Cancellation - Effective Date** **1. Received by Agent/Broker or Servicing Carrier within 30 days** If the request for a midterm cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the cancellation is to be effected, and no effective time is	**A. Midterm Cancellation - Effective Date** **1. Received by Agent/Broker or Servicing Carrier within 30 days** If the request for a midterm cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the cancellation is to be effected, and no effective time is requested, the	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 129: Cancellations	requested, the cancellation shall take effect at 12:01 a.m. on the date it was requested to be effective. In the event that the cancellation was specifically requested to be effective at a time other than 12:01a.m., the cancellation shall be effected at 12:01 a.m. the following day. For example: The Insured requests a cancellation of the policy to be effective August 5. The cancellation request is received by the Agent/Broker on August 20. The Servicing Carrier shall cancel the policy effective 12:01 a.m. August 5. If the Insured requested cancellation to be effective at 3:40 p.m. on August 5, the Servicing Carrier shall cancel the policy effective 12:01 a.m. on August 6. **2. Received by Agent/Broker or Servicing Carrier after 30 days** If the request for cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) more than 30 days after the date the cancellation was requested to be effected, the cancellation shall take effect at 12:01 a.m. on the date that the cancellation request is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured). For example: The Insured requests cancellation of the policy to be effective September 5. The cancellation request is received by the Agent/Broker on October 10. The Servicing Carrier shall cancel the policy effective 12:01 a.m. October 10. **Note for 1 and 2** If the date the request was received by the Agent/Broker is not evident, the Agent/Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier. **3. Received by Servicing Carrier after 30 days and vehicle sold** In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the policy shall be cancelled the day after the vehicle is sold regardless of what that date might be.	cancellation shall take effect at 12:01 a.m. on the date it was requested to be effective. In the event that the cancellation was specifically requested to be effective at a time other than 12:01a.m., the cancellation shall be effected at 12:01 a.m. the following day. ~~For example: The Insured requests a cancellation of the policy to be effective August 5. The cancellation request is received by the Agent/Broker on August 20. The Servicing Carrier shall cancel the policy effective 12:01 a.m. August 5. If the Insured requested cancellation to be effective at 3:40 p.m. on August 5, the Servicing Carrier shall cancel the policy effective 12:01 a.m. on August 6.~~ **2. Received by Agent/Broker or Servicing Carrier after 30 days** If the request for cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) more than 30 days after the date the cancellation was requested to be effected, the cancellation shall take effect at 12:01 a.m. on the date that the cancellation request is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured). ~~For example: The Insured requests cancellation of the policy to be effective September 5. The cancellation request is received by the Agent/Broker on October 10. The Servicing Carrier shall cancel the policy effective 12:01 a.m. October 10.~~ **Note for 1 and 2** If the date the request was received by the Agent/Broker is not evident, the Agent/Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier. **3. Received by Servicing Carrier after 30 days and vehicle sold** In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the policy shall be cancelled the day after the vehicle is sold regardless of what that date might be.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 129: Cancellations	*For example:* The vehicle was sold June 5. The Servicing Carrier does not receive the request to cancel until September 5. If the insured can produce a satisfactory bill of sale, the Servicing Carrier will cancel the policy effective 12:01 a.m. June 6. **4. In the event of a total loss** In the event that a vehicle has been written off in a claim, cancellation shall be effected: a) The day after the salvage is signed over to the insurer, **or** b) The date the policy is no longer providing coverage on a rental vehicle under the temporary substitute auto provision, if that date is later than the date salvage was signed over. *For example:* The vehicle has been written off in a claim June 1. On September 1 the Servicing Carrier receives a request to cancel the policy effective June 1. Upon checking with the claims department, the Servicing Carrier ascertains that salvage was signed over to the claims department on June 15. However, the insured had a rental vehicle covered under the policy's temporary substitute auto coverage until June 20. The Servicing Carrier will cancel the policy effective 12:01 a.m. June 21. **5. Coverage placed in Voluntary Market** In the event the insured has placed coverage through the voluntary market, upon receipt of a copy of the replacing policy application or temporary liability card, the Servicing Carrier shall cancel the policy effective the date that replacement coverage took effect.	~~*For example:* The vehicle was sold June 5. The Servicing Carrier does not receive the request to cancel until September 5. If the insured can produce a satisfactory bill of sale, the Servicing Carrier will cancel the policy effective 12:01 a.m. June 6.~~ **4. In the event of a total loss** In the event that a vehicle has been written off in a claim, cancellation shall be effected: a) The day after the salvage is signed over to the Insurer, **or** b) The date the policy is no longer providing coverage on a rental vehicle under the temporary substitute auto provision, if that date is later than the date salvage was signed over. ~~*For example:* The vehicle has been written off in a claim June 1. On September 1 the Servicing Carrier receives a request to cancel the policy effective June 1. Upon checking with the claims department, the Servicing Carrier ascertains that salvage was signed over to the claims department on June 15. However, the insured had a rental vehicle covered under the policy's temporary substitute auto coverage until June 20. The Servicing Carrier will cancel the policy effective 12:01 a.m. June 21.~~ **5. Coverage placed in Voluntary Market** In the event the insured has placed coverage through the voluntary market, upon receipt of a copy of the replacing policy application or temporary liability card, the Servicing Carrier shall cancel the policy effective the date that replacement coverage took effect.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
	Servicing Carriers shall proceed with cancellation as outlined in points 1 or 2 unless the Servicing Carrier is aware or is made aware, that the circumstances outlined in points 3, 4 or 5 exist.	Servicing Carriers shall proceed with cancellation as outlined in points 1 or 2 unless the Servicing Carrier is aware or is made aware, that the circumstances outlined in points 3, 4 or 5 exist.		

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 129: Cancellations	**B. Policies with Lessors or Lienholders** If the policy is being cancelled at the insured's request, a release of interest must be obtained from the lessor or the lienholder. In the event the Servicing Carrier does not receive a release of interest from the lessor, a notice is to be sent to the lessor by registered mail to advise that the policy is being cancelled and the effective date of cancellation. If no release is received from the lienholder, a notice is to be sent to the lienholder (registered mail is not required) to advise that the policy is being cancelled and the effective date of cancellation. If the policy is being cancelled at the Agent's/Broker's request or Servicing Carrier's initiative by registered letter, a copy of the registered letter must be sent to the lessor or lienholder by registered mail. **C. Where Proof of Insurance Has Been Filed** If proof of insurance has been filed, the notice period required by the authority must expire before cancellation can be effected, and therefore the Servicing Carrier shall cancel the policy effective the date the notice period expires – see Rule 137: Proof of Insurance. **D. Policy is Financed Through a Premium Finance Company** If a return premium is payable on a policy financed with a premium finance company, the gross refund is to be sent directly to the premium finance company ***regardless of the reason*** for cancellation. The Agent's/Broker's account shall be debited with the amount of the premium refund sent to the premium finance company. **E. Cancellation – Procedures** **1. Cancellation at the request of the Insured or the Premium Finance Company – Broker Bill & Direct Bill**	**B. Policies with Lessors or Lienholders** If the policy is being cancelled at the Insured's request, a release of interest must be obtained from the lessor or the lienholder. In the event the Servicing Carrier does not receive a release of interest from the lessor, a notice is to be sent to the lessor by registered mail to advise that the policy is being cancelled and the effective date of cancellation. If no release is received from the lienholder, a notice is to be sent to the lienholder (registered mail is not required) to advise that the policy is being cancelled and the effective date of cancellation. If the policy is being cancelled at the Agent's/Broker's request or Servicing Carrier's initiative by registered letter, a copy of the registered letter must be sent to the lessor or lienholder by registered mail. **C. Where Proof of Insurance Has Been Filed** If proof of insurance has been filed, the notice period required by the authority must expire before cancellation can be effected, and therefore the Servicing Carrier shall cancel the policy effective the date the notice period expires ~~– see Rule 137: Proof of Insurance~~. **D. Policy is Financed Through a Premium Finance Company** If a return premium is payable on a policy financed with a premium finance company, the gross refund is to be sent directly to the ~~premium finance company~~ Broker/Agent ***regardless of the reason*** for cancellation. The Agent/Broker **must** return the applicable refund premium to the premium finance company. The Agent's/Broker's account shall be debited with the amount of the premium refund sent to the premium finance company. **E. Cancellation – Procedures** **1. Cancellation at the request of the Insured or the Premium Finance Company – Broker Bill & Direct Bill**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 129: Cancellations	Cancellation requested by the insured or the premium finance company under power of attorney must be made in writing in a format suitable to the Servicing Carrier. The Facility Association shall accept faxed signed and dated cancellation requests. **The return premium shall be calculated as follows:** Motorcycles, Mopeds, Snow Vehicles, and Antique Vehicles use Short Term Table 3 or 4 for all coverages except Comprehensive/Specified Perils and Short Term Table 1 or 2 for Comprehensive/Specified Perils subject to any applicable minimum retained premium. All other vehicles being placed in the voluntary market calculate on a pro rata basis using the Day Table subject to any applicable minimum retained premium All other vehicles not being placed in the voluntary market use Short Term Table 1 or 2 subject to any applicable minimum retained premium. **If the policy is on Broker Bill, the Servicing Carrier shall credit the Agent's/Broker's account with the unearned premium refundable unless the premium is financed through a premium finance company.** **2. Cancellation at the request of the Agent/ Broker – Broker Bill** **When additional premium cannot be collected on original quote** If the Agent/Broker cannot collect the additional premium arising from an increase to the premium originally quoted for new business: a) The Agent/Broker must advise the Servicing Carrier of the amount of premium collected and request that a notice of cancellation be issued to the insured, **or** b) The Agent/Broker must have the policy signed off. The Facility Association shall accept faxed signed cancellation requests.	Cancellation requested by the Insured or the premium finance company under power of attorney must be made in writing in a format suitable to the Servicing Carrier. The Facility Association shall accept faxed signed and dated cancellation requests. **The return premium shall be calculated as follows:** ~~Motorcycles, Mopeds, Snow Vehicles, and Antique Vehicles use Short Term Table 3 or 4 for all coverages except Comprehensive/Specified Perils and Short Term Table 1 or 2 for Comprehensive/Specified Perils subject to any applicable minimum retained premium.~~ ~~All other~~ For private passenger vehicles being placed in the voluntary market calculate on a pro rata basis using the Day Table subject to any applicable minimum retained premium ~~All other~~ For private passenger vehicles not being placed in the voluntary market use Short Term Table 1 or 2 subject to any applicable minimum retained premium. **If the policy is on Broker Bill, the Servicing Carrier shall credit the Agent's/Broker's account with the unearned premium refundable unless the premium is financed through a premium finance company.** **2. Cancellation at the request of the Agent/ Broker – Broker Bill** **When additional premium cannot be collected on original quote** If the Agent/Broker cannot collect the additional premium arising from an increase to the premium originally quoted for new business: a) The Agent/Broker must advise the Servicing Carrier of the amount of premium collected and request that a notice of cancellation be issued to the Insured, **or** b) The Agent/Broker must have the policy signed off. The Facility Association shall accept faxed signed cancellation requests.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 129: Cancellations	If the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of those increases, the earned premium for cancellation shall be calculated pro rata on the Agent's/Broker's originally quoted premium. Otherwise, the earned premium shall be calculated pro rata on the revised premium. If a subsequent application is submitted by the same Agent/Broker to the same Servicing Carrier for substantially the same risk within 30 days of the effective date of cancellation of the first policy and, the Agent/Broker reports non-payment of additional premium, the earned premium shall be calculated pro rata on the revised premium. Note: For policies for which premium is paid direct to the Servicing Carrier and the Carrier initiates cancellation the words 'agent/broker' will be read to mean Servicing Carrier	If the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of those increases, the earned premium for cancellation shall be calculated pro rata on the Agent's/Broker's originally quoted premium. Otherwise, the earned premium shall be calculated pro rata on the revised premium. If a subsequent application is submitted by the same Agent/Broker to the same Servicing Carrier for substantially the same risk within 30 days of the effective date of cancellation of the first policy and, the Agent/Broker reports non-payment of additional premium, the earned premium shall be calculated pro rata on the revised premium. Note: For policies for which premium is paid direct to the Servicing Carrier and the Carrier initiates cancellation the words 'Agent/Broker' will be read to mean Servicing Carrier	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
	When outstanding premium cannot be collected in all other cases **Agent/Broker Responsibilities** If cancellation of a policy is requested by the Agent/Broker due to inability to collect the full policy/renewal premium or a subsequent additional premium, the Agent/Broker will be responsible for the time on risk charge which will be pro rata of the full premium. The Agent/Broker must advise the Servicing Carrier of the amount of premium collected and request that a notice of cancellation be issued to the insured. **Servicing Carrier Responsibilities** The Servicing Carrier shall promptly issue a registered notice of cancellation in accordance with the Statutory Conditions. The earned premium for cancellation shall be calculated pro rata on the full term premium at the time of cancellation. When the Servicing Carrier issues a registered letter of cancellation, any unearned premium shall be refunded directly to the insured (unless the policy is financed through a premium finance company) and the	**When outstanding premium cannot be collected in all other cases** **Agent/Broker Responsibilities** If cancellation of a policy is requested by the Agent/Broker due to inability to collect the full policy/renewal premium or a subsequent additional premium, the Agent/Broker will be responsible for the time on risk charge which will be pro rata of the full premium. The Agent/Broker must advise the Servicing Carrier of the amount of premium collected and request that a notice of cancellation be issued to the Insured. **Servicing Carrier Responsibilities** The Servicing Carrier shall promptly issue a registered notice of cancellation in accordance with the Statutory Conditions. The earned premium for cancellation shall be calculated pro rata on the full term premium at the time of cancellation. When the Servicing Carrier issues a registered letter of cancellation, any unearned premium shall be refunded directly to the Insured (unless the policy is financed through a premium finance company) and the Agent's/Broker's		

