FACILITY ASSOCIATION

October 2026

Manual of Rules and Rates
NEWFOUNDLAND & LABRADOR

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

Effective January 1, 2027 Facility Association is implementing the following update for new business and renewals in Newfoundland & Labrador:

- 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 Carriers, to whom all enquiries should be addressed.

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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></td><td></td></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></td><td></td></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

July 2026

Manual of Rules and Rates
NEWFOUNDLAND & LABRADOR

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

Effective November 1, 2026 Facility Association is implementing the following update for new business and renewals in Newfoundland & Labrador:

- 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 Carriers, to whom all enquiries should be addressed.

FACILITY ASSOCIATION

May 2026

Manual of Rules and Rates
NEWFOUNDLAND & LABRADOR

Revised Private Passenger, Public Bus, Taxi, Motorcycle & Moped, All-Terrain Vehicle and Snow Vehicle Rates Effective September 1, 2026 (New Business and Renewals)

Effective September 1, 2026 Facility Association is implementing the following updates for new business and renewals in Newfoundland & Labrador:

- Revised Private Passenger rate. Overall, there is a change of +4.3%. Rates may vary depending upon individual policy circumstances;
- Revised Public Bus rate. Overall, there is a change of +20.2%. Rates may vary depending upon individual policy circumstances;
- Revised Taxi rate. Overall, there is a change of +11.1%. Rates may vary depending upon individual policy circumstances;
- Revised Motorcycle & Moped rate. Overall, there is a change of +1.3%. Rates may vary depending upon individual policy circumstances;
- Revised All-Terrain Vehicle rate. Overall, there is a change of +3.1%. Rates may vary depending upon individual policy circumstances;
- Revised Snow Vehicle rate. Overall, there is a change of +10.0%. Rates may vary depending upon individual policy circumstances.

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
NEWFOUNDLAND & LABRADOR

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 Newfoundland & Labrador:

- 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 NEWFOUNDLAND & LABRADOR 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 Physcial 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

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 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
Table of Contents	**Rule 106: Definitions** ..... A. Private Passenger Vehicle per Automobile Insurance B. Operator Assignment ..... C. Business Use ..... D. Pleasure Use ..... E. Driving to and from work ..... F. Passengers carried for compensation ..... G. Owned/Leased ..... H. Valid Operator's Licence ..... I. Types of Licence Suspension ..... J. Driver Training	**Rule 106: Definitions** ..... A. Private Passenger Vehicle per Automobile Insurance 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: Clean Driver Discount**	**Rule 108: ~~Clean Drive~~ 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 117: Multi-Vehicle Discount**	**Rule 117: ~~Multi-Vehicle Discount~~ Not applicable**	FA is aiming to harmonize and simplify the wordings	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 118: Winter Tire Discount.....**	**Rule 118: ~~Winter Tire Discount~~ Not applicable.....**	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
Table of Contents	**Rule 128: Renewals .....** A. Before issuing a Renewal: ..... B. Risks Not Eligible for Renewal ..... C. Accidents Occurring Between Renewal Process Date & Effective Date..... D. Renewal Processing.....	**Rule 128: Renewals .....** Risk Not Eligible for Renewal..... A. Before issuing a Renewal: ..... ~~B. Risks Not Eligible for Renewal.....~~ B. Accidents Occurring Between Renewal Process Date & Effective Date..... C. Renewal Processing.....	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
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 Required.**..... A. Financial Responsibility Certificate ..... B. Renewal or Offer to Renew..... C. Policy Cancellation, Vehicle Deletion,..... **D. Filing Liability Limits.....**	**Rule 137: Proof of Insurance Where Notice of Cancellation or Deletion is Required.**..... 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

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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	**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. 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 Newfoundland & Labrador but the application is being completed in Alberta. The vehicle must be registered in Alberta or an Agent/ Broker in Newfoundland & Labrador must complete and submit the application for coverage in Newfoundland & Labrador. 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.	**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. 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 Newfoundland & Labrador but the application is being completed in Alberta. The vehicle must be registered in Alberta or an Agent/ Broker in Newfoundland & Labrador must complete and submit the application for coverage in Newfoundland & Labrador.~~ 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.	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	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. 9. Non-payment of premium for the current policy period (for purposes of termination only). 10. A Private Passenger or Commercial risk with the sole reason for entry into Facility Association of a prior lapse in insurance coverage of 24 months or more will be non-renewed after 1 term (6 or 12 months). **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.	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. 9. Non-payment of premium for the current policy period (for purposes of termination only). 10. A Private Passenger or Commercial risk with the sole reason for entry into Facility Association of a prior lapse in insurance coverage of 24 months or more will be non-renewed after 1 term (6 or 12 months). *(Applicable to Newfoundland & Labrador 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.	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 100:

Filed Underwriting Rules</td>
<td>2. 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.

NOTE: No policy will be written for vehicles branded 'non-repairable'.

3. Where a vehicle is licensed for road use and is used on roads as well as used for legal race or speed tests, physical damage coverage shall not be provided. For DCPD coverage, establish the rate group according to Rule 116: Vehicle Rate Group and Rule 121: After Market Equipment.

C. Non Residents and Vehicles Not Registered in Jurisdiction:

These vehicles may be operated for 90 days 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 90 days 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>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.

NOTE: No policy ~~will~~ shall be written for vehicles branded 'non-repairable'.

3. Where a vehicle is licensed for road use and is used on roads as well as used for legal race or speed tests, physical damage coverage shall not be provided. For DCPD (Not available in Northwest Territories, Nunavut and Yukon) coverage, establish the rate group according to Rule 116.~~÷ Vehicle Rate Group and Rule 121: After Market Equipment~~

C. Non Residents and Vehicles Not Registered in Jurisdiction:

As per chart below, these vehicles may be operated for ~~90 days~~s 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~~ 90 days~~. 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>
</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>
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). 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, contact your Servicing Carrier.

B. Accident Benefits

As prescribed by statute.

C. 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 coverage 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</th><th>Min Ded</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>
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).

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.
</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>$100,000+</td></tr>
</table>

Rate Group A – See Rule 116: Vehicle Rate Group.
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 chart below. Where a risk is eligible for one deductible based on rate group 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.
</td>
<td>
All Perils coverage 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 Deductible 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>
<tr><td>90-99</td><td>10,000</td><td>$100,000+</td></tr>
</table>

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

~~Rate Group A – See~~ Refer to Rule 116: Vehicle Rate Group for further information on Rate Group A.

NOTE: For risks with claims, refer to the chart below. Where a risk is eligible for one deductible based on rate group and another based on claims, the higher deductible applies.

<table>
<tr><td>Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)</td><td>Deductible amount applicable to the coverage under</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>
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<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>Any higher minimum deductible provided for in this manual shall override these amounts.

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 $1,000 deductible on Comprehensive only. Only if the insured has sustained three Collision losses as well, would $1,000 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. Vehicles insured for Comprehensive/ Specified Perils only shall not be written as new business.

D. Uninsured Automobile

As prescribed by statute.

E. Family Protection Coverage (END 44)

For a brief description refer to Rule 152: Endorsements Applicable to POL 1 (Owner’s Policy). 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 Private Passenger type vehicles that are subject to the Public Section of this manual.

F. 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><th>In prior 12 months</th><th>In prior 36 months</th><th>In prior 60 months (fire and/or total theft)</th><th>which the claims were made*</th></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.

<s>Any higher minimum deductible provided for in this manual shall override these amounts.</s>