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 129: Cancellations	Agent's/Broker's account shall be debited for the amount of the refund and credited for the unearned premium. **3. Cancellation of Late Issued Renewals** If the Servicing Carrier is unable to issue renewals in the required time period, the Agent/Broker must issue a temporary liability card to the insured and collect a down payment based on the estimated annual premium (or the estimated semi-annual premium for 6 month policies) for the upcoming renewal term. Once the renewal is issued, if the insured does not accept the renewal premium, the Agent/Broker shall advise the Servicing Carrier of the amount of premium collected and request that notice of cancellation be issued to the insured **or** shall have the insured sign off the policy. The Servicing Carrier shall then issue a registered letter of cancellation in accordance with the Statutory Conditions or issue the necessary cancellation documents. The earned premium shall be calculated pro rata based on the previous term premium. **4. Flat Cancellation New Policy** Flat cancellation of a new policy is not allowed except as provided under Rule 129: Flat Cancellation Exceptions. **Additional Premium Policy Change** Flat cancellation of an additional premium policy change is not allowed. **Renewal** If evidence of renewal refusal is supplied by the Agent/Broker (per rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.	account shall be debited for the amount of the refund and credited for the unearned premium. **3. Cancellation of Late Issued Renewals** If the Servicing Carrier is unable to issue renewals in the required time period, the Agent/Broker must issue a temporary liability card to the insured and collect a down payment based on the estimated annual premium (or the estimated semi-annual premium for 6 month policies) for the upcoming renewal term. Once the renewal is issued, if the Insured does not accept the renewal premium, the Agent/Broker shall advise the Servicing Carrier of the amount of premium collected and request that notice of cancellation be issued to the Insured **or** shall have the Insured sign off the policy. The Servicing Carrier shall then issue a registered letter of cancellation in accordance with the Statutory Conditions or issue the necessary cancellation documents. The earned premium shall be calculated pro rata based on the previous term premium. **4. Flat Cancellation New Policy** Flat cancellation of a new policy is not allowed except as provided under Rule 129~~: Flat Cancellation Exceptions~~. **Additional Premium Policy Change** Flat cancellation of an additional premium policy change is not allowed. **Renewal** If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 129: Cancellations	**5. Cancellation of Renewals in Outlying Areas** – No longer applicable **6. Flat Cancellation Exceptions** 1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat. 2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent / Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat. 3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that: a) the cheque was dated and issued on or before the effective date of the policy period concerned or the electronic payment was made on or before the effective of the policy period concerned; and b) the cheque was immediately deposited; and c) in the case of a first installment, the amount of the cheque or electronic payment was sufficient to meet the Servicing Carrier's requirement or if financed under a contract with a premium finance company the full down payment required under the terms of the contract; and d) The return of the cheque by the financial institution or dishonour of the electronic payment is promptly reported to the Servicing Carrier. A copy of the cheque front and back or copy of the dishonour notice must be provided to the Servicing Carrier. **However, on the registered letter of cancellation to the insured, the Servicing Carrier shall request payment of the full pro rata time on risk charge.** **7. Cancellation initiated by the Servicing Carrier**	~~**5. Cancellation of Renewals in Outlying Areas**~~ ~~– No longer applicable~~ **5. Flat Cancellation Exceptions** 1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat. 2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent / Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat. 3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that: a) The cheque was dated and issued on or before the effective date of the policy period concerned or the electronic payment was made on or before the effective of the policy period concerned; and b) The cheque was immediately deposited; and c) In the case of a first installment, the amount of the cheque or electronic payment was sufficient to meet the Servicing Carrier's requirement or if financed under a contract with a premium finance company the full down payment required under the terms of the contract; and d) The return of the cheque by the financial institution or dishonour of the electronic payment is promptly reported to the Servicing Carrier. A copy of the cheque front and back or copy of the dishonour notice must be provided to the Servicing Carrier. **However, on the registered letter of cancellation to the Insured, the Servicing Carrier shall request payment of the full pro rata time on risk charge.** **6. Cancellation initiated by the Servicing Carrier**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	Non-Payment – Direct Bill If premiums are paid directly to the Servicing Carrier, the Servicing Carrier may cancel an insurance policy for non-payment of premium. The earned premium shall be calculated pro rata. **Other Circumstances** The Servicing Carrier may not otherwise cancel an insurance policy unless approval of such action is contained elsewhere in this manual or is obtained in the manner prescribed by the Association's Board of Directors. **F. Refund Calculation** **1. Insured's Request** For a policy cancellation requested by or on behalf of the insured (e.g. requested by a premium finance company) the premium refund shall be calculated in accordance with the Short Term Tables, unless a pro rata cancellation is being allowed because the risk (excluding Motorcycles, Mopeds, Snow Vehicles and Antique Vehicles) is being placed in the voluntary market. **2. Any Other Reason** Where the policy is being cancelled for any other reason (e.g. by registered letter) the premium refund shall be calculated on a pro rata basis using the Day Table.	**Non-Payment – Direct Bill** If premiums are paid directly to the Servicing Carrier, the Servicing Carrier may cancel an insurance policy for non-payment of premium. The earned premium shall be calculated pro rata. **Other Circumstances** The Servicing Carrier may not otherwise cancel an insurance policy unless approval of such action is contained elsewhere in this manual or is obtained in the manner prescribed by the Association's Board of Directors. **F. Refund Calculation** **1. Insured's Request** For a policy cancellation requested by or on behalf of the Insured (e.g. requested by a premium finance company) the premium refund shall be calculated in accordance with the Short Term Tables, unless a pro rata cancellation is being allowed because the risk ~~(excluding Motorcycles, Mopeds, Snow Vehicles and Antique Vehicles)~~ is being placed in the voluntary market. **2. Any Other Reason** Where the policy is being cancelled for any other reason (e.g. by registered letter) the premium refund shall be calculated on a pro rata basis using the Day Table.		
Rule 131: Time on Risk	**A. Pro Rata** **Calculation for Endorsements & Cancellations** Using the Day Table on the next page: 1. Determine the percent that corresponds to the policy's expiry month and day. For example, March 26 is .233. Express the policy's expiry date in a decimal format by combining the year and the fraction. March 26, 1999 would become 1999.233. 2. Determine the percent that corresponds to the effective date of the policy change or cancellation and express that date in a decimal format. If the effective date of policy change is November 20, 1998 that would be	**A. Pro Rata** **Calculation for Endorsements & Cancellations** Using the Day Table on the next page: 1. Determine the percent that corresponds to the policy's expiry month and day. For example, March 26 is .233. Express the policy's expiry date in a decimal format by combining the year and the fraction. March 26, 1999 would become 1999.233. 2. Determine the percent that corresponds to the effective date of the policy change or cancellation and express that date in a decimal format. If the effective date of policy change is November 20, 1998 that would be expressed as 1998.888. Note that if the effective date	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 131: Time on Risk	expressed as 1998.888. Note that if the effective date of change or cancellation is February 29, it should be treated as February 28. 3. Subtract the second number from the first. Policy expiry date 1999.233 Policy change date 1998.888 Refund/change percentage .345 4. Where the policy is a six month policy, double the refund/change percentage. 5. For a policy cancellation, the refund is calculated by multiplying the policy premium as of the cancellation date by the refund/change percentage. The policy premium is the full term premium for the coverage in force at the time of cancellation. Minimum retained premium must be taken into consideration. 6. For a policy change, the additional/return premium is obtained by multiplying the full term premium for the change by the refund/change percentage. **B. (Pro Rata) Day Table** …….. **C. Short Term Tables** **1. Motorcycles, Mopeds, Antique Vehicles.** Use Short Term Table 3 for all coverages other than Comprehensive/Specified Perils which are subject to Short Term Table 1 or 2. **2. Snow Vehicles** Use Short Term Table 4 for all coverages other than Comprehensive/Specified Perils which are subject to Short Term Table 1 or 2. **3. All Other Vehicles** For a policy cancellation use Short Term Table 1 or 2. For a short term policy, use Short Term Table 1.	of change or cancellation is February 29, it should be treated as February 28. 3. Subtract the second number from the first. Policy expiry date 1999.233 Policy change date 1998.888 Refund/change ~~percentage~~ factor .345 4. Where the policy is a six month policy, double the refund/change ~~percentage~~ factor. 5. For a policy cancellation, the refund is calculated by multiplying the policy premium as of the cancellation date by the refund/change ~~percentage~~ factor. The policy premium is the full term premium for the coverage in force at the time of cancellation. Minimum retained premium must be taken into consideration. 6. For a policy change, the additional/return premium is obtained by multiplying the full term premium for the change by the refund/change ~~percentage~~ factor. **B. ~~(~~Pro Rata~~)~~ Day Table** ……. **C. Short Term Tables** ~~**1. Motorcycles, Mopeds, Antique Vehicles.**~~ ~~Use Short Term Table 3 for all coverages other than Comprehensive/Specified Perils which are subject to Short Term Table 1 or 2.~~ ~~**2. Snow Vehicles**~~ ~~Use Short Term Table 4 for all coverages other than Comprehensive/Specified Perils which are subject to Short Term Table 1 or 2.~~ ~~**3. All Other Vehicles**~~ ~~For a policy cancellation use Short Term Table 1 or 2. For a short term policy, use Short Term Table 1.~~ For a policy cancellation use Short Term Table No. 1 or No. 2. For a short term policy, use Short Term Table No. 1.	FA is aiming to harmonize and simplify the wordings across all jurisdictions Removing wordings relating to recreational vehicles.	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 131: Time on Risk	**Cancellation requested by or on behalf of Insured** 1. Referring to the Day Table calculate the number of days the policy has been in force. 2. Referring to Table No. 1 (in the case of an annual policy) or Table No. 2 (in the case of a six-month policy), determine the "Percentage of premium". 3. Subtract that percentage from 100% to determine the "refund percentage". 4. Apply the refund percentage to the full term policy premium as at the cancellation date. Minimum retained premium must be taken into consideration. **Calculating premium for a Short Term policy** 1. Referring to the Day Table, calculate the number of days the policy has been in force. 2. Referring to Table No. 1, determine the "Percentage of premium". 3. Apply that percentage to the annual premium. Minimum retained premium must be taken into consideration. **D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)** These tables apply to all coverages except Comprehensive or Specified Perils for Motorcycles, Mopeds, Snow Vehicles and Antique Vehicles. For Comprehensive or Specified Perils coverage use Short Term Table No. 1 or No. 2 or a pro rata calculation, depending upon the circumstances. 1. For each full month that insurance was provided, charge the corresponding "Percentage of annual premium" indicated below. 2. For part of a month charge pro-rata of the percentage applicable to the complete month. For example, in respect of a motorcycle insurance that commences on June 7th: **30 days minus 6 days = 24; 24 divided by 30 = .8;8 times 20% = 16% for the month of June.**	**Cancellation requested by or on behalf of Insured** 1. Referring to the Day Table calculate the number of days the policy has been in force. 2. Referring to Table No. 1 (in the case of an annual policy) or Table No. 2 (in the case of a six-month policy), determine the "Percentage of premium". 3. Subtract that percentage from 100% to determine the "refund percentage". 4. Apply the refund percentage to the full term policy premium as at the cancellation date. Minimum retained premium must be taken into consideration. **Calculating premium for a Short Term policy** 1. Referring to the Day Table, calculate the number of days the policy has been in force. 2. Referring to Table No. 1, determine the "Percentage of premium". 3. Apply that percentage to the annual premium. Minimum retained premium must be taken into consideration. ~~**D. Short Term Tables No. 3 and No. 4 (seasonal use vehicles)**~~ ~~These tables apply to all coverages except Comprehensive or Specified Perils for Motorcycles, Mopeds, Snow Vehicles and Antique Vehicles. For Comprehensive or Specified Perils coverage use Short Term Table No. 1 or No. 2 or a pro rata calculation, depending upon the circumstances.~~ ~~1. For each full month that insurance was provided, charge the corresponding "Percentage of annual premium" indicated below.~~ ~~2. For part of a month charge pro-rata of the percentage applicable to the complete month. For example, in respect of a motorcycle insurance that commences on June 7th:~~ ~~**30 days minus 6 days = 24; 24 divided by 30 = .8;8 times 20% = 16% for the month of June.**~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Removing wordings relating to recreational vehicles	This will not impact premiums