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. <s>For example one Collision loss and three Comprehensive losses in the previous 12 months will result in the application of a $1,000 deductible on Comprehensive only. Only if the insured has sustained three Collision losses as well, would $1,000 deductible be applied to the Collision coverage.</s>

b) Vehicles insured for Comprehensive/Specified Perils only shall be renewed once and then lapsed at the next renewal. Vehicles insured for Comprehensive/ Specified Perils only shall not be written as new business.
</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 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 1. If Liability, DCPD and Accident Benefits coverages are 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. 2. If Liability, DCPD and Accident Benefits coverages are not added to the vehicle by the renewal date, the vehicle shall be renewed once and then lapsed at the next renewal if there is no other vehicle with Liability, DCPD and Accident Benefits coverages on the policy.	**F. Family Protection Coverage ~~(END 44)~~** For a brief description refer to Rule 152: Endorsements Applicable to POL 1 (Owner's Policy). 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 Private Passenger type 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** **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.~~ 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.	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	3. In the case of a new application, a policy may not be issued for Comprehensive or Specified Perils only. **G. Direct Compensation – Property Damage (DCPD)** No deductibles are applicable.	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 2. If ~~Liability, DCPD and Accident Benefits~~ mandatory coverages are 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, DCPD and Accident Benefits~~ mandatory coverages are not added to the vehicle by the renewal date, the vehicle shall be renewed once and then lapsed at the next renewal if there is no other vehicle with ~~Liability, DCPD 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.	**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:	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	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 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 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.	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. **or** c) Where a vehicle qualifies for monthly pay plan, provide all information and documents required to the Servicing Carrier. *(Alberta, Newfoundland & Labrador and Ontario only)* 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 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.	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	6) Before 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.	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 104: New Policies	**A. Application Form** Every application for insurance must be made on the approved Standard Application form where available and must be fully completed and signed by the applicant where required. See also Rule 104: Computer Generated Application Forms. Commercial, Garage, Public, experience rated and some specially rated risks will require completion of supplementary questionnaires. 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	**A. Application Form** Every application for insurance must be made on ~~the~~ a current approved Facility Association or Standard Application Form ~~where available and~~ Must be fully completed and signed by both the Applicant and Agent/Broker where required. ~~See also Rule 104: Computer Generated Application Forms.~~ ~~Commercial, Garage, Public, experience rated and some specially rated risks will require completion of supplementary questionnaires.~~ 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	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	**B. Owners Policy (APP 1)** A current approved Standard Application Form (APP 1) is required. The Agent/Broker must indicate the time and date that coverage is bound. **C. Faxed Applications** Fully completed and signed current approved Standard 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** 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. The computerized application must be signed and dated by the applicant as well as the Agent/ Broker. **E. Applicant's Signature** The applicant's signature shall be provided on the current approved Standard 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.	**B. Owners Policy (APP 1)** The only forms applicable is the ~~A~~ current approved Facility Association or Standard Application Form (APP 1) ~~is required~~. The Agent/Broker must indicate the time and date that coverage is bound. ~~**C. Faxed Applications**~~ ~~Fully completed and signed current approved Standard 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** 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. 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 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.	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	**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 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 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 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.	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	If the applicant has vehicle(s) leased from the same leasing company and owned vehicle(s), separate policies may not be necessary.	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: 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.	**F. Other Insurance** If there is any other insurance in force in respect of a risk: 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.		

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 104: New Policies	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 applicant and all drivers shown on the application or added to an existing policy 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 or Antique Vehicles. See special instructions under Fleets and the Garage section. 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.	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 must be obtained on ~~the applicant and~~ all drivers ~~shown on the application or added to an existing policy~~ 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 or Antique Vehicles. See special instructions under Fleets and the Garage section.~~ 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.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 105: Monthly Pay Plan	In accordance with the Insurance Act, Servicing Carriers must offer and administer a monthly payment plan for business they write on behalf of Facility Association. The Servicing Carrier will establish the rules for monthly payment plan subject to the following conditions: 1. Where an insured pays a premium in equal monthly payments, an insurer may charge interest not exceeding the rate the minister may approve by regulation. 2. The contract is limited to automobiles used for the purposes listed under the heading "Type of Use – Private Passenger" in the automobile insurance statistical plan. 3. The contract does not insure 5 or more automobiles that are under common ownership or management	In accordance with the Insurance Act, Servicing Carriers must offer and administer a monthly payment plan for business they write on behalf of Facility Association. The Servicing Carrier will establish the rules for monthly payment plan subject to the following conditions: 1. Where an Insured pays a premium in equal monthly payments, an Insurer may charge interest not exceeding the rate the minister may approve by regulation. 2. The contract is limited to automobiles used for the purposes listed under the heading "Type of Use – Private Passenger" in the automobile insurance statistical plan. 3. The contract does not insure 5 or more automobiles that are under common ownership or management.	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 105: Monthly Pay Plan	4. The total annual premium payable under the contract exceeds $300. 5. The insured has not had more than one automobile insurance policy terminated by an insurer for non-payment of premium during the thirty-six months before the contract takes effect. 6. As a precondition for permitting an insured to pay the premium in instalments an insurer may require that the insured: a) Make an initial payment equal to two monthly instalments of the premium; and b) Agree to make all payment under the contract by pre-authorized payment from the insured's account at a financial institution. 7. The amount of each instalment payment shall be calculated as blended principal and interest. 8. A returned item charge of $25 applies to failed withdrawal attempts	4. The total annual premium payable under the contract exceeds $300. 5. The Insured has not had more than one automobile insurance policy terminated by an Insurer for non-payment of premium during the thirty-six months before the contract takes effect. 6. As a precondition for permitting an Insured to pay the premium in instalments an Insurer may require that the Insured: a) Make an initial payment equal to two monthly instalments of the premium; and b) Agree to make all payment under the contract by pre-authorized payment from the insured's account at a financial institution. 7. The amount of each instalment payment shall be calculated as blended principal and interest. 8. A returned item charge of $25 applies to failed withdrawal attempts	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** 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 the principal operator. If the licence of the	**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 the principal operator. If the licence of 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 106: Definitions	person reported as the principal 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. **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) is considered to be business use not commercial use. 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** The vehicle is not used for driving to and from work or school or for 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.	person reported as the principal 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. **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) is considered to be business use not commercial use.~~ 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 ~~The~~ vehicle ~~is not used~~ for driving to and from work or school (except where Class 01 is requested) but is not used for other ~~or for~~ 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.	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	**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 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 business use. If however, this occurs no more than once a week, attach END 6a and rate as driving to and from work. **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.	**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 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 business use. If however, this occurs no more than once a week, attach END 6A and rate as Class 02 or Class 03 ~~driving to and from work.~~ **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.	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	**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 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:B:10 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.	**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 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~~:B:10 Driving Record~~ for rating information on drivers with an International Licence. **J. 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.	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	**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** 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).	**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)* 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 are sections that have been moved around	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 108: Clean Driver Discount	**Rule 108: Clean Driver Discount** Where a risk meets the following requirements, a discount shall be applied to the Liability, DCPD and Collision premiums: • No regular or frequent driver of the vehicle has had any major, minor, or serious convictions in the 36 months immediately preceding the commencement of insurance. • No regular or frequent driver has had an at fault accident within the 60 months immediately preceding the commencement of insurance. • No licence suspensions in the 5 years immediately preceding the commencement of insurance • All drivers hold a valid Canadian driver's licence. Refer to rate pages for the amount of discount where applicable.	**Rule 108: ~~Clean Deiver~~ Discounts** **1. Clean Driver Discount** Where a risk meets the following requirements, a discount shall be applied to the Liability, DCPD and Collision premiums: • No regular or frequent driver of the vehicle has had any major, minor, or serious convictions in the 36 months immediately preceding the commencement of insurance. • No regular or frequent driver has had an at fault accident within the 60 months immediately preceding the commencement of insurance. • No licence suspensions in the 5 years immediately preceding the commencement of insurance • All drivers hold a valid Canadian driver's licence. Refer to rate pages for the amount of discount where applicable. **2. Multi Vehicle Discount** Where two or more vehicles are owned by an individual or by individuals living in the same household and the vehicles are insured by the same Servicing Carrier for concurrent terms and: a) all qualify for Class 01, 02 or 03 rates, the full rate is charged in respect of the highest-rated vehicle and a discount of 10% is allowed from the Liability, DCPD, Accident Benefits and Collision rates that apply to the other vehicles; OR b) all qualify for Class 01, 02, 03 or 07 rates, the full rates are charged in respect of the Class 07 vehicles and a discount of 10% is allowed from the Liability, DCPD, Accident Benefits and Collision rates that apply to the Class 01, 02 or 03 vehicles. **Notes** 1. There must be one vehicle for which the full rate is paid. 2. This discount is not allowable in respect of any of the vehicles if there is an occasional driver licensed less than 9 years in Canada or U.S. (Class 05).	FA is aiming to harmonize and simplify the wordings across all jurisdictions Discounts have been moved from Rule 117 & Rule 118 to have all discounts listed under one rule	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 108: Clean Driver Discount		3. For the purposes of this rule, the following vehicles shall not be counted: a) A "farmer's vehicle" that is allowed a reduction from the normal rate in accordance with Rule 110. b) A vehicle that is actually subject to another section of this manual e.g. a motor home. **3. Winter Tire Discount** This discount (in accordance with Section 16 of NLR 16/19) is available for personal use private passenger vehicles equipped with winter tires. Insureds requesting this discount must complete and sign the Winter Tire Discount Form confirming the insured vehicle has four winter tires. To be eligible for the discount, this form must accompany the discount request. A new form is required to request the discount for any vehicle being added or substituted on the policy. Facility Association reserves the right to verify the installation of winter tires on the insured vehicle by: - Inspecting the vehicle upon request - Reviewing the installation invoice upon request The discount is 2% and applies to Third Party Liability, DCPD, Accident Benefits and Collision coverages on the vehicle. Once the discount is applied, it will remain on the vehicle unless the vehicle is deleted from the policy.	Discounts have been moved from Rule 117 & Rule 118 to have all discounts listed under one rule	This will not impact premiums
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 no other gainful occupation) shall be rated as if used solely for pleasure. **2. Farmers** The vehicle of a farmer who has no other gainful occupation and is residing on the farm shall be rated as if	**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** *(Applicable to Newfoundland & Labrador only)* The vehicle of a farmer who has no other gainful occupation and is residing on the farm shall be rated as if used solely	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 110: Special Classification Procedure	used solely for pleasure. If the rating class is determined to be Class 03, a Farmer's Discount may be available. a) A risk that would normally be rated Class 01 or 02 may be rated Class 03 if that produces a more favourable result for the applicant. b) Farmer's Discount does not apply to vehicles that are subject to rating in other sections of this manual e.g. Motor Homes, Antique Vehicles. c) Farmer's Discount is not available on vehicles owned by farm labourers, transient harvesters and part-time workers. **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** The Liability premiums for electrically powered vehicles are subject to a reduction of 50%.	for pleasure. If the rating class is determined to be Class 03, a Farmer's Discount may be available. a) A risk that would normally be rated Class 01 or 02 may be rated Class 03 if that produces a more favourable result for the Applicant. b) Farmer's Discount does not apply to vehicles that are subject to rating in other sections of this manual e.g. Motor Homes, Antique Vehicles. c) Farmer's Discount is not available on vehicles owned by farm labourers, transient harvesters and part-time workers. **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 Rule 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 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 5~~0%~~ 25%. *(Applicable to Newfoundland & Labrador only)*	FA is aiming to harmonize & align with the Commercial Rule 207.F Electrically powered vehicle at 25%	This may impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 111: Rating Class	**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. 2. The principal operator is normally the person who drives the vehicle the most as declared on the application. 3. 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 the principal operator. *For example:* There are three drivers in the household and three vehicles. Each driver shall be rated as the principal operator of one of the vehicles. 4. If the description of a class contains exclusions/stipulations regarding drivers, such exclusions/stipulations do not apply to persons who are designated as operators of other vehicles insured through FA with the same Servicing Carrier. *For example*: A, B and C are listed as operators on A's car. All have been licensed 10 years. The vehicle is used for pleasure only with minimal mileage. A would not qualify for Class 01 because there are 3 listed operators. However, if C is listed as an operator of another vehicle with the same Servicing Carrier in FA, the vehicle driven by A and B could qualify for Class 01. **Class 01** a) Pleasure use b) 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 c) The vehicle is not used for driving to and from work or school. d) The anticipated annual mileage does not exceed 16,000 kilometers (10,000 miles)	**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. 2. The principal operator is normally the person who drives the vehicle the most as declared on the application. 3. 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 the principal operator. ~~*For example:* There are three drivers in the household and three vehicles. Each driver shall be rated as the principal operator of one of the vehicles.~~ 4. If the description of a class contains exclusions/stipulations regarding drivers, such exclusions/stipulations do not apply to persons who are designated as operators of other vehicles insured through FA with the same Servicing Carrier. ~~*For example*: A, B and C are listed as operators on A's car. All have been licensed 10 years. The vehicle is used for pleasure only with minimal mileage. A would not qualify for Class 01 because there are 3 listed operators. However, if C is listed as an operator of another vehicle with the same Servicing Carrier in FA, the vehicle driven by A and B could qualify for Class 01.~~ **Class 01** a) Pleasure use only b) ~~c)~~ 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 U.S. without a separate Class 05 charge *(Applicable to New Brunswick & Newfoundland & Labrador only)* e) ~~No more than 2 drivers~~ Apart from the principal operator there is not more than one other driver (excluding drivers rated under Class 05) ~~and those drivers have~~ and that driver has held a valid driver's licence in Canada or U.S. for	FA is aiming to harmonize and simplify the wordings across all jurisdictions Confirms there is no business use or commercial use in this class. Reaffirms or reinforces point a.	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 assigned to a vehicle, the vehicle cannot be rated Class 01. **Class 02** a) Pleasure use and commute use. b) 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 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 km (15,000 miles) Note: If there are 2 or more occasional drivers assigned to a vehicle, the vehicle cannot be rated Class 02. **Class 03** a) Pleasure use and commute use. b) 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 01, 02, 03, 07, 10, 11, 12, or 13 **Notes: Class 05** 1. The vehicle is first rated as if there are no occasional drivers licensed less than 9 years in Canada or the U.S. Premium is then charged for such occasional drivers by adding the Liability, DCPD and Collision coverage for Class 05. It is not permissible to issue a policy solely at Class 05 rates.	the past 9 years or more. f) The anticipated annual mileage does not exceed 16,000 kilometers (10,000 miles).*(Applicable to Alberta and Newfoundland & Labrador)* ~~Note: If there are 2 or more occasional drivers assigned to a vehicle, the vehicle cannot be rated Class 01~~ **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 licensed at least 9 years. e)~~No more than 2 drivers (excluding drivers rated under Class 05) and those drivers~~ have Apart from the principal operator and Class 05, there is not more than one other driver, and that driver has held a valid driver's licence in Canada or U.S. for the past 9 years or more f)The anticipated annual mileage does not exceed 24,000 km (15,000 miles) ~~Note: If there are 2 or more occasional drivers 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 01, 02, 03, 07, 10, 11, 12, or 13. *(Applicable to Newfoundland & Labrador only)* **Notes: Class 05** 1) The vehicle is first rated as if there are no occasional drivers licensed less than 9 years in Canada or the U.S. ~~P~~remium is then charged for such occasional drivers by adding the Liability, DCPD and Collision coverage ~~for Class 05~~. It is not permissible to issue a policy solely at Class 05 rates.	Removed Note as this is duplicate and 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	2. The Liability limit and Collision deductible for Classes 05 drivers must be identical to the limit and deductible provided for the vehicle.. 3. Class 05 develops its own driving record, based on the experience of the driver(s) concerned. 