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 131:

Time on Risk</td>
<td>
<table>
<tr><th colspan="4">SHORT TERM TABLE No. 3
Motorcycles & Mopeds and Antique Vehicles
Excluding Comprehensive/Specified Perils</th></tr>
<tr><th>Period</th><th>Percentage of annual premium</th><th>Period</th><th>Percentage of annual premium</th></tr>
<tr><td>January</td><td>Nil</td><td>July</td><td>20</td></tr>
<tr><td>February</td><td>Nil</td><td>August</td><td>20</td></tr>
<tr><td>March</td><td>5</td><td>September</td><td>10</td></tr>
<tr><td>April</td><td>10</td><td>October</td><td>5</td></tr>
<tr><td>May</td><td>10</td><td>November</td><td>Nil</td></tr>
<tr><td>June</td><td>20</td><td>December</td><td>Nil</td></tr>
</table>
3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as “Nil” there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge Outside Province/Territory including U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.
For example: The insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in Halifax. The annual premium is $1,250 excluding any premium calculation for November and December. Using the Pro Rata Day Table, calculate the pro rata fraction for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be $205.
<table>
<tr><th colspan="4">SHORT TERM TABLE No. 4
Snow Vehicles
Excluding Comprehensive/Specified Perils</th></tr>
<tr><th>Period</th><th>Percentage of annual premium</th><th>Period</th><th>Percentage of annual premium</th></tr>
<tr><td>January</td><td>25</td><td>July</td><td>Nil</td></tr>
<tr><td>February</td><td>25</td><td>August</td><td>Nil</td></tr>
<tr><td>March</td><td>15</td><td>September</td><td>Nil</td></tr>
<tr><td>April</td><td>Nil</td><td>October</td><td>Nil</td></tr>
<tr><td>May</td><td>Nil</td><td>November</td><td>10</td></tr>
<tr><td>June</td><td>Nil</td><td>December</td><td>25</td></tr>
</table>
</td>
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<tr><td>~~June~~</td><td>~~Nil~~</td><td>~~December~~</td><td>~~25~~</td></tr>
</table>
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FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 132: Reinstatements	**A. A policy may only be reinstated if:** a) The Servicing Carrier receives instructions not later than **the day before** the cancellation takes effect. This includes instructions from a premium finance company. Where the Agent/Broker has not forwarded payments to a premium finance company, the policy cannot be reinstated. Cancellation takes effect at 12:01 am. E.g. If the policy is to be cancelled effective July 1, the request for reinstatement must be received by the Servicing Carrier before midnight June 30. If the cancellation has taken effect, the policy cannot be reinstated and a new application must be completed. Any unpaid earned premium under the policy due to Servicing Carrier must be paid with the new application. b) The policy was cancelled for non-payment, and the full required premium is received (by cash, money order or certified cheque from the insured) or there is written confirmation from the Agent/Broker assuming full responsibility for that premium. Where a refund cheque accompanied the registered letter, the amount of the refund cheque must also be obtained from the insured (by cash, money order or certified cheque) or the Agent/Broker shall assume full responsibility for that amount. **B. When a policy is reinstated** When a policy is reinstated, the Servicing Carrier shall issue a notice of reinstatement. If necessary, the Agent/Broker or Servicing Carrier shall issue a temporary or permanent liability card. If proof of insurance was cancelled, the necessary proof of insurance shall be reissued.	**A. A policy may only be reinstated if:** a) The Servicing Carrier receives instructions not later than **the day before** the cancellation takes effect. This includes instructions from a premium finance company. Where the Agent/Broker has not forwarded payments to a premium finance company, the policy cannot be reinstated. Cancellation takes effect at 12:01 am. E.g. If the policy is to be cancelled effective July 1, the request for reinstatement must be received by the Servicing Carrier before midnight June 30. If the cancellation has taken effect, the policy cannot be reinstated and a new application must be completed. Any unpaid earned premium under the policy due to Servicing Carrier must be paid with the new application. b) The policy was cancelled for non-payment, and the full required premium is received (by cash, money order or certified cheque from the Insured) or there is written confirmation from the Agent/Broker assuming full responsibility for that premium. Where a refund cheque accompanied the registered letter, the amount of the refund cheque must also be obtained from the Insured (by cash, money order or certified cheque) or the Agent/Broker shall assume full responsibility for that amount. **B. When a policy is reinstated** When a policy is reinstated, the Servicing Carrier shall issue a notice of reinstatement. If necessary, the Agent/Broker or Servicing Carrier shall issue a temporary or permanent liability card. If proof of insurance was cancelled, the necessary proof of insurance shall be reissued.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 133 Commission Schedule	**Rule 133: Commission Schedule** The commission rates are: Experience Rated / Individually Rated 1. Private Passenger Vehicles Class 10, 11, 12 7.5% 9% All other private passenger 7.5% 11% For the purpose of determining Commission Rates, the expression 'Private Passenger Vehicles' includes Antique/Classic automobiles, Commercial-Type vehicles that are rated as Private Passenger vehicles and Driving School vehicles (Class 07), but excludes vehicles rated as Commercial or Public vehicles, Fire and Police Department vehicles (Class 53) and Funeral vehicles (Class 75).	**Rule 133: ~~Commission Schedule~~ Not applicable** ~~The commission rates are:~~ ~~Experience Rated / Individually Rated~~ ~~1. Private Passenger Vehicles~~ ~~Class 10, 11, 12 7.5% 9%~~ ~~All other private passenger 7.5% 11%~~ ~~For the purpose of determining Commission Rates, the expression 'Private Passenger Vehicles' includes Antique/Classic automobiles, Commercial-Type vehicles that are rated as Private Passenger vehicles and Driving School vehicles (Class 07), but excludes vehicles rated as Commercial or Public vehicles, Fire and Police Department vehicles (Class 53) and Funeral vehicles (Class 75).~~	Commission Schedule is in the General Section of the Rates and Rules Manual	This will not impact premiums
Rule 135: Definition of Accident	**A. What Is A Chargeable Accident** A chargeable (at fault) accident is an occurrence resulting in damage to persons or property arising out of the ownership, use or operation of a vehicle, in consequence of which: 1. An amount has been paid or would have been paid but for the existence of provincial Direct Compensation laws or agreements, **or** 2. A loss remains unsettled or unpaid, **or** 3. A civil suit is pending **in respect of** Liability, Collision or the Collision portion of All Perils coverage A chargeable accident is always 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. **B. What Is Not A Chargeable Accident** An occurrence shall not be regarded as a chargeable accident if: 1. The insured's degree of fault is determined as zero under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. 2. Damage to the applicant's vehicle	**A. What Is A Chargeable Accident** A chargeable (at fault) accident is an occurrence resulting in damage to persons or property arising out of the ownership, use or operation of a vehicle, in consequence of which: 1. An amount has been paid or would have been paid but for the existence of provincial Direct Compensation laws or agreements, **or** 2. A loss remains unsettled or unpaid, **or** 3. A civil suit is pending **in respect of** Liability, Collision or the Collision portion of All Perils coverage. **(No fault Benefits Schedule (Accident Benefits) Ontario only) ** A chargeable accident is always 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. **B. What Is Not A Chargeable Accident** An occurrence shall not be regarded as a chargeable accident if: 1. The Insured's degree of fault is determined as zero under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. 2. Damage to the Applicant's vehicle	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 135: Definition of Accident	a) resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours; b) occurred while the vehicle was legally parked and is reported to police within 24 hours; c) resulted from collision with a wild or domestic animal; d) is legally recoverable from the owner or driver of an uninsured or unidentified automobile. **Note:** The words "loss(es)" and "claim(s)" where used in this manual are considered to have the same meaning as the word "accident." The words "at fault" and "chargeable" where used in this manual are considered to have the same meaning. For private passenger personal use vehicles, where the driver responsible for an at fault accident is now deceased, the loss will no longer be chargeable. **C. How To Allocate Chargeable Accidents** No accident shall be used more than once in determining the premium for vehicles insured through Facility Association by the same Servicing Carrier (whether or not on the same policy). A chargeable accident will affect the rating of both Liability (including DCPD) and Collision coverages. When a driver (including a driver rated under Class 05) is responsible for a chargeable accident, the accident must be included for rating purposes. If the driver is removed from the policy, the accident shall be assigned to the vehicle on which it occurred.	a) resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours; b) occurred while the vehicle was legally parked and is reported to police within 24 hours; c) resulted from collision with a wild or domestic animal; d) is legally recoverable from the owner or driver of an uninsured or unidentified automobile. 3. For private passenger personal use vehicles, where the driver responsible for an at fault accident is now deceased, the loss will no longer be chargeable. **Note:** The words "loss(es)" and "claim(s)" where used in this manual are considered to have the same meaning as the word "accident." The words "at fault" and "chargeable" where used in this manual are considered to have the same meaning. ~~For private passenger personal use vehicles, where the driver responsible for an at fault accident is now deceased, the loss will no longer be chargeable.~~ **C. How To Allocate Chargeable Accidents** No accident shall be used more than once in determining the premium for vehicles insured through ~~Facility Association~~ FA with any ~~by the same~~ Servicing Carrier ~~(~~whether or not on the same policy~~)~~. A chargeable accident will affect the rating of both Liability, ~~(including~~ DCPD~~)~~ *(not available in Northwest Territories, Nunavut and Yukon)* and Collision coverages. *(For Ontario only, Accident Benefits and Uninsured Automobile is also affected)* When an occasional driver ~~(including a driver rated under Class 05)~~ is responsible for a chargeable accident, the accident must be included for rating purposes. If the occasional driver is removed from the policy, the accident shall be assigned to the vehicle on which it occurred.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 135:

Definition of Accident</td>
<td>At new business, where there are multiple vehicles and multiple drivers insured on a policy, any claims shall be assigned first to the vehicle for which the responsible driver is an operator regardless of which vehicle was involved in the claim. If the responsible driver is an operator of more than one vehicle, the claim shall be assigned first to the vehicle involved in the claim and if this is not possible, to the vehicle which that person principally operates that produces the highest premium.

At renewal, any at fault accidents which occurred during the policy term shall be assigned to the vehicle on which they occurred.

For example: A new application is received. Applicant is assigned to vehicle 1 and has had 2 losses on vehicle 1 and 1 loss on vehicle 2. Driver 2 is assigned to vehicle 2 and has had 1 loss on vehicle 1 and 1 loss on vehicle 2. For purposes of allocating accidents, the 3 accidents the applicant has had will be allocated to vehicle 1 and the 2 accidents Driver 2 has had will be allocated to vehicle 2.

The term ‘vehicle’ includes ‘one for which it has been substituted’.