4. If there are two or more occasional drivers licensed less than 9 years in Canada or the U.S.: a) **One vehicle:** Only one Class 05 premium shall be charged but it shall be based on the experience of the driver who produces the highest premium. It shall reflect all claims for all Class 05 drivers combined. b) **Number of vehicles equal to number of occasional drivers licensed less than 9 years in Canada or the U.S.:** Charge a Class 05 on each vehicle. c) **Number of occasional drivers licensed less than 9 years in Canada or the U.S. exceeds the number of vehicles:** Starting with the Class 05 driver who generates the lowest driving record, each occasional driver licensed less than 9 years in Canada or the U.S. shall be assigned to the vehicle with the highest rate group. *Example:* Policy covers 3 cars, 3 principal operators, and 4 occasional drivers (4 Class 05). Vehicle 1 rate group 5 Vehicle 2 rate group 10 Vehicle 3 rate group 13 Driver 1 Class 05 – licensed 6 months Driver 2 Class 05 – licensed 3 years Driver 3 Class 05 – licensed 5 years Driver 4 Class 05 – licensed 2 years Driver 1 assigned to vehicle 3. Driver 4 assigned to vehicle 2. Driver 2 assigned to vehicle 1.	2) The Liability limit, DCPD *(Not available in Northwest Territories, Nunavut and Yukon)* and Collision deductible for ~~Classes~~ Class 05 drivers must be identical to the limit and deductible provided for the vehicle. 3) Class 05 develops its own driving record, based on the experience of the driver(s) concerned. 4) If there are two or more occasional drivers licensed less than 9 years in Canada or the U.S.: a) **One vehicle:** Only one Class 05 premium shall be charged but it shall be based on the experience of the driver who produces the highest premium. It shall reflect all claims for all Class 05 drivers combined. b) **Number of vehicles equal to number of occasional drivers ~~licensed less than 9 years in Canada or the U.S.~~:** Charge a Class 05 on each vehicle. c) **Number of occasional drivers ~~licensed less than 9 years in Canada or the U.S.~~ exceeds the number of vehicles:** Starting with the Class 05 driver who generates the lowest driving record, each occasional driver ~~licensed less than 9 years in Canada or the U.S.~~ shall be assigned to the vehicle with the highest rate group. ~~*Example:*~~ ~~Policy covers 3 cars, 3 principal operators, and 4 occasional drivers (4 Class 05).~~ ~~Vehicle 1 rate group 5~~ ~~Vehicle 2 rate group 10~~ ~~Vehicle 3 rate group 13~~ ~~Driver 1 Class 05 – licensed 6 months~~ ~~Driver 2 Class 05 – licensed 3 years~~ ~~Driver 3 Class 05 – licensed 5 years~~ ~~Driver 4 Class 05 – licensed 2 years~~ ~~Driver 1 assigned to vehicle 3.~~ ~~Driver 4 assigned to vehicle 2.~~ ~~Driver 2 assigned to vehicle 1.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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	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 assigned to a vehicle, the vehicle cannot be rated Class 01 or 02. **Class 07** a) Business use or business and pleasure use. All drivers have held a valid driver's licence in Canada or U.S. for the past 9 years or more. b) 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 is licensed 0–2 years in Canada or U.S. **Class 11** Principal operator is licensed 3–4 years in Canada or U.S. **Class 12** Principal operator is licensed 5–6 years in Canada or U.S. **Class 13** Principal operator is licensed 7–8 years in Canada or U.S.	5) A Class 05 premium shall not be charged for a driver whose licence is L~~earner 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 01 or Class 02. **Class 07** a) Business use ~~or business~~ including commute and pleasure use. b) No commercial use c) All drivers have held a valid driver's licence in Canada or U.S. for the past 9 years or more. d) Private passenger type vehicles used as short term rentals or driver training vehicles (Refer to Rules 146 and 148.) 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 is licensed 0–2 years in Canada or U.S. **Class 11** Principal operator is licensed 3–4 years in Canada or U.S. **Class 12** Principal operator is licensed 5–6 years in Canada or U.S. **Class 13** Principal operator is 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** Whenever there are two or more uses of a vehicle, or it is possible to rate the use or type of risk in two or more ways, rate for the use with the highest percentage of exposure. It should be noted that commercial classes anticipate a certain percentage of personal use. Where specific instructions are given elsewhere in this manual concerning rating of vehicles in these circumstances, those instructions shall take precedence. **Exception: Vehicles carrying hazardous goods are always rated for hazardous exposure regardless of percentage of use.**	**Rule 112: ~~Method of Rating for More Than One Use~~** **Not applicable** ~~Whenever there are two or more uses of a vehicle, or it is possible to rate the use or type of risk in two or more ways, rate for the use with the highest percentage of exposure. It should be noted that commercial classes anticipate a certain percentage of personal use. Where specific instructions are given elsewhere in this manual concerning rating of vehicles in these circumstances, those instructions shall take precedence.~~ ~~**Exception: Vehicles carrying hazardous goods are always rated for hazardous exposure regardless of percentage of use.**~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Rule removed as uses other than private passenger are not permitted with passenger rating.	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 112 Method of Rating for More than One Use	Note: With Slip Tanks (removable tanks to carry combustible fuel), if the principal use of the vehicle is not the carriage of petroleum products, the vehicle must be rated according to its principal use and Class 48 may not be used. **How to calculate premium** Where it is necessary to calculate premium for comparison purposes it shall be done in the following manner. The total premium for each use or method of rating must be calculated separately and then compared and the highest total premium will be used. **Examples** a) The insured has a light pickup truck used for courier purposes. The insured has no other vehicle. The vehicle is used 60% for courier purposes and 40% for pleasure. Rate the vehicle as though used for courier delivery. b) The insured has a light pickup truck. During the day he uses it to make business calls to clients of the company he works for as a salesman. During the night he works for another company delivering pizza. The vehicle is used 60% for business calls, 30% for pizza delivery and 10% for pleasure. Rate the vehicle as though used for business calls. a) The vehicle is used 80% of the time for driver training and 20% of the time for pizza delivery. Rate the vehicle as though used for driver training. d) The insured has a light van and no other vehicle. Insured and son (licenced less than 3 years) are the only drivers. The van is used in the insured's painting business - commercial class 35. The vehicle is used 55% for pleasure and 45% of the time in the painting business. Rate the vehicle as though used for pleasure. It should be noted in example d), that were the insured to have another vehicle and be rated as the principal operator for pleasure use, insured through FA or elsewhere, then the commercial rate class would automatically be used. The name of the insuring company and policy number for the pleasure use vehicle must be provided to the Servicing Carrier at the time of new business and on subsequent renewals as required by the Servicing Carrier.	~~Note: With Slip Tanks (removable tanks to carry combustible fuel), if the principal use of the vehicle is not the carriage of petroleum products, the vehicle must be rated according to its principal use and Class 48 may not be used.~~ ~~**How to calculate premium**~~ ~~Where it is necessary to calculate premium for comparison purposes it shall be done in the following manner. The total premium for each use or method of rating must be calculated separately and then compared and the highest total premium will be used.~~ ~~**Examples**~~ ~~a) The insured has a light pickup truck used for courier purposes. The insured has no other vehicle. The vehicle is used 60% for courier purposes and 40% for pleasure. Rate the vehicle as though used for courier delivery.~~ ~~b) The insured has a light pickup truck. During the day he uses it to make business calls to clients of the company he works for as a salesman. During the night he works for another company delivering pizza. The vehicle is used 60% for business calls, 30% for pizza delivery and 10% for pleasure. Rate the vehicle as though used for business calls.~~ ~~a) The vehicle is used 80% of the time for driver training and 20% of the time for pizza delivery. Rate the vehicle as though used for driver training.~~ ~~d) The insured has a light van and no other vehicle. Insured and son (licenced less than 3 years) are the only drivers. The van is used in the insured's painting business - commercial class 35. The vehicle is used 55% for pleasure and 45% of the time in the painting business. Rate the vehicle as though used for pleasure.~~ ~~It should be noted in example d), that were the insured to have another vehicle and be rated as the principal operator for pleasure use, insured through FA or elsewhere, then the commercial rate class would automatically be used. The name of the insuring company and policy number for the pleasure use vehicle must be provided to the Servicing Carrier at the time of new business and on subsequent renewals as required by the Servicing Carrier.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Rule removed as uses other than private passenger are not permitted with private passenger rating.	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 113: Driving 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. Without proof of prior insurance, a maximum Driving Record 1 is applicable. **A. Clear Record** **1. Vehicles Owned by Individuals** Where vehicles are owned by individuals, the principal operator has held a valid licence throughout the period concerned. Licence suspensions can affect Clear 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, principal operator, or any other driver as verified through a loss history report or a letter from the previous insurer.	**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. Without proof of prior insurance, a maximum Driving Record 1 is applicable. *(Applicable in Newfoundland & Labrador only)* ~~**A. Clear Record**~~ **1. Vehicles Owned by Individuals** Where vehicles are owned by individuals, the principal operator has held a valid licence throughout the period concerned. Licence suspensions can affect Clear 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 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.	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	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 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 as the principal 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	c) Chargeable 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 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 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 as the principal 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 not included in the Collision rating because~~	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	Collision. The accident is not included in the Collision rating because there was no payout made under this coverage on the described vehicle. Accidents on heavy or specialized vehicles shall not be taken into account when rating private passenger vehicles. See Rule 136: 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. **B. Administrative Suspension/Cancellation/ Lapse:** A suspension/cancellation/lapse for one year or more for any reason other than those outlined in item A. **A. With suspensions for cause** For the total of all suspensions within the last 5 years, deduct 1 year for each year (or partial year) of suspension from the driving record (maximum Driving Record 3) *Examples:* i. Principal operator is eligible for driving record 4. Has 6 month suspension for demerit points. Now qualifies for driving record 3. ii. Principal operator is eligible for driving record 4. Has been reinstated May 1, 2005 after an 18 month suspension for convictions. Policy is effective June 1, 2005. Now qualifies for Driving Record 2. iii. Driver is newly licenced at Level II and has had a licence suspension while at Level I. Risk qualifies for Driving Record 0. Note: Refer to Rule 113.B Driving Record Entitlement	~~there was no payout made under this coverage on the described vehicle.~~ Accidents on heavy or specialized vehicles shall not be taken into account when rating private passenger vehicles. See Rule 135.C. ~~136: 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. ~~**B. Administrative Suspension/Cancellation/ Lapse:** A suspension/cancellation/lapse for one year or more for any reason other than those outlined in item A.~~ ~~**A.**~~ **With suspensions for cause** ~~For the total of all suspensions within the last 5 years, deduct 1 year for each year (or partial year) of suspension from the driving record (maximum Driving Record 3).~~ For the total time the driver's licence has been suspended in the past 5 years, reduce the driving record by 1 for each year or partial year suspended. Subject to maximum Driving Record 3. ~~*Examples:*~~ ~~i. Principal operator is eligible for driving record 4. Has 6 month suspension for demerit points. Now qualifies for driving record 3.~~ ~~ii. Principal operator is eligible for driving record 4. Has been reinstated May 1, 2005 after an 18 month suspension for convictions. Policy is effective June 1, 2005. Now qualifies for Driving Record 2.~~ ~~iii. Driver is newly licenced at Level II and has had a licence suspension while at Level I. Risk qualifies for Driving Record 0.~~ ~~Note: Refer to Rule 113.B Driving Record Entitlement~~	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. With administrative suspensions/cancellation/lapse:** If the total time suspended/cancelled/lapsed is less than 1 year in the past 5 years, the driving record will not be affected. If the total time suspended/cancelled/lapsed is 1 year or more in the past 5 years, the driving record will be reduced by 1 for every year (or partial year) suspended/ cancelled/ lapsed. *Examples:* i. Risk is eligible for Driving Record 4. One operator has 10 month suspension for unpaid fines. Now qualifies for Driving Record 4. ii. Risk is eligible for Driving Record 4. One operator has 24 month suspension for unpaid fines. Now qualifies for Driving Record 2. If the licence of the person reported as the principal operator is currently suspended/ cancelled/ lapsed see Rule 142: Suspension of Operator's Licence. **NOTE:** 1. If a licence suspension and gap in insurance are in the same time frame e.g. the licence suspension is the reason for the insurance gap, do not charge for both. Charge whichever produces the greater impact on driving record. 2. There shall be no New Driver Credit as described in Rule 114	**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. ~~**B.**~~ **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 5 years, the driving record will not be affected. If the total time the driver's licence has been suspended/ cancelled/lapsed is 1 year or more in the past 5 years, the driving record will be reduced by 1 for every year ~~(~~or partial year~~)~~ suspended/ cancelled/ lapsed. ~~*Examples:*~~ ~~i. Risk is eligible for Driving Record 4. One operator has 10 month suspension for unpaid fines. Now qualifies for Driving Record 4.~~ ~~ii. Risk is eligible for Driving Record 4. One operator has 24 month suspension for unpaid fines. Now qualifies for Driving Record 2.~~ ~~If the licence of the person reported as the principal operator is currently suspended/ cancelled/ lapsed see Rule 142: Suspension of Operator's Licence.~~ **NOTE A and B:** 1. If a licence suspension and gap in insurance are in the same time frame e.g. the licence suspension is the reason for the insurance gap, do not charge for both. Charge whichever produces the greater impact on driving record. *(Applicable in Newfoundland & Labrador, Nova Scotia and Prince Edward Island only)* 2. ~~There shall be no New Driver Credit as described in Rule 114~~ An operator with a licence suspension is not eligible for a driving training discount or new driver credit. Refer to Rule 114.*(Applicable in Alberta, Newfoundland & Labrador and Nova Scotia 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 113: Driving Record	**Ignition Interlock** 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:* Licence 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 **Notes:** 1. The driving record established applies to all coverages for which a driving record is a factor. There is no split rating. A chargeable accident will affect the rating of the 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.	**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. ~~Under the Interlock Programme,~~ 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~~me~~ was entered ~~*For example:* Licence 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 **Notes:** 1. The driving record established applies to all coverages for which a driving record is a factor. There is no split rating. A chargeable accident will affect the rating of the 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.	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>4. A loss history report or letter from the prior carrier in Canada or the U.S. is required to confirm claims free experience 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 1.