The following table illustrates how chargeable accidents are to be applied in the rating of other types of vehicles if they cannot be assigned to the vehicle actually involved.
<table>
<tr><th>Type of vehicle involved in the accident</th><th>Type of vehicle to which the accident can be applied</th></tr>
<tr><td>Private Passenger</td><td>Private Passenger, Motorhome, Light Commercial, Taxi or Garage</td></tr>
<tr><td>Light Commercial</td><td>Commercial, Private Passenger, Motorhome or Garage</td></tr>
<tr><td>Commercial</td><td>Commercial or Garage</td></tr>
<tr><td>Public (excluding Taxi)</td><td>Public (excluding Taxi)</td></tr>
<tr><td>Taxi</td><td>Taxi or Private Passenger</td></tr>
<tr><td>Motorhome</td><td>Motorhome, Private Passenger or Light Commercial</td></tr>
</table>
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<td>At new business, where there are multiple vehicles and multiple drivers insured on a policy, any claims shall be assigned first to the vehicle for which the responsible driver is principal operator regardless of which vehicle was involved in the claim. If the responsible driver is ~~an operator~~ principal operator of more than one vehicle, the claim shall be assigned first to the vehicle involved in the claim and if this is not possible, to the vehicle which that person principally operates that produces the highest premium.

At renewal, any ~~at fault~~ chargeable accidents which occurred during the policy term shall be assigned to the vehicle on which they occurred.

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<tr><td>Private Passenger</td><td>Private Passenger, Motor Home, Light Commercial, Taxi or Garage (Car Dealer)</td></tr>
<tr><td>Light Commercial</td><td>Light Commercial, Private Passenger, Motor Home or Garage (Car Dealer)</td></tr>
<tr><td>Heavy Commercial</td><td>Heavy Commercial or Garage (Car Dealer)</td></tr>
<tr><td>Public (excluding Taxi)</td><td>Public (excluding Taxi Class 7A,7B,7C)</td></tr>
<tr><td>Taxi</td><td>Taxi or Private Passenger</td></tr>
</table>
</td>
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<td>This will not impact premiums</td>
</tr>
</table>

<table>
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Definition of Accident</td><td><table><tr><td>Motorcycle</td><td>Motorcycle</td></tr><tr><td>Garage</td><td>Garage</td></tr><tr><td>All Terrain or Snow Vehicle</td><td>All Terrain or Snow Vehicle</td></tr></table>
Note: “Type of vehicle” means the section of the manual in which the vehicle was or would have been rated.

For example: A car is rated as a private passenger vehicle and the insured had an at fault accident. The insured is now going to begin using the vehicle as a taxi. The accident that occurred while the vehicle was rated for personal use will continue to be applied when the insured begins using the vehicle as a taxi.

Where an at fault accident is being charged against a vehicle showing on the policy and that vehicle is deleted from the policy or mandatory coverage on that vehicle is removed or suspended, the at fault accident shall be re-assigned on the following basis:

– to a remaining vehicle with active mandatory coverage i.e. not deleted or suspended

– to the vehicle that produces the highest premium where there is more than one remaining vehicle

– effective the date coverage on the original vehicle was deleted or suspended</td><td><table><tr><td>Motor Home</td><td>Motor Home, Private Passenger or Light Commercial</td></tr><tr><td>Motorcycle</td><td>Motorcycle</td></tr><tr><td>Garage</td><td>Garage</td></tr><tr><td>All Terrain Vehicle or Snow Vehicle</td><td>All Terrain Vehicle or Snow Vehicle</td></tr></table>
Note: ‘Type of vehicle’ means the section of the manual in which the vehicle was or would have been rated.

<s>For example:</s><s> A car is rated as a private passenger vehicle and the insured had an at fault accident. The insured is now going to begin using the vehicle as a taxi. The accident that occurred while the vehicle was rated for personal use will continue to be applied when the insured begins using the vehicle as a taxi.</s>

Where a<s>n at fault</s> chargeable accident is being charged against a vehicle showing on the policy and that vehicle is deleted from the policy or mandatory coverage on that vehicle is removed or suspended, the at fault accident shall be re-assigned on the following basis:

• to a remaining vehicle with active mandatory coverage i.e. not deleted or suspended

• to the vehicle that produces the highest premium where there is more than one remaining vehicle

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<tr><td>Rule 136:

Accident and Conviction Surcharge</td><td>These surcharges are applicable to Liability (including Passenger Liability and DCPD) and Collision. These surcharges are not to be applied to coverages which are experience (fleet) rated.

A. Accidents
Accident surcharges are assessed in accordance with the Surcharge Schedule for chargeable accidents that occurred during the 36 months immediately preceding the effective date of the commencement of the insurance.</td><td>These surcharges are applicable to Liability, <s>(including Passenger Liability and</s> DCPD<s>)</s> (not available in Northwest Territories, Nunavut and Yukon) and Collision. These surcharges are not to be applied to coverages which are experience (fleet) rated.