5. Class 05 are rated separately from the underlying class based on the operator(s) concerned.

6. Gaps in insurance coverage within the past 5 years immediately preceding the effective date of the insurance shall have the following effect on the assignment of driving record:

a) If a gap in insurance coverage is 24 consecutive months or more in the past 5 years, the driving record will be reduced by 1 for each 12 month gap.

b) If a gap in insurance coverage is less than 24 consecutive months in the past 5 years and the gap is the result of a cancellation for non-payment of premium, termination for nondisclosure of a claim or conviction that would have increased the premium, or driver’s licence suspension, the driving record will be reduced by 1 for each 12 month gap.</td>
<td>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 1. (Applicable in Newfoundland & Labrador only)

5. Class 05 is rated separately from the underlying class based on the operator(s) concerned**.** (Applicable in New Brunswick & Newfound & Labrador only).

6. Rateable gaps in insurance coverage within the ~~past~~ 5 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 a gap in insurance coverage is 24 consecutive months or more in the past 5 years, the driving record will be reduced by 1 for each 12 month gap.~~

~~b) If a gap in insurance coverage is less than 24 consecutive months in the past 5 years and the gap is the result of a cancellation for non-payment of premium, termination for nondisclosure of a claim or conviction that would have increased the premium, or driver’s licence suspension, the driving record will be reduced by 1 for each 12 month gap.~~

Rateable gaps in insurance are result of:
• a cancellation for non-payment of premium.</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	c) If a gap in insurance coverage is less than 24 consecutive months in the past 5 years and the gap is for any reason other than one cited above, the driving record will not be impacted. *Example 1:* The applicant has proof of accident free insurance from June 1, 2002 to February 15, 2006. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (February 15, 2006 to July 1, 2006), there is no impact on the driving record. *Example 2:* The applicant has proof of accident free insurance from June 1, 2002 to May 20, 2005 when the policy was cancelled for non-payment of premium. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (May 20, 2005 to July 1, 2006), but for a reason shown in b. above, the driving record is reduced by 1 year. 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: 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.	• termination for nondisclosure of an claim or conviction that would have increased the premium. • driver's licence suspension. a) If the gap in insurance coverage is less than 24 consecutive months in the past 5 years, the driving record will be reduced by 1 for each year's gap in coverage. b) If a gap in insurance coverage is less than 24 consecutive months in the past 5 years and the gap is for any reason other than the ones cited above, the driving record will not be impacted. c) If the ~~a~~ gap in insurance coverage is 24 consecutive months or more in the past 5 years, the driving record will be reduced by 1 for each year's gap in coverage. ~~12 month gap.~~ ~~*Example 1:* The applicant has proof of accident free insurance from June 1, 2002 to February 15, 2006. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (February 15, 2006 to July 1, 2006), there is no impact on the driving record.~~ ~~*Example 2:* The applicant has proof of accident free insurance from June 1, 2002 to May 20, 2005 when the policy was cancelled for non-payment of premium. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (May 20, 2005 to July 1, 2006), but for a reason shown in b. above, the driving record is reduced by 1 year.~~ 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: ~~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.	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	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 principal operator is a non-resident of Canada touring North America, the remarks section of the application must indicate: 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 Rules 138 and 144. **B**. If the principal 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.	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 principal operator is a non-resident of Canada touring North America, the remarks section of the application must indicate: 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 Rules 138 and 144. B. If the principal operator is a non-permanent/ temporary resident, the remarks section of the application must indicate: 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.	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	**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 b) Not been involved in an at fault accident during the past five years; and c) Not had during the past three years 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 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 meets all requirements. Class 05 qualifies independently of the underlying Class. Therefore if the 05 driver(s) do not qualify for driving record 5, the underlying class may still be eligible and vice versa. 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	**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 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 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 ~~driving record~~ 5, the underlying class may still be eligible and vice versa. *(Applicable to New Brunswick and Newfoundland & Labrador only)* 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	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) Otherwise, the words "Every driver in the household" shall be interpreted to mean "Every person who is permitted to drive the vehicle". 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 is no gap in coverage. Refer to Rule 113.B Note 6. 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 1. 6. **Subsequent Renewals** For a risk to be renewed at Driving Record 5, it must continue to meet the Driving Record 5 requirements.	b) Otherwise, the words 'Every driver in the household' shall be interpreted to mean 'Every person who is permitted to drive the vehicle'. 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 ~~is~~ no rateable gaps in coverage. Refer to Rule 113.B ~~Note 6.~~ ~~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 1.~~ 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.	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** (Level One/Level Two apply to those jurisdictions with Graduated Licensing) Where the applicant, actual 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 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 the sole operator, there is no requirement to obtain the name and licence	**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, ~~actual~~ 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	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	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.	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 116: Vehicle Rate Group	For most vehicles the rate group 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 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 the 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.	For most vehicles the rate group 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 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 the 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.	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	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 months and the policy provides optional physical damage coverage. Where the policy provides only 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. 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.	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 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