A. Accidents
Accident surcharges are assessed in accordance with the surcharge schedule for chargeable accidents that occurred during the 36 months immediately preceding the effective date of the commencement of the insurance.</td><td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td><td>This will not impact premiums</td></tr>
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FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 136: Accident and Conviction Surcharge	**1. At New Business** No accident shall be used more than once in determining the premium for vehicles insured through Facility Association by the same Servicing Carrier (whether or not on the same policy). As long as there is a Class 05 premium charged on the policy, accidents relating to Class 06 or Class 05 drivers shall only be used to calculate surcharges on the Class 05 premium. The Class 05 premium develops its own surcharge independent of the underlying class. If the only vehicle(s) on the policy are private type trailers as described under Recreational Vehicles, surcharges shall be assessed on the Collision premium only. Accidents arising from the ownership of any vehicle other than the described vehicle are not to be considered. *For example:* The insured owns a business in which three vehicles are driven by employees. Two of the vehicles are insured in the voluntary market, the other is insured in FA. There have been two accidents on each of the vehicles in the voluntary market none of which arose from the use or operation of the vehicle by the insured himself. There have been three accidents on the vehicle insured in FA. The accidents that occurred on the vehicles insured in the voluntary market are not used to calculate the accident surcharge on the vehicle insured in FA, as long as they are rated under another inforce automobile policy. Where the term 'described vehicle' is used, it includes a vehicle substituted for it. Accidents arising out of the use or operation of other vehicles for which another listed driver is responsible shall not be considered if the other listed driver is being charged with the accident as the principal operator of another vehicle. **(a) One vehicle on the policy** Consider accidents that involved the described vehicle and accidents arising out of the use or operation of any other vehicle by the applicant or any other listed operator (excluding any other listed operator currently being	**1. At New Business** No accident shall be used more than once in determining the accident surcharge ~~premium~~ for vehicles insured through Facility Association by ~~the same~~ any Servicing Carrier, ~~(~~whether or not on the same policy~~)~~. As long as there is a Class 05 premium charged on the policy, accidents relating to ~~Class 06 or~~ Class 05 drivers shall only be used to calculate surcharges on the Class 05 premium. The Class 05 premium develops its own surcharge independent of the underlying class. *(Applicable to New Brunswick and Newfoundland & Labrador)* ~~If the only vehicle(s) on the policy are private type trailers as described under Recreational Vehicles, surcharges shall be assessed on the Collision premium only.~~ Accidents arising from the ownership of any vehicle other than the described vehicle are not to be considered. ~~*For example:* The insured owns a business in which three vehicles are driven by employees. Two of the vehicles are insured in the voluntary market, the other is insured in FA. There have been two accidents on each of the vehicles in the voluntary market none of which arose from the use or operation of the vehicle by the insured himself. There have been three accidents on the vehicle insured in FA. The accidents that occurred on the vehicles insured in the voluntary market are not used to calculate the accident surcharge on the vehicle insured in FA, as long as they are rated under another inforce automobile policy.~~ Where the term 'described vehicle' is used, it includes a vehicle substituted for it. Accidents arising out of the use or operation of other vehicles for which another listed driver is responsible shall not be considered if the other listed driver is being charged with the accident as the principal operator of another vehicle. **(a) One vehicle on the policy** Consider accidents that involved the described vehicle and accidents arising out of the use or operation of any other vehicle by the Applicant or any other listed operator	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 136: Accident and Conviction Surcharge	charged with the accident as principal operator of another vehicle). *For example*: Driver 1 has had 1 at fault accident on the described vehicle and 1 accident on the neighbour's car. Driver 2 had 1 at fault accident on own vehicle insured elsewhere but has now sold that vehicle. All accidents shall be allocated to the described vehicle and a surcharge shall be applied. **(b) One driver and two or more vehicles** Accidents that involve one of the described vehicles shall be assigned to that vehicle. Accidents arising out of the use or operation of any other vehicle by the applicant shall be assigned to the vehicle that produces the highest premium before the application of any accident or conviction surcharge. *For example:* Two vehicles on the policy, applicant is the only operator. There has been one accident on vehicle 1 and one accident on vehicle 2. Applicant also had two accidents on his company vehicle insured elsewhere. The premium for vehicle 2 is higher than the premium for vehicle 1. As the applicant is the only operator of both vehicles, the claims are rated on the vehicle on which they occurred. A surcharge applies to vehicle 2 as a result of the two accidents on the company car and the one accident that occurred on vehicle 2. **(c) Two or more drivers and two or more vehicles** Each driver is to be assigned the vehicle he/she most frequently drives. Accidents that operator A had on any vehicle are to be considered. Accidents that occurred on the assigned (described) vehicle that cannot be assigned to the operator of another vehicle on the policy are to be considered. Accidents that arose from the use or operation of any other vehicle by any other listed driver, who has not been charged with the accident as an operator of another vehicle, shall be allocated to the vehicle which develops the highest premium before the application of any accident or conviction surcharges.	(excluding any other listed operator currently being charged with the accident as principal operator of another vehicle). ~~*For example*: Driver 1 has had 1 at fault accident on the described vehicle and 1 accident on the neighbour's car. Driver 2 had 1 at fault accident on own vehicle insured elsewhere but has now sold that vehicle. All accidents shall be allocated to the described vehicle and a surcharge shall be applied.~~ **(b) One driver and two or more vehicles** Accidents that involve one of the described vehicles shall be assigned to that vehicle. Accidents arising out of the use or operation of any other vehicle by the Applicant or any other listed operator (excluding any other listed operator currently being charged with the accident as principal operator of another vehicle) shall be assigned to the vehicle that produces the highest premium before the application of any accident or conviction surcharge. ~~*For example:* Two vehicles on the policy, applicant is the only operator. There has been one accident on vehicle 1 and one accident on vehicle 2. Applicant also had two accidents on his company vehicle insured elsewhere. The premium for vehicle 2 is higher than the premium for vehicle 1. As the applicant is the only operator of both vehicles, the claims are rated on the vehicle on which they occurred. A surcharge applies to vehicle 2 as a result of the two accidents on the company car and the one accident that occurred on vehicle 2.~~ **(c) Two or more drivers and two or more vehicles** Each driver is to be assigned as principal operator on the vehicle ~~he/she~~ they most frequently drive~~s~~. Accidents that the Principal or Occasional operator ~~A~~ had on any vehicle are to be considered. Accidents that occurred on the assigned (described) vehicle that cannot be assigned to the principal operator of another vehicle on the policy are to be considered. Accidents that arose from the use or operation of any other vehicle by any other listed driver, who has not been charged with the accident as an operator of another vehicle, shall be allocated to the vehicle which develops the highest premium before the application of any accident or conviction surcharges.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 136: Accident and Conviction Surcharge	*For example:* All operators are licensed more than 6 years. Applicant is assigned to vehicle 1 and has had one accident on vehicle 1, two accidents on vehicle 2 and one accident on his company car. Driver 2 is assigned to vehicle 2 and has had no accidents. Driver 3 has had one accident on vehicle 2. The applicant's four accidents will be rated against vehicle 1. Driver 3's accident is rated on vehicle 2. A surcharge for the applicant's four accidents applies to vehicle 1 as the applicant is the operator of vehicle 1 **2. At Renewal (for surcharge only)** At the time of renewal, the accident record shall be updated. Any accidents that occurred more than 36 months prior to renewal date shall be excluded and all accidents that occurred during the expiring term that involved the following shall be added: a) The described vehicle (regardless of driver). b) Other vehicles but were the subject of claims under this policy. **B. Convictions** Conviction surcharges shall be assessed for traffic offences (as hereinafter described) for which the insured was convicted in the 36 months immediately preceding the commencement of the period of insurance. **1. How to apply conviction surcharges** No conviction record shall be used more than once to determine conviction surcharges for vehicles insured in FA by the same Servicing Carrier, whether or not insured on the same policy. If convictions for impaired driving and failure or refusal to take a breath or blood test relate to the same occurrence, they shall be considered as one conviction. Convictions for road offences shall not be used in the rating of off road vehicles (e.g. Snow Vehicles, All Terrain Vehicles) and vice versa.	~~*For example:* All operators are licensed more than 6 years. Applicant is assigned to vehicle 1 and has had one accident on vehicle 1, two accidents on vehicle 2 and one accident on his company car. Driver 2 is assigned to vehicle 2 and has had no accidents. Driver 3 has had one accident on vehicle 2. The applicant's four accidents will be rated against vehicle 1. Driver 3's accident is rated on vehicle 2. A surcharge for the applicant's four accidents applies to vehicle 1 as the applicant is the operator of vehicle 1~~ **2. At Renewal (for surcharge only)** At the time of renewal, the accident record shall be updated. Any accidents that occurred more than 36 months prior to renewal date shall be excluded and all accidents that occurred during the expiring term that involved the following shall be added: a) The described vehicle (regardless of driver). b) Other vehicles but were the subject of claims under this policy. **B. Convictions** Conviction surcharges shall be assessed for traffic offences (as hereinafter described) for which the Insured was convicted in the 36 months immediately preceding the commencement of the period of insurance. **1. How to apply conviction surcharges** No conviction record shall be used more than once to determine conviction surcharges for vehicles insured ~~in~~ through FA by ~~the same~~ any Servicing Carrier, whether or not insured on the same policy. If convictions for impaired driving and failure or refusal to take a breath or blood test relate to the same occurrence, they shall be considered as one conviction. ~~Convictions for road offences shall not be used in the rating of off road vehicles (e.g. Snow Vehicles, All Terrain Vehicles) and vice versa.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 136: Accident and Conviction Surcharge	As long as there is a Class 05 premium charged on the policy, the conviction records relating to Class 05 drivers shall only be used to calculate surcharges on the Class 05 premium. The Class 05 premium develops its own surcharge independent of the underlying class. Surcharges shall not be assessed on private type trailers as described under Recreational Vehicles. **a) One vehicle and more than one driver** The conviction record of all persons who are listed drivers of the vehicle shall be reviewed to establish which conviction record has the greatest impact on the driving record (including developing the highest surcharge percentage in accordance with the surcharge schedule for convictions). That conviction record shall be used in calculating the maximum driving record and the conviction surcharge. **b) More than one vehicle and more than one driver** Each driver shall be allocated to the vehicle they drive most and that driver's conviction record shall be considered in relation only to that vehicle. **c) One driver and more than one vehicle** The driver's conviction record shall be applied to the vehicle that produces the highest premium prior to the application of any accident or conviction surcharges. ……. **D. Conviction Definitions** **a. Major** Convictions for any of the following offences under any Act governing highway traffic or for any offence substantially the same whether committed within or outside Canada: **b. Minor** The list of minor convictions is not all inclusive and other moving violations, including new offences added to an Act governing highway traffic, may be considered minor, whether committed within or outside Canada, if not specifically named in the Major or Serious list, including, but not limited to:	As long as there is a Class 05 premium charged on the policy, the conviction records relating to Class 05 drivers shall only be used to calculate surcharges on the Class 05 premium. The Class 05 premium develops its own surcharge independent of the underlying class. *(Applicable to New Brunswick and Newfoundland & Labrador)* ~~Surcharges shall not be assessed on private type trailers as described under Recreational Vehicles.~~ **(a) One vehicle and more than one driver** The conviction record of all persons who are listed drivers of the vehicle shall be reviewed to establish which conviction record has the greatest impact on the driving record (including developing the highest surcharge percentage in accordance with the surcharge schedule for convictions). That conviction record shall be used in calculating the maximum driving record and the conviction surcharge. **(b) More than one vehicle and more than one driver** Each driver shall be allocated to the vehicle they drive most and that driver's conviction record shall be considered in relation only to that vehicle. **(c) One driver and more than one vehicle** The driver's conviction record shall be applied to the vehicle that produces the highest premium prior to the application of any accident or conviction surcharges. ……. **D. Conviction Definitions** **a. Major** Convictions for any of the following offences under any Act governing highway traffic or for any offence substantially the same whether committed within or outside Canada: **b. Minor** The list of Minor convictions is not all inclusive and other moving violations, including new offences added to an Act governing highway traffic, may be considered Minor, whether committed within or outside Canada, if not specifically named in the Major or Serious list, including, but not limited to:	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 136: Accident and Conviction Surcharge	**Note:** This is a generic list and will not, in all cases, match the exact wording printed on the Driver Record Abstract. **c. Serious** Convictions for any of the following offences under the Criminal Code of Canada or under any Act governing highway traffic or under any other Act or for any offence substantially the same whether committed within or outside Canada or any conviction which appears on a Driver Record abstract identified as a Criminal Code conviction: **Note:** If convictions for impaired driving and failure or refusal to take a breath or blood test relate to the same occurrence, they will be considered as one conviction. **d. Disqualifiers for First Chance Discount Rating** To be eligible for First Chance Discount rating, drivers must conform to the Recently Licensed Driver Rate Reduction Regulation – Insurance Act. Failure to do so shall disqualify a driver from obtaining or keeping First Chance Discount Rating. *(New Brunswick only)*	**Note:** This is a generic list and will not, in all cases, match the exact wording printed on the Driver Record Abstract. **c. Serious** Convictions for any of the following offences under the Criminal Code of Canada or under any Act governing highway traffic or under any other Act or for any offence substantially the same whether committed within or outside Canada or any conviction which appears on a Driver Record abstract identified as a Criminal Code conviction: **Note:** If convictions for impaired driving and failure or refusal to take a breath or blood test relate to the same occurrence, they will be considered as one conviction. **d. Disqualifiers for First Chance Discount Rating** To be eligible for First Chance Discount rating, drivers must conform to the Recently Licensed Driver Rate Reduction Regulation – Insurance Act. Failure to do so shall disqualify a driver from obtaining or keeping First Chance Discount Rating. *(New Brunswick only)*	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 137: Proof of Insurance Where Notice of Cancellation or Deletion is Required	1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days. a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance. b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below. c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation. d) The Servicing Carrier is ultimately responsible for ensuring that all proof of	~~1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.~~ ~~a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.~~ ~~b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below.~~ ~~c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.~~ ~~d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Removing this section as it is not applicable to Private Passenger Vehicle	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 137: Proof of Insurance Where Notice of Cancellation or Deletion is Required	insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting. 2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings. a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority. b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount. 3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records. 4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier. 5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the	~~Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.~~ ~~2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.~~ ~~a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.~~ ~~b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.~~ ~~3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.~~ ~~4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.~~ ~~5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Removing this section as it is not applicable to Private Passenger Vehicle	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 137: Proof of Insurance Where Notice of Cancellation or Deletion is Required	vehicle is insured. This is the full extent of the guarantee. 6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed be the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office. **A. Financial Responsibility Certificate** A temporary liability card may be issued for an applicant who requires the filing of a financial responsibility certificate before he/she may be licensed to drive, provided a fully completed and signed application is submitted for the applicant at the time the temporary liability card is issued. Details of the licence subsequently obtained must be reported promptly to the Servicing Carrier. **B. Renewal or Offer to Renew** If a renewal or offer to renew is issued where proof of insurance has been issued or filed and the renewal is not required, the Servicing Carrier must be notified in sufficient time to file a notice of cancellation in accordance with the applicable authority's requirements. Otherwise the Agent/Broker/Insured shall be responsible for time on risk charges. **C. Policy Cancellation or Vehicle Deletion,** **1. Registered Letter** Where proof of insurance has been issued or filed and the policy is to be cancelled, the cancellation of coverages to which the proof of insurance relates shall be processed in accordance with the Statutory Conditions. **The notice of cancellation for the authority concerned must be issued on the same day as the notice of cancellation to the insured. However, as a result of the authority's requirements the effective date of cancellation may be different.** *For example:* The registered letter of cancellation for the policy is issued on June 1 for both the insured and the provincial authority. For the insured, cancellation shall	~~6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed be the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.~~ **A. Financial Responsibility Certificate** A temporary liability card may be issued for an Applicant who requires the filing of a financial responsibility certificate before ~~he/she~~ they may be licensed to drive, provided a fully completed and signed application is submitted for the Applicant at the time the temporary liability card is issued. Details of the licence subsequently obtained must be reported promptly to the Servicing Carrier. **B. Renewal or Offer to Renew** If a renewal or offer to renew is issued where proof of insurance has been issued or filed and the renewal is not required, the Servicing Carrier must be notified in sufficient time to file a notice of cancellation in accordance with the applicable authority's requirements. Otherwise the Agent/Broker/Insured shall be responsible for time on risk charges. **C. Policy Cancellation or Vehicle Deletion** **1. Registered Letter** Where proof of insurance has been issued or filed and the policy is to be cancelled, the cancellation of coverages to which the proof of insurance relates shall be processed in accordance with the Statutory Conditions. **The notice of cancellation for the authority concerned must be issued on the same day as the notice of cancellation to the Insured. However, as a result of the authority's requirements the effective date of cancellation may be different.** *For example:* The registered letter of cancellation for the policy is issued on June 1 for both the Insured and the provincial authority. For the Insured, cancellation shall take	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Removing this section as it is not applicable to Private Passenger Vehicle	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 137: Proof of Insurance Where Notice of Cancellation or Deletion is Required	take effect 15 days from the date the registered letter is received at the post office to which it was addressed. Let's say June 19. The provincial authority requires 30 days notice of cancellation. The effective date of cancellation for the authority shall be June 30. If the insured had a Comprehensive loss on June 25, the policy would not respond. If however, the insured had a Liability loss on June 25, the policy may have to respond as the proof of insurance provides that Liability coverage is in effect until cancelled on June 30. **2. Insured's Request** Where proof of insurance has been issued or filed, and the vehicle is to be deleted from the policy or the policy is to be cancelled, the cancellation of coverages to which the proof of insurance relates shall be processed after taking into consideration the period of notice required by the authority. **The effective date of cancellation or deletion shall be the same for both the insured and the authority concerned.** *For example:* The insured requests cancellation of the policy to be effective June 1. The provincial authority requires 30 days notice of cancellation. The notice to the provincial authority is sent on June 5. The effective date of cancellation for the insured will be July 5. **D. Filing Liability Limits** The filing should always be made for the limit required by law even if the policy actually shows a higher limit. Where a vehicle requires filings in multiple jurisdictions, the filing should be made showing only the limits required in that jurisdiction. The policy should be written with the lowest limits necessary to meet all requirements. *For example:* In one jurisdiction a filing for a vehicle requires a split limit of $1,000,000 road hazard and $1,000,000 passenger hazard. A filing for a $5,000,000 combined limit is also required in another jurisdiction for the same vehicle. The policy must be issued with a $5,000,000 inclusive limit. One filing should be made showing the split limits of $1,000,000 and $1,000,000.	effect 15 days from the date the registered letter is received at the post office to which it was addressed. Let's say June 19. The provincial authority requires 30 days notice of cancellation. The effective date of cancellation for the authority shall be June 30. If the Insured had a Comprehensive loss on June 25, the policy would not respond. If however, the Insured had a Liability loss on June 25, the policy may have to respond as the proof of insurance provides that Liability coverage is in effect until cancelled on June 30. **2. Insured's Request** Where proof of insurance has been issued or filed, and the vehicle is to be deleted from the policy or the policy is to be cancelled, the cancellation of coverages to which the proof of insurance relates shall be processed after taking into consideration the period of notice required by the authority. **The effective date of cancellation or deletion shall be the same for both the Insured and the authority concerned.** *For example:* The Insured requests cancellation of the policy to be effective June 1. The provincial authority requires 30 days notice of cancellation. The notice to the provincial authority is sent on June 5. The effective date of cancellation for the Insured will be July 5. ~~**D. Filing Liability Limits**~~ ~~The filing should always be made for the limit required by law even if the policy actually shows a higher limit. Where a vehicle requires filings in multiple jurisdictions, the filing should be made showing only the limits required in that jurisdiction. The policy should be written with the lowest limits necessary to meet all requirements. For example: In one jurisdiction a filing for a vehicle requires a split limit of $1,000,000 road hazard and $1,000,000 passenger hazard. A filing for a $5,000,000 combined limit is also required in another jurisdiction for the same vehicle. The policy must be issued with a $5,000,000 inclusive limit. One filing should be made showing the split limits of $1,000,000 and $1,000,000. The other filing should be made showing the $5,000,000 limit.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 137: Proof of Insurance Where Notice of Cancellation or Deletion is Required	The other filing should be made showing the $5,000,000 limit. Where a filing is to be made for a leased vehicle, the filing should be made in the name of the lessee only. **E. Processing Fees for Filings** Please contact your Servicing Carrier for a schedule of fees which will be charged on a 100% cost recovery basis. **Any charge required by the authority concerned shall be in addition to, and separate from, the Processing Fees.**	~~Where a filing is to be made for a leased vehicle, the filing should be made in the name of the lessee only.~~ ~~**E. Processing Fees for Filings**~~ ~~Please contact your Servicing Carrier for a schedule of fees which will be charged on a 100% cost recovery basis.~~ ~~**Any charge required by the authority concerned shall be in addition to, and separate from, the processing fees**~~	This part has been moved to the General Section of the manual	This will not impact premiums
Rule 139: Claims	Every accident, loss or claim that comes to the knowledge of the Agent/Broker in regard to his Facility Association policies must immediately be reported in the manner prescribed by the Servicing Carrier. **1. Snow Vehicles and All Terrain Vehicles (with or without END 9) on Ice/Water** **The following scenarios shall be considered Comprehensive losses:** An insured drives a Snow Vehicle or All Terrain Vehicle on a frozen lake and hits open water. An insured drives a Snow Vehicle or All Terrain Vehicle on a frozen lake. The ice cracks and the Snow Vehicle or All Terrain Vehicle sinks to the bottom. A Snow Vehicle or All Terrain Vehicle is parked on ice. The ice cracks under the machine and it sinks to the bottom. **2. Collision with Animals** Losses involving Collision with animals, both wild and domestic, shall be paid under Comprehensive coverage. If the policy does not afford Comprehensive coverage but does provide Collision coverage, the loss shall be paid under Collision coverage and be regarded as not at fault.	Every accident, loss or claim that comes to the knowledge of the Agent/Broker in regard to ~~his~~ their Facility Association policies must immediately be reported in the manner prescribed by the Servicing Carrier. ~~**1. Snow Vehicles and All Terrain Vehicles (with or without END 9) on Ice/Water**~~ ~~**The following scenarios shall be considered Comprehensive losses:**~~ ~~An insured drives a Snow Vehicle or All Terrain Vehicle on a frozen lake and hits open water.~~ ~~An insured drives a Snow Vehicle or All Terrain Vehicle on a frozen lake. The ice cracks and the Snow Vehicle or All Terrain Vehicle sinks to the bottom.~~ ~~A Snow Vehicle or All Terrain Vehicle is parked on ice. The ice cracks under the machine and it sinks to the bottom.~~ ~~**2.** **Collision with Animals**~~ Losses involving Collision with animals, both wild and domestic, shall be paid under Comprehensive coverage. If the policy does not afford Comprehensive coverage but does provide Collision coverage, the loss shall be paid under Collision coverage and be regarded as not at fault.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 141: Suspension and Reinstatement	Liability, DCPD (*not available in Northwest Territories, Nunavut and Yukon)* Accident Benefits, Uninsured Automobile (*not available in Alberta, Northwest Territories, Nunavut and Yukon)* and Collision as they relate to the **use and operation** of the described	Liability, DCPD *(not available in Northwest Territories, Nunavut and Yukon),* Accident Benefits, Uninsured Automobile *(not available in Alberta, Northwest Territories, Nunavut and Yukon)* and Collision as they relate to the **use and operation** of the described vehicles, new vehicles or temporary substitute vehicles may be suspended by means	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>of Coverages – END 16/17

Rule 141:

Suspension and Reinstatement of Coverages – END 16/17</td>
<td>vehicles, new vehicles or temporary substitute vehicles may be suspended by means of END 16.

This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the ownership of the vehicle. This means that END 16 does not suspend coverages related to ‘drive other vehicles’; while a pedestrian; or while the vehicle is in storage. This endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.
No refund is allowed in respect of Comprehensive and Specified Perils.

If Liability DCPD (not available in Northwest Territories, Nunavut and Yukon) and Accident Benefits coverages are removed or suspended twice in one year, then removal of these coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while these coverages are removed or suspended.

END 16/17 is not available for the following:
1. Vehicles for which proof of insurance is issued or filed.
2. Experience rated risks
3. Recreational vehicles rated in the Recreational Vehicle Section
4. Vehicles that were never intended to be driven.
5. Vehicles held for sale whether or not on an auto dealer’s lot.

The refund for the period of cancellation is calculated according to the table below (except Ontario):

<table>
<tr><th>Period of Suspension/Cancellation</th><th>% of Annual Premium</th></tr>
<tr><td>Less than 45 days**</td><td>Nil</td></tr>
<tr><td>Less than 2 months</td><td>Nil</td></tr>
<tr><td>45 days and less than 2 ½ months**</td><td>15%</td></tr>
</table>
</td>
<td>of END 16.

This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the ownership of the vehicle. This means that END 16 does not suspend coverages related to ‘drive other vehicles’; while a pedestrian; or while the vehicle is in storage.

This endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.
No refund is allowed in respect of Comprehensive and Specified Perils.

If Liability, DCPD (not available in Northwest Territories, Nunavut and Yukon) and Accident Benefits coverages are removed or suspended twice in one year, then removal of these coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while these coverages are removed or suspended.

END 16/17 is not available for the following:
1. Vehicles for which proof of insurance is issued or filed.
2. Experience rated risks
3. Recreational vehicles rated in the Recreational Vehicle Section
4. Vehicles that were never intended to be driven.
5.Vehicles held for sale whether or not on an auto dealer’s lot

The refund for the period of cancellation is calculated according to the table below (except Ontario):

Rating
<table>
<tr><th>Period of Suspension/Cancellation</th><th>% of Annual Premium</th></tr>
<tr><td>Less than 45 days**</td><td>Nil</td></tr>
<tr><td>Less than 2 months</td><td>Nil</td></tr>
<tr><td>45 days and less than 2 ½ months**</td><td>15%</td></tr>
</table>
</td>
<td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td>
<td>This will not impact premiums</td>
</tr>
</table>

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr><td>Rule 141:

Suspension and Reinstatement of Coverages – END 16/17</td><td><table><tr><td>2 months and less than 2 ½ months</td><td>15%</td></tr><tr><td>2 ½ months and less than 3 months</td><td>19%</td></tr><tr><td>3 months and less than 3 ½ months</td><td>22%</td></tr><tr><td>3 ½ months and less than 4 months</td><td>26%</td></tr><tr><td>4 months and less than 4 ½ months</td><td>30%</td></tr><tr><td>4 ½ months and less than 5 months</td><td>34%</td></tr><tr><td>5 months and less than 5 ½ months</td><td>38%</td></tr><tr><td>5 ½ months and less than 6 months</td><td>41%</td></tr><tr><td>6 months or more</td><td>45%</td></tr></table>** Applies to Alberta only

In no event shall a refund be granted for any suspension period of less than forty five (45) consecutive days (Applies to Alberta and Ontario only) or sixty (60) consecutive days.</td><td><table><tr><td>2 months and less than 2 ½ months</td><td>15%</td></tr><tr><td>2 ½ months and less than 3 months</td><td>19%</td></tr><tr><td>3 months and less than 3 ½ months</td><td>22%</td></tr><tr><td>3 ½ months and less than 4 months</td><td>26%</td></tr><tr><td>4 months and less than 4 ½ months</td><td>30%</td></tr><tr><td>4 ½ months and less than 5 months</td><td>34%</td></tr><tr><td>5 months and less than 5 ½ months</td><td>38%</td></tr><tr><td>5 ½ months and less than 6 months</td><td>41%</td></tr><tr><td>6 months or more</td><td>45%</td></tr></table>** Applies to Alberta only

In no event shall a refund be granted for any suspension period of less than forty five (45) consecutive days (Applies to Alberta and Ontario only) or sixty (60) consecutive days.</td><td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td><td>This will not impact premiums</td></tr>
<tr><td>Rule 142:

Suspension of Operator’s Licence – Use of END 28</td><td>Rule 142: Suspension of Operator’s Licence – Use of END 28
The following provisions apply in the event of the suspension, cancellation or lapse of an operator’s licence, or the right to obtain a licence of a person who is recorded as a driver of a vehicle to which the insurance applies, or where a driver is unlicensed. These provisions apply whether END 28 is being added to the policy at the request of the insured or by the Servicing Carrier because of the above mentioned circumstances.</td><td>Rule 142: Suspension of Operator’s Licence ~~– Use of END 28~~
The following provisions apply in the event of the suspension, cancellation or lapse of an operator’s licence, or the right to obtain a licence of a person who is recorded as a driver of a vehicle to which the insurance applies, or where a driver is unlicensed. These provisions apply whether END 28/28A/28(C) is being added to the policy at the request of the Insured or by the Servicing Carrier because of the ~~above~~ below mentioned circumstances.

NOTE:
END 28 is applicable in New Brunswick, Northwest Territories, Nunavut and Yukon.
END 28A is applicable in Newfoundland & Labrador, Nova Scotia, Ontario and Prince Edward Island.
END 28(C) is applicable in Alberta.</td><td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td><td>This will not impact premiums</td></tr>
</table>