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 117 Multi Vehicle Discount	**Rule 117: Multi Vehicle Discount** Where two or more vehicles are owned by an individual or by individuals living in the same household and the vehicles are insured by the same Servicing Carrier for concurrent terms and: a) all qualify for Class 01, 02 or 03 rates, the full rate is charged in respect of the highest-rated vehicle and a discount of 10% is allowed from the Liability, DCPD, Accident Benefits and Collision rates that apply to the other vehicles; OR b) all qualify for Class 01, 02, 03 or 07 rates, the full rates are charged in respect of the Class 07 vehicles and a discount of 10% is allowed from the Liability, DCPD, Accident Benefits and Collision rates that apply to the Class 01, 02 or 03 vehicles. **Notes** 1. There must be one vehicle for which the full rate is paid. 2. This discount is not allowable in respect of any of the vehicles if there is an occasional driver licensed less than 9 years in Canada or U.S. (Class 05). 3. For the purposes of this rule, the following vehicles shall not be counted: a) A "farmer's vehicle" that is allowed a reduction from the normal rate in accordance with Rule 110. b) A vehicle that is actually subject to another section of this manual e.g. a motor home.	**Rule 117: ~~Multi Vehicle Discount~~ Not applicable** ~~Where two or more vehicles are owned by an individual or by individuals living in the same household and the vehicles are insured by the same Servicing Carrier for concurrent terms and:~~ ~~a) all qualify for Class 01, 02 or 03 rates, the full rate is charged in respect of the highest-rated vehicle and a discount of 10% is allowed from the Liability, DCPD, Accident Benefits and Collision rates that apply to the other vehicles;~~ ~~OR~~ ~~b) all qualify for Class 01, 02, 03 or 07 rates, the full rates are charged in respect of the Class 07 vehicles and a discount of 10% is allowed from the Liability, DCPD, Accident Benefits and Collision rates that apply to the Class 01, 02 or 03 vehicles.~~ ~~**Notes**~~ ~~1. There must be one vehicle for which the full rate is paid.~~ ~~2. This discount is not allowable in respect of any of the vehicles if there is an occasional driver licensed less than 9 years in Canada or U.S. (Class 05).~~ ~~3. For the purposes of this rule, the following vehicles shall not be counted:~~ ~~a) A "farmer's vehicle" that is allowed a reduction from the normal rate in accordance with Rule 110.~~ ~~b) A vehicle that is actually subject to another section of this manual e.g. a motor home.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Moving Multi Vehicle Discount to Rule 108	This will not impact premiums
Rule 118 Winter Tire Discount	**Rule 118: Winter Tire Discount** This discount (in accordance with Section 16 of NLR 16/19) is available for personal use private passenger vehicles equipped with winter tires. Insureds requesting this discount must complete and sign the Winter Tire Discount Form confirming the insured vehicle has four winter tires. To be eligible for the discount, this form must accompany the discount request.	**Rule 118: ~~Winter Tire Discount~~ Not applicable** ~~This discount (in accordance with Section 16 of NLR 16/19) is available for personal use private passenger vehicles equipped with winter tires.~~ ~~Insureds requesting this discount must complete and sign the Winter Tire Discount Form confirming the insured vehicle has four winter tires. To be eligible for the discount, this form must accompany the discount request. A new~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Moving Winter Tire Discount to Rule 108	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 118 Winter Tire Discount	A new form is required to request the discount for any vehicle being added or substituted on the policy. Facility Association reserves the right to verify the installation of winter tires on the insured vehicle by: - Inspecting the vehicle upon request - Reviewing the installation invoice upon request The discount is 2% and applies to Third Party Liability, DCPD, Accident Benefits and Collision coverages on the vehicle. Once the discount is applied, it will remain on the vehicle unless the vehicle is deleted from the policy.	~~form is required to request the discount for any vehicle being added or substituted on the policy.~~ ~~Facility Association reserves the right to verify the installation of winter tires on the insured vehicle by:~~ ~~- Inspecting the vehicle upon request~~ ~~- Reviewing the installation invoice upon request~~ ~~The discount is 2% and applies to Third Party Liability, DCPD, Accident Benefits and Collision coverages on the vehicle. Once the discount is applied, it will remain on the vehicle unless the vehicle is deleted from the policy.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Moving Winter Tire Discount to Rule 108	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 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.	**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 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	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
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. 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).	**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~~. 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).	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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	**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.	**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.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 125 Premium Determination	1. Ensure that the vehicle qualifies as a private passenger vehicle. 2. Establish the rating territory. 3. Establish the rating class. 4. Establish the driving record for Liability, DCPD and Collision coverages. 5. Establish the rate group. 6. Apply any special use factors to the "manual" premium for each coverage. 7. Apply the result of the combined total of applicable discount percentages deducted from the combined total of applicable surcharge percentages to the premium in step 6. 8. Apply Clean Driver Discount if applicable.	1. Ensure that the vehicle qualifies as a private passenger vehicle. Refer to Rule 106. 2. Establish the rating territory. Refer to Rule 109. 3. Establish the rating class. Refer to Rule 111. 4. Establish the driving record f~~or Liability, DCPD and Collision coverages~~. Refer to Rule 113 and Rule 114. 5. Establish the vehicle rate group. Refer to Rule 116. 6. Apply any special use factors to the ~~"~~manual~~"~~ premium for each coverage. Refer to the Rate Pages. 7. Apply any appropriate discounts and/or accident/conviction surcharges. Refer to Rule 136. ~~the result of~~ The combined total of applicable discount percentages shall be deducted from the combined total of applicable surcharge percentages and the result applies to the appropriate coverage premiums. ~~to the premium in step 6.~~ 8. Apply Clean Driver Discount if applicable. Refer to Rule 108. *(Applicable in Newfoundland & Labrador and Nova Scotia 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 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 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. The refund shall be calculated on a pro rata basis, subject to the minimum retained premium.	**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. ~~The refund shall be calculated on a pro rata basis, subject to the minimum retained 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	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 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.	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 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.	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	**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. Separate applications must be submitted for each policy. **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 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.	**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. **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 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.	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	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 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 policy change (addition or substitution). Where a vehicle is being added or substituted, a copy of a 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. • 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 'nonrepairable'. **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	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 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 policy change ~~(addition or substitution).~~ **NOTE:** No policy shall be written for vehicles branded 'nonrepairable'. 7) Where a vehicle is being added or substituted, a copy of a 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. • 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 'nonrepairable'.~~ **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	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	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. **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	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. **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	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	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. 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.	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. 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:	**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:		

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 127: Policy Changes	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 applicant and all drivers shown on the application or added to an existing 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. 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). Midterm 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**	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 ~~applicant and all drivers shown on the application or added to an existing 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.~~ 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). Midterm 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**	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 127: Policy Changes	**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 **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 transaction in excess of 2 in a 30 day period or more than 12 in a 12 month period.	**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 **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 transaction 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		**Risks Not Eligible For Renewal** Private Passenger and Commercial risks written through Facility Association solely due to a lapse in insurance coverage of 24 months or more and meeting the following criteria may not be renewed in Facility Association: - Insured through Facility Association for 1 or more terms (6 or 12 months). - No other reason indicated on the Binder Control form for risk to be insured through Facility Association	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 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. **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. **B. Risks Not Eligible For Renewal** Private Passenger and Commercial risks written through Facility Association solely due to a lapse in insurance coverage of 24 months or more and meeting the following criteria may not be renewed in Facility Association: - Insured through Facility Association for 1 or more terms (6 or 12 months). - No other reason indicated on the Binder Control form for risk to be insured through Facility Association **C. 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. **D. Renewal Processing** **1. Other than Direct Billing** **Servicing Carrier Responsibilities**	**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~~. ~~**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. ~~**B. Risks Not Eligible For Renewal**~~ ~~Private Passenger and Commercial risks written through Facility Association solely due to a lapse in insurance coverage of 24 months or more and meeting the following criteria may not be renewed in Facility Association:~~ ~~- Insured through Facility Association for 1 or more terms (6 or 12 months).~~ ~~- No other reason indicated on the Binder Control form for risk to be insured through Facility Association~~ **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~~	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	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** 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 the 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.	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** 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 the 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.	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	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. **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	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. **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	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	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.	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 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 midterm 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	**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 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 midterm 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	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 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. *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	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. ~~*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~~	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	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. 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. **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.	~~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. 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. **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~~.	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	**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** 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.**	**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 **r*egardless 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** 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.**	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	**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** a) The Agent/Broker must have the policy signed off. The Facility Association shall accept faxed signed cancellation requests.	**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.	Put in outside border to align formatting with other jurisdiction	This will not impact premiums
	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.		
	When outstanding premium cannot be collected in all other cases **Agent/Broker Responsibilities**	**When outstanding premium cannot be collected in all other cases** **Agent/Broker Responsibilities**		

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 129: Cancellations	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 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 downpayment 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.	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 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.	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	**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. **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	**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. ~~**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	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	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** **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,	effective date of the policy period concerned or the electronic payment was made on or before the effective date 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** **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,~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 129: Cancellations	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.	~~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.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 131: Time on Risk Tables	**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 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.	**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 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.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 Tables	**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. **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.** 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	**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. ~~**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.**~~ ~~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~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions Removing wordings relating to recreational vehicles	This will not impact premiums

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 131: Time on Risk Tables	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.	~~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~~.	FA is aiming to harmonize and simplify the wordings across all jurisdictions. Removing wordings relating to recreational vehicles	This will not impact premiums

SHORT TERM TABLE No. 3
Motorcycles & Mopeds and Antique Vehicles
Excluding Comprehensive/Specified Perils