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 142: Suspension of Operator's Licence – Use of END 28	**A. If there is no other driver of the vehicle** 1. An application for insurance of the vehicle shall be declined by the Agent/Broker. 2. If the situation is discovered after the policy has been issued, the Servicing Carrier shall cancel the policy by registered letter. The earned premium for cancellation will be pro rata of the premium applicable to the risk as submitted. 3. If the situation is discovered as a result of enquiries prior to the renewal date, the Servicing Carrier shall issue a notice of nonrenewal. **Note:** Where the insured's licence is suspended, the insured shall be permitted to place the vehicle in storage and suspend or remove moving coverages. See Rule 101: Minimum Coverage. **B. If there is another licensed driver of the vehicle** **(It is assumed that the person concerned will not drive without a valid licence.)** 1. The Servicing Carrier shall issue END 28 (Reduction of Coverage as Respects Named Persons) restricting coverage to minimum statutory requirements and excluding physical damage where provided, for that person. END 8a shall be used in conjunction with END 28 except where END 28 applies to the named insured. 2. If that person being a driver affected the rating of the insurance, the insurance shall be re-rated to remove that person as a driver but any accidents that occurred while that person was driving shall continue to be taken into account in rating.	**A. If there is no other driver of the vehicle** 1. An application for insurance of the vehicle shall be declined by the Agent/Broker. 2. If the situation is discovered after the policy has been issued, the Servicing Carrier shall cancel the policy by registered letter. The earned premium for cancellation will be pro rata of the premium applicable to the risk as submitted. 3. The time on risk charge for the period to expiration of the notice of termination will be pro rata of the premium applicable to the risk as submitted. 4. If the situation is discovered as a result of enquiries prior to the renewal date, the Servicing Carrier shall issue a notice of nonrenewal. **Note:** Where the Insured's licence is suspended, the Insured shall be permitted to place the vehicle in storage and suspend or remove moving coverages. See Rule 101~~÷ Minimum Coverage.~~ **B. If there is another licensed driver of the vehicle (It is assumed that the person concerned will not drive without a valid licence.)** 1. The Servicing Carrier shall issue END 28 ~~(Reduction of Coverage as Respects Named Persons)~~ restricting coverage to minimum statutory requirements and excluding optional physical damage where provided, for that person. **NOTE:** END 8A shall be used in conjunction with END 28 except where END 28 applies to the Named Insured. *(Available in New Brunswick, Northwest Territories, Nunavut and Yukon)* 2. If that person being a driver affected the rating of the insurance, the insurance shall be re-rated to remove that person as a driver but any accidents that occurred while that person was driving shall continue to be taken into account in rating.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 142: Suspension of Operator's Licence – Use of END 28	**C. If the person concerned does drive without a valid licence** If discovered after the policy has been issued, END 28 shall be deleted. The insurance shall be rated as if that person does drive the vehicle where: a) Subsequent to the current suspension becoming effective or during the 36 months immediately preceding the policy period effective date, the person involved is/was convicted of the offence of driving while licence suspended, cancelled or lapsed. b) It is established that the person involved has been driving e.g. by being convicted of any other driving offence or by being involved in an accident. **D. Unsigned END 28** If END 28 is not signed, END 28 shall be deleted and the policy shall be re-rated as though there was no END 28. **E. Completion of END 28** END 28 is to be completed showing the minimum statutory limit under Section A – Limits and Amounts and the word "Insured" in the Insured/Not Insured column. In any jurisdiction where Accident Benefits and Uninsured Automobile are mandatory when Liability coverage is provided, the word "Insured" must be shown against Section B and Section D in the Insured/Not Insured column.	**C. If the person concerned does drive without a valid licence *(This rule is applicable to Alberta, New Brunswick, Northwest Territories, Nunavut and Yukon)*** If discovered after the policy has been issued, END 28 shall be deleted. The insurance shall be rated as if that person does drive the vehicle where: a) Subsequent to the current suspension becoming effective or during the 36 months immediately preceding the policy period effective date, the person involved is/was convicted of the offence of driving while licence suspended, cancelled or lapsed. b) It is established that the person involved has been driving e.g. by being convicted of any other driving offence or by being involved in an accident. **D. Unsigned END 28** If END 28 is not signed, END 28 shall be deleted and the policy shall be re-rated as though there was no END 28. **E. Completion of END 28 and END 8A *(Applicable to Alberta, New Brunswick, Northwest Territories, Nunavut and Yukon)*** ~~END 28 is to be completed showing the minimum statutory limit under Section A – Limits and Amounts and the word "Insured" in the Insured/Not Insured column. In any jurisdiction where Accident Benefits and Uninsured Automobile are mandatory when Liability coverage is provided, the word "Insured" must be shown against Section B and Section D in the Insured/Not Insured column.~~ The approved END 28 is to be completed showing the minimum statutory limits and the applicable driver is to be specified as 'Insured' under all mandatory coverages indicated on the form. END 8A is to be completed showing the minimum statutory limit on the second line of the endorsement. *(Applicable to New Brunswick, Northwest Territories, Nunavut and Yukon)*	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 143: "Home-Made" Vehicles / Reconstruction / Imported Right Hand Drive / Imported Vehicles	The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle. **This rule does not apply to vehicles with a manufacturer assigned VIN and a status of 'rebuilt' which are to be rated using CLEAR rate groups.** **A. Liability, Accident Benefits and DCPD** No coverages are permissible until the following are provided to the Servicing Carrier: 1. A valid vehicle registration and, at the Servicing Carrier's discretion, a certificate of roadworthiness or mechanical fitness acceptable to the Servicing Carrier and 2. For vehicles valued $15,000 or more, an appraisal acceptable to the Servicing Carrier at the Applicant's expense to enable the proper rating group to be determined. Vehicles valued under $15,000 are rated based on value provided by the Insured. 3. Rate group 10 is to be used for Accident Benefits for private passenger vehicles where vehicles are rated by value. These certificates must accompany the application to the Servicing Carrier. **B. Optional Physical Damage Coverage** 1. No optional physical damage coverage (for any value) will be available for: a) Home-made' / reconstruction vehicles until the construction, reconstruction, restoration has been completed and the mechanical fitness and value of the vehicles have been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.	The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle. This rule does not apply to vehicles with a manufacturer assigned VIN and a status of 'rebuilt' which are to be rated using CLEAR rate groups. **A. Liability, DCPD *(Not available in Northwest Territories, Nunavut and Yukon) and* Accident Benefits** No coverages are permissible until the following are provided to the Servicing Carrier: 1. A valid vehicle registration and, at the Servicing Carrier's discretion, a certificate of roadworthiness or mechanical fitness acceptable to the Servicing Carrier and 2. For vehicles valued $15,000 or more, an appraisal acceptable to the Servicing Carrier at the Applicant's expense to enable the proper rating group to be determined. Vehicles valued under $15,000 are rated based on value provided by the Insured. 3. Rate group 10 is to be used for Accident Benefits ~~for private passenger vehicles~~ where vehicles are rated by value. These certificates must accompany the application to the Servicing Carrier. **B. Optional Physical Damage Coverage** 1. No optional physical damage coverage (for any value) will be available for: a) 'Home-made' / reconstruction vehicles until the construction, reconstruction, restoration has been completed and the mechanical fitness and value of the vehicles have been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 143: "Home-Made" Vehicles / Reconstruction / Imported Right Hand Drive / Imported Vehicles	b) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier. 2. The premium is based on the appraised amount. 3. The insurance shall be subject to END 19 (Limiting The Amount Paid for Loss or Damage Coverages) which must be attached to the policy and a copy signed by the Insured. END 19A (Agreed Value of Automobiles) is not available.	b) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier. 2. The premium is based on the appraised amount. 3. The insurance shall be subject to END 19 ~~(Limiting The Amount Paid for Loss or Damage Coverages)~~ which must be attached to the policy and a copy signed by the Insured. END 19A ~~(Agreed Value of Automobiles)~~ is not available.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 144: Vehicles Used Outside Jurisdiction of Registration	The Filed Underwriting Rules require that the vehicle must be registered in the jurisdiction in which the policy is issued. "If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction." When an insured takes up residence in another jurisdiction, the insured is required to register the vehicle in the new jurisdiction. The existing policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction. However, there are circumstances under which the vehicle may be used <u>for a period of time</u> in another jurisdiction where vehicle registration in that jurisdiction is not required. *For example*: The insured resides in New Brunswick and the vehicle is registered in that jurisdiction; however, the insured will be travelling the western provinces for the next year. Regardless of where the vehicle is registered, Facility Association shall not provide insurance for vehicles which are never operated in the jurisdiction in which they were registered.	Rule 100: ~~The~~ Filed Underwriting Rules require that the vehicle must be registered in the jurisdiction in which the policy is issued. "If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction." When an Insured takes up residence in another jurisdiction, the Insured is required to register the vehicle in the new jurisdiction. The existing policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction. However, there are circumstances under which the vehicle may be used <u>for a period of time</u> in another jurisdiction where vehicle registration in that jurisdiction is not required. ~~*For example:* The insured resides in New Brunswick and the vehicle is registered in that jurisdiction; however, the insured will be travelling the western provinces for the next year.~~ Regardless of where the vehicle is registered, Facility Association shall not provide insurance for vehicles which are never operated in the jurisdiction in which they were registered.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 144: Vehicles Used Outside Jurisdiction of Registration	When a vehicle is registered in one jurisdiction but garaged or chiefly used in another, the following is to be used as a guide for rating purposes. 1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction. 2. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required. 3 . If the vehicle is operated outside jurisdiction which it is registered, including the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 138 to determine the surcharge applicable. **NOTE:** At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.	When a vehicle is registered in one jurisdiction but garaged or chiefly used in another, the following is to be used as a guide for rating purposes. 1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction. 2. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required. 3 . If the vehicle is operated outside jurisdiction which it is registered, including the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 138 to determine the surcharge applicable. **NOTE:** At the Servicing Carrier's discretion, a copy of fuel tax information log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 145: Purchasing Vehicles in Jurisdiction Where FA Does Not Operate	When an insured acquires a new vehicle and all vehicles owned by the insured are covered under a POL 1, coverage is automatically provided for the newly acquired vehicle if the insurer is notified of the acquisition within 14 days. When the insured: a) acquires a vehicle in the U.S. and brings it to Canada to a jurisdiction in which FA operates, or b) acquires a vehicle in a jurisdiction in Canada in which FA does not operate; FA shall if necessary, issue a short term policy to provide coverage while the vehicle is in transit (under a transit authority permit) before it is registered in the jurisdiction of residence. The short term policy shall only be provided for a period of time sufficient to allow the vehicle to be driven from the point of purchase to the residence of the owner. This should correspond to the period of time the transit permit is valid.	When an insured acquires a new vehicle and all vehicles owned by the insured are covered under a POL 1, coverage is automatically provided for the newly acquired vehicle if the insurer is notified of the acquisition within 14 days. When the Insured: a) acquires a vehicle in the U.S. and brings it to Canada to a jurisdiction in which FA operates, **or** b) acquires a vehicle in a jurisdiction in Canada in which FA does not operate; FA shall if necessary, issue a short term policy to provide coverage while the vehicle is in transit (under a transit authority permit) before it is registered in the jurisdiction of residence. The short term policy shall only be provided for a period of time sufficient to allow the vehicle to be driven from the point of purchase to the residence of the owner. This should correspond to the period of time the transit permit is valid.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 145: Purchasing Vehicles in Jurisdiction Where FA Does Not Operate	When the insured comes through Customs, the vehicle must be declared and the insured will be provided with the appropriate forms to complete and submit to the provincial registry so that the vehicle may be registered. A new application can then be submitted for a 6 or 12 month policy if required. Where an individual or company has a business that includes the purchasing of vehicles in the U.S. or jurisdictions where FA does not operate for shipment back to a Canadian FA jurisdiction for resale, coverage must be provided by means of a garage policy for Automobile Dealers. **Premium Calculation** The premium is to be calculated in accordance with Short Term tables subject to minimum premium. Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Province/Territory exposure. The territory to be used is the territory where the Insured resides. Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% Outside Province/Territory Exposure Surcharge applies.	When the Insured comes through Customs, the vehicle must be declared and the Insured will be provided with the appropriate forms to complete and submit to the provincial registry so that the vehicle may be registered. A new application can then be submitted for a 6 or 12 month policy if required. Where an individual or company has a business that includes the purchasing of vehicles in the U.S. or jurisdictions where FA does not operate for shipment back to a Canadian FA jurisdiction for resale, coverage must be provided by means of a garage policy for Automobile Dealers. **Premium Calculation** The premium is to be calculated in accordance with Short Term tables subject to minimum premium. Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Province/Territory exposure. The territory to be used is the territory where the Insured resides. ~~Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% Outside Province/Territory Exposure Surcharge applies.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 146: 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. **1. Coverages/Premiums** **Liability, DCPD and Optional Physical Damage**	**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 or END 21B ~~a/b~~ is not permitted. Use of END 44/44R is not permitted. **1. Coverages/Premiums** **Liability, DCPD *(Not applicable for Northwest Territories, Nunavut and Yukon)* and Optional Physical Damage**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 146:

Short-Term Rentals – Unspecified Lessees – Leases of 30 Days or Less and Ride Sharing</td>
<td>
<table>
<tr><th>Class of Vehicle</th><th>Premium</th></tr>
<tr><td>Private Passenger Vehicles</td><td>250% of 07/0 rate</td></tr>
<tr><td>Commercial Vehicles</td><td></td></tr>
<tr><td>Light Trucks</td><td>200% of 43/0 rate</td></tr>
<tr><td>Heavy Trucks</td><td>200% of 45/0 rate</td></tr>
<tr><td>Tractors/Trailers</td><td>175% of 64/0 rate</td></tr>
<tr><td>Private Type Trailers</td><td></td></tr>
<tr><td>Liability</td><td>Non Pleasure rate plus $15</td></tr>
<tr><td>DCPD</td><td>Normal rate</td></tr>
<tr><td>Optional Physical Damage</td><td>250% of normal rate</td></tr>
<tr><td>Motor Homes and Vehicles with mounted Camper Unit</td><td></td></tr>
<tr><td>Liability</td><td>250% of 07/0 rate</td></tr>
<tr><td>Optional Physical Damage</td><td>250% of normal rate</td></tr>
<tr><td>Motorcycles &Mopeds</td><td>250% of Driving Record 0</td></tr>
<tr><td>Snow Vehicles</td><td>250% of normal rate</td></tr>
<tr><td>All Terrain Vehicles</td><td>250% of normal rate</td></tr>
</table>
Any other vehicle Refer to Servicing Carrier

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-sharing service, or peer-to-peer rental company.
</td>
<td>
<table>
<tr><th>Class of Vehicle</th><th>Premium</th></tr>
<tr><td>Private Passenger Vehicles</td><td>250% of 07/0 rate</td></tr>
<tr><td>Commercial Vehicles</td><td></td></tr>
<tr><td>Light Trucks</td><td>200% of 43/0 rate</td></tr>
<tr><td>Heavy Trucks</td><td>200% of 45/0 rate</td></tr>
<tr><td>Tractors/Trailers</td><td>175% of 64/0 rate</td></tr>
<tr><td>Private Type Trailers</td><td></td></tr>
<tr><td>Liability</td><td>Non Pleasure rate plus $15</td></tr>
<tr><td>Optional Physical Damage</td><td>250% of normal rate</td></tr>
<tr><td>Motor Homes</td><td></td></tr>
<tr><td>Liability</td><td>250% of 07/0 rate</td></tr>
<tr><td>DCPD</td><td>250% of 07/0 rate</td></tr>
<tr><td>Optional Physical Damage</td><td>250% of normal rate</td></tr>
<tr><td>Vehicles with mounted Camper Unit</td><td></td></tr>
<tr><td>Liability</td><td>250% of 07/0 rate</td></tr>
<tr><td>Optional Physical Damage</td><td>250% of normal rate</td></tr>
<tr><td>Motorcycles & Moped</td><td>250% of Driving Record 0 rate applicable to Age 16-20</td></tr>
<tr><td>Snow Vehicles</td><td>250% of normal rate</td></tr>
<tr><td>All Terrain Vehicles</td><td>250% or normal rate</td></tr>
<tr><td>Any other vehicle</td><td>Refer to Servicing Carrier</td></tr>
</table>
NOTE: No DCPD premium is applicable on Private Trailers and Camper Units

2. Accident Benefits, Uninsured Automobile (Not applicable in Alberta, Northwest Territories, Nunavut and Yukon)
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-sharing service, or peer-to-peer rental company.
</td>
<td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td>
<td>This will not impact premiums</td>
</tr>
</table>

FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 146: Short-Term Rentals – Unspecified Lessees – Leases of 30 Days or Less and Ride Sharing	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.	Use POL 1 and END 5C. Insurance is provided on a specified vehicle/per vehicle basis and use of END 21A~~/B~~ or END 21B is not permitted. Use of END 44/44R is not permitted. Rate as Short-Term Rental (as outlined in Section A above) and code as Class 7N.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 147: Long-Term Leases-Specified Lessees – Leases Exceeding 30 Days	**A. Application** The lessee must complete an FA application form. The name and address of the applicant/lessee and the name and address of the lessor must be shown where required on the application form. **B. Policy** Use POL 1 with END 5. The name and address of the lessor and the name and address of the lessee must appear on the policy declaration page. **C. Rating** The vehicle is rated as if owned by the lessee.	**A. Application** The lessee must complete ~~an FA application form~~ a current approved Facility Association or Standard Application Form. The name and address of the ~~applicant~~ Applicant/lessee and the name and address of the lessor must be shown where required on the application form. **B. Policy** Use POL 1 with END 5. The name and address of the lessor and the name and address of the lessee must appear on the policy declaration page. **C. Rating** The vehicle is rated as if owned by the lessee.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 148: Driver Training Vehicles	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. **A. Driving Record** Driving record is to be calculated in accordance with the section of the manual that applies to a similar class of vehicle, subject to a maximum of Driving Record 3. Clear record earned on a similar vehicle which was not previously used for driver training, shall be applied when determining the driving record for driver training vehicles.	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. **A. Driving Record** Driving record is to be calculated in accordance with the section of the manual that applies to a similar class of vehicle, subject to a maximum of Driving Record 3. Clear record earned on a similar vehicle which was not previously used for driver training, shall be applied when determining the driving record for driver training vehicles.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 148: Driver Training Vehicles	*For example*: The insured opens a driver training school and either uses his own car or buys another car to use as a driver training vehicle. The insured has no previous experience with driver training and is 5 years accident free. According to the rules in the Private Passenger section the insured is entitled to Driving Record 5. Therefore the insured is entitled to Driving Record 3 on the driver training vehicle. If the insured had never owned a tractor trailer and purchased one to use for driver training, the driving record entitlement would be 0 according to the rules in the Commercial section. **B. Vehicle used solely for Driver Training** Calculate the premium as follows, add any applicable accident and conviction surcharges, and then apply the surcharges indicated in the Driver Training Surcharge Table. **Private Passenger Vehicles:** Rate as Class 07 **Commercial Vehicles:** Light –Rate as Class 36; Heavy – Rate as Class 44 **Public Vehicles (Buses, etc.):** **Private Passenger Type Vehicles:**Rate as Class 07 **Other Vehicles:** Light Rate as Class 36; Heavy Rate as Class 44 **Recreational Vehicles:** Rate at non-pleasure rates **C. Vehicles used for Driver Training in addition to some other use** 1. Calculate the premium as though the vehicle is used solely for driver training. 2. Calculate the premium as though the vehicle were used solely for the 'other use'. *For example*: If the vehicle is used for driving to and from work less than 17 km one way, use Class 02.	*For example:* The Insured opens a driver training school and ~~either~~ uses ~~his~~ their own car ~~or buys another car to use~~ as a driver training vehicle. The insured has no previous experience with driver training and is 5 years accident free. According to the rules in this section ~~the Private Passenger section the insured is entitled to Driving Record 5. Therefore~~ the insured is entitled to Driving Record 3 on the driver training vehicle. If the Insured had never owned a truck ~~tractor trailer~~ and purchased one to use for driver training, the driving record entitlement would be 0 according to the rules in the Commercial section. **B. Vehicle used solely for Driver Training** Calculate the premium as follows, add any applicable accident and conviction surcharges, and then apply the surcharges indicated in the Driver Training Surcharge Table. **Private Passenger Vehicles:** Rate as Class 07 (Driving Records 0, 1, 2, 3 only). **Commercial Vehicles:** Light: Rate as Class 36; Heavy: Rate as Class 44 **Public Vehicles (Buses, etc.):** Private Passenger Type Vehicles: Rate as Class 07 Other Vehicles: Light: Rate as Class 36; Heavy: Rate as Class 44 **Recreational Vehicles:** Rate at non-pleasure rates **C. Vehicles used for Driver Training in addition to some other use** 1. Calculate the premium as though the vehicle is used solely for driver training. 2. Calculate the premium as though the vehicle were used solely for the 'other use'. *For example:* If the vehicle is used for driving to and from work less than 17 km one way, use Class 02. ~~*For example*: If the vehicle is used for driving to and from work less than 17 km one way, use Class 02.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

<table>
<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 148:

Driver Training Vehicles</td>
<td>3. Add the dollar value of the driver training surcharge calculated in step 1 to the premium calculated in step 2.

4. Compare the premium in step 1 to the premium calculated through steps 2 and 3 and use the higher of the two.

For example:
Step 1
The vehicle is a private passenger vehicle and using class 07, the total premium is $700. The Liability premium is $200. The vehicle is equipped with dual controls so a surcharge of 35% is applied to the Liability premium for a surcharge of $70. The total policy premium calculated in step 1 is therefore $770.
Step 2
The driver training use is part time and the insured also uses the vehicle to drive to and from another job. Therefore a premium of $400 is calculated by rating the vehicle as Class 02.

Step 3
The premium in Step 2 is $400 and we add to that the surcharge premium of $70 calculated in Step 1.

Step 4
Use the higher of the results from Step 1 ($770) or Step 3 ($470).

D. Driver Training Vehicle Surcharge Table

1. Vehicles used only for Secondary School, College or University training courses.
<table><tr><th>Coverage</th><th>Equipped with dual controls</th><th>Other</th></tr><tr><td>Liability/DCPD</td><td>35%</td><td>135%</td></tr><tr><td>Collision</td><td>0%</td><td>75%</td></tr></table></td>
<td>3. Add the dollar value of the driver training surcharge calculated in step 1 to the premium calculated in step 2.

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Step 2
The driver training use is part time and the Insured also uses the vehicle to drive to and from another job. Therefore a premium of $400 is calculated by rating the vehicle as Class 02.

Step 3
The premium in Step 2 is $400 and we add to that the surcharge premium of $70 calculated in Step 1.

Step 4
Use the higher of the results from Step 1 ($770) or Step 3 ($470).

D. Driver Training Vehicle Surcharge Table

1. Vehicles used only for Secondary School, College or University training courses.
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FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

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<tr><th>Rule</th><th>Current Wording</th><th>Approved Wording</th><th>Change from Current</th><th>Premium impact on existing policies</th></tr>
<tr>
<td>Rule 148:

Driver Training Vehicles</td>
<td>2. Other Vehicles
<table><tr><th>Coverage</th><th>Equipped with dual controls</th><th>Other</th></tr><tr><td>Liability/DCPD</td><td>70%</td><td>170%</td></tr><tr><td>Collision</td><td>25%</td><td>100%</td></tr></table></td>
<td>*DCPD surcharge applicable to all jurisdictions except in Northwest Territories, Nunavut and Yukon where DCPD coverage is not available.

2. Other Vehicles<table><tr><th>Coverage</th><th>Equipped with Dual Controls</th><th>Other</th></tr><tr><td>Liability</td><td>70%</td><td>170%</td></tr><tr><td>Accident Benefits</td><td>0%</td><td>0%</td></tr><tr><td>DCPD*</td><td>70%</td><td>170%</td></tr><tr><td>Collision</td><td>25%</td><td>100%</td></tr><tr><td>Other Coverages</td><td>0%</td><td>0%</td></tr></table>*DCPD surcharge applicable to all jurisdictions except in Northwest Territories, Nunavut, and Yukon where DCPD coverage is not available.</td>
<td>FA is aiming to harmonize and simplify the wordings across all jurisdictions</td>
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</tr>
<tr>
<td>Rule 150:

Carrying Explosives</td>
<td>The standard policy exclusion for carrying explosives may be modified to permit carriage of specified explosives only, by adding END 4a. END 4a can be applied to all coverages or limited to the mandatory coverages.

An Explosive Questionnaire must be completed and signed by the applicant and submitted to the Servicing Carrier.

1. A commercial type vehicle operated by an explosive manufacturer or dealer shall be rated in accordance with the Commercial section of the manual.
2. For any other vehicle there shall be an additional charge applied to the vehicle premium. Contact your Servicing Carrier for the amount of the additional premium.</td>
<td>The standard policy exclusion for carrying explosives may be modified to permit carriage of specified explosives only, by adding END 4a. END 4a can be applied to all coverages or limited to the mandatory coverages.

An Explosive Questionnaire must be completed and signed by the Applicant and submitted to the Servicing Carrier.

~~1. A commercial type vehicle operated by an explosive manufacturer or dealer shall be rated in accordance with the Commercial section of the manual.~~

~~2. For any other vehicle there~~ There shall be an additional charge applied to the vehicle premium. Contact your Servicing Carrier for the amount of the additional premium.</td>
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FACILITY ASSOCIATION NEW BRUNSWICK RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 151: Carrying Radioactive Materials	The standard policy exclusion for carrying radioactive material may be modified to permit the carriage of specified radioactive material only, by adding END 4b. END 4b can be applied to all coverages or limited to the mandatory coverages. A Radioactive Materials Questionnaire must be completed and signed by the applicant and submitted to the Servicing Carrier. An additional charge shall be applied to the vehicle premium. Contact your Servicing Carrier for the amount of the additional premium.	The standard policy exclusion for carrying radioactive material may be modified to permit the carriage of specified radioactive material only, by adding END 4b. END 4b can be applied to all coverages or limited to the mandatory coverages. A Radioactive Materials Questionnaire must be completed and signed by the Applicant and submitted to the Servicing Carrier. An additional charge shall be applied to the vehicle premium. Contact your Servicing Carrier for the amount of the additional premium.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION

January 2026

Manual of Rules and Rates
New Brunswick

Revised Rates for Taxi, Motorcycle & Mopeds, Interurban, Public Bus, Private Bus, School Bus, Hotel & Country Bus, Ambulance, Funeral, Snow Vehicles, Private Trailers, Motor Home, Camper Units and Historic Vehicles
Effective May 1, 2026 (New Business and Renewals)

Effective May 1, 2026 Facility Association is implementing the following updates for new business and renewals in New Brunswick:

- Taxi -6.4%
- Motorcycles & Mopeds +1.2%

There is no rate changes associated with the class of businesses listed below:

- Interurban Vehicles
- Public Bus
- Private Bus
- School Bus
- Hotel & Country Bus
- Ambulance
- Funeral
- Snow Vehicles
- Private Trailers
- Motor Home
- Camper Unit
- Historic Vehicles

Facility Association website www.facilityassociation.com now contains this new information.

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