Period	Percentage of annual premium	Period	Percentage of annual premium
January	Nil	July	20
February	Nil	August	20
March	5	September	10
April	10	October	5
May	10	November	Nil
June	20	December	Nil

SHORT TERM TABLE No. 4
Snow Vehicles
Excluding Comprehensive/Specified Perils

Period	Percentage of annual premium	Period	Percentage of annual premium
January	25	July	Nil
February	25	August	Nil
March	15	September	Nil
April	Nil	October	Nil
May	Nil	November	10
June	Nil	December	25

~~SHORT TERM TABLE No. 3~~
~~Motorcycles & Mopeds and Antique Vehicles~~
~~Excluding Comprehensive/Specified Perils~~

~~Period~~	~~Percentage of annual premium~~	~~Period~~	~~Percentage of annual premium~~
~~January~~	~~Nil~~	~~July~~	~~20~~
~~February~~	~~Nil~~	~~August~~	~~20~~
~~March~~	~~5~~	~~September~~	~~10~~
~~April~~	~~10~~	~~October~~	~~5~~
~~May~~	~~10~~	~~November~~	~~Nil~~
~~June~~	~~20~~	~~December~~	~~Nil~~

~~SHORT TERM TABLE No. 4~~
~~Snow Vehicles~~
~~Excluding Comprehensive/Specified Perils~~

~~Period~~	~~Percentage of annual premium~~	~~Period~~	~~Percentage of annual premium~~
~~January~~	~~25~~	~~July~~	~~Nil~~
~~February~~	~~25~~	~~August~~	~~Nil~~
~~March~~	~~15~~	~~September~~	~~Nil~~
~~April~~	~~Nil~~	~~October~~	~~Nil~~
~~May~~	~~Nil~~	~~November~~	~~10~~
~~June~~	~~Nil~~	~~December~~	~~25~~

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 the 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 the 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 NEWFOUNDLAND & LABRADOR 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).~~	Duplicate/ Redundant Commission Schedule is in the General Section of the Rates and Rules Manual	This will not impact premiums
Rule 135: Definition of Accident	A chargeable 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 an amount has been paid. A chargeable accident is always taken into account in rating unless there was no payment made to indemnify an insured or made to an insured under the current or previous contract. **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.	**A. What Is A Chargeable Accident** A chargeable accident (at fault) 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.	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	2. Damage to the applicant's vehicle 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. Any accident involving a vehicle insured on this policy and allocated to a driver who subsequently has signed a valid END 28A (Excluded Driver Endorsement) shall not be considered a chargeable accident. In the event the excluded driver is involved in an accident, the vehicle shall be considered uninsured and no coverage shall be provided by this policy. 4. No payment has been made to indemnify an insured or made to an insured under the current or previous contract. 5. 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. **C. How To Allocate Chargeable Accidents** No accident shall be used more than once in determining the premium for vehicles insured in FA with the same Servicing Carrier whether or not on the same policy.	2. Damage to the Applicant's vehicle 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. 4. Any accident involving a vehicle insured on this policy and allocated to a driver who subsequently has signed a valid END 28A ~~(Excluded Driver Endorsement)~~ shall not be considered a chargeable accident. In the event the excluded driver is involved in an accident, the vehicle shall be considered uninsured and no coverage shall be provided by this policy. *(Applicable to Newfoundland & Labrador)* 5. No payment has been made to indemnify an Insured or made to an Insured under the current or previous contract. *(Applicable to Newfoundland & Labrador)* ~~5. 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. **C. How To Allocate Chargeable Accidents** No accident shall be used more than once in determining the premium for vehicles insured ~~in~~ through FA with any ~~the same~~ Servicing Carrier whether or not on the same policy.	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>A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.

When an occasional driver 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.

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 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 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 principal operator of vehicle 1 and has had 2 losses on vehicle 1 and 1 loss on vehicle 2. Driver 2 is principal operator of 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, Motor Home, Light</td></tr>
</table>
</td>
<td>A chargeable accident will affect the rating of the Liability, 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 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.

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 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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Definition of Accident</td>
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<table>
<tr><td></td><td>Commercial, Taxi or Garage</td></tr>
<tr><td>Light Commercial</td><td>Commercial, Private Passenger, Motor Home 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>Motor Home, Private Passenger, Light Commercial</td></tr>
<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, 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 a 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 chargeable accident shall be re-assigned on the following basis:
• to a remaining vehicle with active mandatory coverage i.e. not deleted or suspended
• to a 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></td><td>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>
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~~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 a 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 chargeable accident shall be re-assigned on the following basis:
• to a remaining vehicle with active mandatory coverage i.e. not deleted or suspended
• to a 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
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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 136: Accident and Conviction Surcharges	These surcharges are applicable to Liability (including Passenger Liability), 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. **1. At New Business** No accident shall be used more than once in determining the surcharges for vehicles insured in FA 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 05 drivers shall only be used to calculate the additional charge 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 in force automobile policy.	These surcharges are applicable to Liability ~~(including Passenger Liability)~~, DCPD *(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. **1. At New Business** No accident shall be used more than once in determining the accident surcharge~~s~~ for vehicles insured ~~in~~ through FA by ~~the same~~ any Servicing Carrier, whether or not on the same policy. A As long as there is a Class 05 premium charged on the policy, accidents relating to Class 05 drivers shall only be used to calculate the additional charge 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 in force automobile policy.~~	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 Surcharges	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 charged with the accident as principal operator of another vehicle). *For example*: Driver 1has 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.	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 charged with the accident as principal operator of another vehicle). ~~*For example*: Driver 1has 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.~~	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 Surcharges	**c) Two or more drivers and two or more vehicles** Each driver is to be assigned on the vehicle he/she most frequently drives. Accidents that the principal operator 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. *For example:* Applicant is assigned to vehicle 1 and has had one accident on vehicle 1, two accidents on vehicle 2 and 1 accident on a 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 renewal time, 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	**(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 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. ~~*For example:*~~ ~~Applicant is assigned to vehicle 1 and has had one accident on vehicle 1, two accidents on vehicle 2 and 1 accident on a 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 renewal time, 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 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 Surcharges	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. As long as there is a Class premium charged on the policy, the conviction records of the Class 05 drivers shall only be used to calculate the additional 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 develops the highest surcharge percentage in accordance with the surcharge schedule for convictions. That conviction record shall be used in calculate 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. **C. Accident/Conviction Surcharge Table** **Maximum surcharge to be applied is 250%.**	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.~~ As long as there is a Class 05 premium charged on the policy, the conviction records of the Class 05 drivers shall only be used to calculate the additional 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 develops 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 calculate 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. **C. Accident/Conviction Surcharge Table** **Maximum surcharge to be applied for accidents, serious, major or minor convictions is 250%.** …….	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 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 the Act, 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: **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. 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 the Act, 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: **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.	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 15days. 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.	~~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 15days.~~ ~~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.~~	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	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 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 indicted 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 of insurance 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.	~~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 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 indicted 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 of insurance 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~~	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	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 from is to be kept on file with the Servicing Carrier. 5. Parties requiring proof cannot be added as additional named insured 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. 6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by 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, 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	~~'Indemnification and Hold Harmless Agreement' must be fully completed and include the signatures of the Applicant and a witness. The completed from is to be kept on file with the Servicing Carrier.~~ ~~5. Parties requiring proof cannot be added as additional named insured 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.~~ ~~6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by 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	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	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 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.	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 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.~~	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	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. 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 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.~~ ~~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.**~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions This section is being moved to the General Section	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.	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.~~	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 139: Claims	**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.	**~~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 Reinstatements of Coverages – END 16/17	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 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	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 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	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 141:

Suspension and Reinstatements of Coverages – END 16/17</td>
<td>4. Vehicles that were never intended to be driven.

5. Vehicles held for sale whether or not on an auto dealer's lot.

Rating
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>
<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>4. Vehicles that were never intended to be driven.

5. Vehicles held for sale whether or not on an auto dealer's lot.

Rating
The refund for the period of cancellation is calculated according to the table below (except Ontario):
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<tr><th>Period of Suspension/Cancellation</th><th>% of Annual Premium</th></tr>
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** 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</td>
<td>The following provisions apply in the event of the suspension, cancellation or lapse of an operator's licence, or where a driver is unlicensed. These provisions apply whether END 28A is being added to the policy at the</td>
<td>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</td>
<td>FA is aiming to harmonize and simplify the wordings</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	request of the insured or by the Servicing Carrier because of the above mentioned circumstances. **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 28A (Excluded Driver Endorsement) for that person.	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. **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 28A ~~(Excluded Driver Endorsement)~~ for that person. *(Applicable to Newfoundland & Labrador, Nova Scotia and Prince Edward Island)*	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	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 and any accidents that occurred while that person was driving shall not be taken into account in rating. **C. If the person concerned does drive without a valid licence** If discovered after the policy has been issued: END 28A shall continue to apply. Should the driver named on the END 28A be involved in an accident, there is no coverage under the policy. The vehicle is considered uninsured. **D. Unsigned END 28A** If END 28A is not signed, END 28A shall be deleted and the policy shall be re-rated as though there was no END 28A.	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 and any accidents that occurred while that person was driving shall not be taken into account in rating. **C. If the person concerned does drive without a valid licence *(This rule is applicable to Newfoundland & Labrador, Nova Scotia and Prince Edward Island)*** If discovered after the policy has been issued, END 28A shall ~~continue to apply~~ remain on the Owner's Policy. If the excluded driver drives the car and has S~~hould the driver named on the END 28A be involved in~~ an accident~~, there is no coverage under the policy.~~ the vehicle will be ~~is~~ considered uninsured and there will be no coverage provided by this policy. **D. Unsigned END 28A** If END 28A is not signed, END 28A shall be deleted and the policy shall be re-rated as though there was no END 28A.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 143: "Home-Made" Vehicles/ Reconstructed /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, DCPD 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	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	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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/ Reconstructed /Right Hand Drive/ Imported Vehicles	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 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 vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier. 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.	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 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 vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier. 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	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
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." 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 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 Newfoundland 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. 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.	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." ~~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 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 Newfoundland 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. 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.	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 144: Vehicles Used Outside Jurisdiction of Registration	3, If the vehicle is operated outside the jurisdiction which it is, registered, including into the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 138 to determine the surcharges 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.	3. If the vehicle is operated outside the jurisdiction which it is, registered, including into the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 138 to determine the surcharges 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 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	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 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	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 145:

Purchasing Vehicles in Jurisdiction Where FA Does Not Operate</td><td>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 including U.S. 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.</td><td>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 ~~including U.S.~~ 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.~~</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 146:

Short-Term Rentals-Unspecified Lessees – Leases of 30 Days or Less and Ride Sharing</td><td>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.

Coverages/Premiums
1. Liability, DCPD and Optional Physical Damage

Class of Vehicle — Premium
Private Passenger Vehicles — 250% of 07/0 rate

Commercial Vehicles
Light Trucks — 200% of 43/0 rate
Heavy Trucks — 200% of 45/0 rate
Tractors/Trailers — 175% of 64/0 rate

Private Type Trailers
Liability — Non Pleasure rate plus $15
Optional Physical Damage — 250% of normal rate</td><td>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.

Coverages/Premiums
1. Liability, DCPD (Not applicable for Northwest Territories, Nunavut and Yukon) and Optional Physical Damage

<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></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 146:

Short-Term Rentals-Unspecified Lessees – Leases of 30 Days or Less and Ride Sharing</td>
<td>Motor Homes and Vehicles with mounted Camper Unit
Liability 250% of 07/0 rate
DCPD 250% of 07/0 rate
Optional Physical Damage 250% of normal rate

NOTE: No DCPD premium is applicable on Private Trailers and Camper Units.

Motorcycles &Mopeds 250% of Driving Record 0
Snow Vehicles 250% of normal rate
All Terrain Vehicles 250% of normal rate
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.

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</td>
<td>
<table>
<tr><td>Optional Physical Damage</td><td>250% of normal rate</td></tr>
<tr><td colspan="2">Motor Homes</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 colspan="2">Vehicles with mounted Camper Unit</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 for 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.

Use POL 1 and END 5C. Insurance is provided on a specified vehicle/per vehicle basis and use of END 21A<s>/B</s> 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
</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 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. *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.	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. *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.	FA is aiming to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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 148: Driver Training Vehicles	**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 business use. **Commercial Vehicles:** Light –Rate as Class 36; Heavy – Rate as Class 44 **Public Vehicles (Buses, etc.):** **Private Passenger Type Vehicles:** Rate as business use **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. 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.	**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 ~~business use~~ (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 ~~business use~~ 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. 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.	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>*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</td><td>35%</td><td>135%</td></tr>
<tr><td>DCPD</td><td>35%</td><td>135%</td></tr>
<tr><td>Collision</td><td>0%</td><td>75%</td></tr>
</table>
</td>
<td>*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</td><td>35%</td><td>135%</td></tr>
<tr><td>Accident Benefits</td><td>0%</td><td>0%</td></tr>
<tr><td>DCPD*</td><td>35%</td><td>135%</td></tr>
<tr><td>Collision</td><td>0%</td><td>75%</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>
<td>This will not impact premiums</td>
</tr>
</table>

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR 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</td><td>70%</td><td>170%</td></tr><tr><td>DCPD</td><td>70%</td><td>170%</td></tr><tr><td>Collision</td><td>25%</td><td>100%</td></tr></table></td><td>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><td>This will not impact premiums</td></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.

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

<s>2. For any other vehicle</s> There shall be an additional charge applied to the vehicle premium. Contact your Servicing Carrier for the amount of the additional premium.</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 151:

Carrying Radioactive Material</td><td>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.</td><td>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.</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

April 2026

Manual of Rules and Rates
NEWFOUNDLAND & LABRADOR

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

Effective July 1, 2026 Facility Association is implementing the following update for new business and renewals in Newfoundland & Labrador:

- There are rule changes in the Commercial section of the manual.
- A summary of the rule changes are 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 NEWFOUNDLAND & LABRADOR RATES AND RULES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JULY 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
COMMERCIAL SECTION				
Rule 200.D Filed Underwriting Rules Supplementary Underwriting Documents	**FMCSA SMS "Complete" Carrier Profile (with full documentation), including U.S. DOT and MC Numbers:** On all Heavy Commercial Vehicles with a Gross Vehicle Weight exceeding 4,500kg on vehicles traveling into the U.S. — 90 days from date report was generated — New Business*, Renewals **NSC Carrier Profile (CVOR 'Level 2' in Ontario or Equivalent with full profile information):** On all Heavy Commercial vehicles with a Gross Vehicle Weight exceeding 4,500kg. Documents supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration. — 90 days from date report was generated — New Business*, Renewals	**FMCSA SMS "Complete" Carrier Profile (with full documentation), including U.S. DOT and MC Numbers:** On all Heavy Commercial Vehicles with a Gross Vehicle Weight exceeding 4,500kg on vehicles traveling into the U.S. — 90 days from date report was generated — New Business* ~~Renewals~~ ***Applicable to Fleet only:*** Every 2nd Renewal **NSC Carrier Profile (CVOR 'Level 2' in Ontario or Equivalent with full profile information):** On all Heavy Commercial vehicles with a Gross Vehicle Weight exceeding 4,500kg. Documents supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration. — 90 days from date report was generated — New Business*, ~~Renewals~~ ***Applicable to Fleet only:*** Every 2nd Renewal	Amends the documentation requirements applicable to Individually rated and Fleet rated business	This will not impact premiums
Rule 204 New Policies	**B. Application Form** Every application for insurance must be made on the current approved Facility Association or Standard Application Form and must be fully completed and signed by both the Named Insured(s) and Agent/Broker where required. Commercial, garage, public, experience rated and some specially rated risks will require completion of supplementary questionnaires.	**B. Application Form** Every application for insurance must be made on the current approved Facility Association or Standard Application Form and must be fully completed and signed by both the Named Insured(s) and Agent/Broker where required. Commercial, garage, public, experience rated and some specially rated risks will require completion of supplementary questionnaires.	Comments added for clarification of CVS must be signed by the Named Insured	This will not impact premiums

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RATES AND RULES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JULY 1, 2026

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 204 New Policies	On the current standard approved application form *(Applicable New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island)* under the Commercial Rated Vehicles section, if vehicle weight is over 4500kg and/or operating radius is greater than 40 kms, a completed Commercial Vehicle Supplement must be submitted with the application. For all other jurisdictions, a completed Commercial Vehicle Supplement must always be submitted with the application. A copy of the valid registration for all owned vehicles being insured, regardless of vehicle type or use, will be required with the application. Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required when binding a new risk.	On the current standard approved application form (*Applicable New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island)* under the Commercial Rated Vehicles section, if vehicle weight is over 4500kg and/or operating radius is greater than 40 kms. A completed Commercial Vehicle Supplement must always be signed by the Named Insured and submitted with the application. For all other jurisdictions, a completed Commercial Vehicle Supplement must always be signed by the Named Insured and submitted with the application. A copy of the valid registration for all owned vehicles being insured, regardless of vehicle type or use, will be required with the application. Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required when binding a new risk.	Comments added for clarification of CVS must be signed by the Named Insured	This will not impact premiums