



December 2020

**Manual of Rules and Rates
ALBERTA**

**Various Rule Changes
Effective April 1, 2021 (New Business & Renewals)**

Facility Association has received approval from the Superintendent of Insurance in Alberta **effective April 1, 2021 (New Business and Renewals)** for amendments to rules in various section of the manual.

A summary of rule changes are attached. All rule changes are marked with a bar in the margin.

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

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

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

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FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>Renewal documents that have been returned 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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>	<p>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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the Insured.</p>		
<p>129.E</p> <p>Cancellations, Cancellation Procedures</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 129: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal If renewal documents and liability cards are 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 the renewal documents are 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 renewal documents.</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 129: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal Where an Insured has received renewal documents prior to the effective date of the 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.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

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	<p>5. Cancellation of Renewals in Outlying Areas No longer applicable</p> <p>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.</p> <p>2) 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:</p>	<p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p> <p>5. Cancellation of Renewals in Outlying Areas – No longer applicable</p> <p>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.</p> <p>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.</p> <p>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:</p>		
COMMERCIAL SECTION				
218.C Renewals, Renewal Processing	<p>Renewal not accepted</p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents (including liability cards) to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p>	<p>Renewal not accepted</p> <p>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:</p> <p>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</p> <p>OR</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

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	<p>If the documents are 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 the documents are 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.</p> <p>Renewal documents that have been returned 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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>	<p>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;</p> <p>OR</p> <p>c) Written confirmation that the Insured has rejected the renewal contract.</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, 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.</p> <p>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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p>		

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219.E Cancellations, Cancellation Procedures	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 219: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal If renewal documents and liability cards are 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 the renewal documents are 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 renewal documents.</p> <p>5. Cancellation of Renewals in Outlying Areas No longer applicable</p> <p>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.</p> <p>2) 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</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 219: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 218) 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.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p> <p>5. Cancellation of Renewals in Outlying Areas – No longer applicable</p> <p>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.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

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	allowed to the Agent/Broker provided that:	<p>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.</p> <p>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:</p>		
PUBLIC SECTION				
316.C Renewals, Renewal Processing	<p>Renewal not accepted</p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents (including liability cards) to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are 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 the documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis</p>	<p>Renewal not accepted</p> <p>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:</p> <p>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</p> <p>OR</p> <p>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;</p> <p>OR</p> <p>c) Written confirmation that the Insured has rejected the renewal contract.</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, 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</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

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	<p>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.</p> <p>Renewal documents that have been returned 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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>	<p>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.</p> <p>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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p>		
<p>317.E</p> <p>Cancellations, Cancellation Procedures</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 317: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal If renewal documents and liability cards are 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 the renewal documents are 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</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 317: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 316) 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</p>	<p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

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	<p>premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>5. Cancellation of Renewals in Outlying Areas No longer applicable</p> <p>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.</p> <p>2) 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:</p>	<p>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.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p> <p>5. Cancellation of Renewals in Outlying Areas – No longer applicable</p> <p>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.</p> <p>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.</p> <p>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:</p>		
RECREATIONAL SECTION				
411.B.4 Off Road Vehicles, Rating & Policy Issuance Notes	<p>Physical Damage Except as otherwise stated for Pickups, 4x4s and Similar Vehicles Designed for Road Use, rate groups are established as follows:</p> <p>If the value of the vehicle is less than \$15,000</p>	<p>Optional Physical Damage Except as otherwise stated for Pickups, 4x4s and Similar Vehicles Designed for Road Use, rate groups are established as follows:</p> <p>If the value of the vehicle is less than \$15,000</p>	Confirms the additional documents required to rate within specified	This does not impact premiums.

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

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	<p>the rate group for physical damage (if purchased) may be based on the limit chosen by the insured subject to END 19 or the rate group may be established using list price new.</p> <p>If the value of the vehicle is \$15,000 or more, the rate group for physical damage (if purchased) must be established based on list price new or where the insured produces at his or her own expense an appraisal acceptable to the Servicing Carrier then the snow vehicle or all terrain vehicle may be rated according to the Actual Cash Value (plus applicable tax) subject to END 19.</p>	<p>the rate group for optional physical damage (if purchased) may be based on the limit chosen by the insured subject to END 19 or the rate group may be established using list price new.</p> <p>If the value of the vehicle is \$15,000 or more, the rate group for optional physical damage (if purchased) must be established in accordance with the following conditions:</p> <p>a) Where the vehicle is newly acquired from a dealer, a copy of the purchase agreement (dated within the 15 days prior to the effective date of the insurance) must be attached to the application or the change request. The purchase agreement must confirm the vehicle's year, make, model, serial number and purchase price.</p> <p>b) In any other case, the value must be substantiated by a certificate (including photo) from an independent appraiser acceptable to the Servicing Carrier. The certificate must be obtained at the Applicant's expense and must be attached to the application or the change request.</p>	parameters	
<p>417.C</p> <p>Renewals, Renewal Processing</p>	<p>Renewal not accepted</p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents (including liability cards) to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p>	<p>Renewal not accepted</p> <p>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:</p> <p>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</p> <p>OR</p> <p>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;</p> <p>OR</p> <p>c) Written confirmation that the Insured</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

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	<p>If the documents are 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 the documents are 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.</p> <p>Renewal documents that have been returned 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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>	<p>has rejected the renewal contract.</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, 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.</p> <p>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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p>		
418.E Cancellations, Cancellation Procedures	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 418: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 418: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

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	<p>Renewal If renewal documents and liability cards are 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 the renewal documents are 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 renewal documents.</p> <p>5. Cancellation of Renewals in Outlying Areas No longer applicable</p> <p>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.</p> <p>2) 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:</p>	<p>Renewal Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 417) 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.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p> <p>5. Cancellation of Renewals in Outlying Areas – No longer applicable</p> <p>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.</p> <p>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.</p>		

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		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:		
GARAGE SECTION				
611.C Renewals, Renewal Processing	<p>Renewal not accepted</p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents (including liability cards) to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are 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 the documents are 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.</p> <p>Renewal documents that have been returned to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives</p>	<p>Renewal not accepted</p> <p>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:</p> <ul style="list-style-type: none"> a) Return all the renewal documents (including liability cards) to the Servicing Carrier; <p>OR</p> <ul style="list-style-type: none"> 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; <p>OR</p> <ul style="list-style-type: none"> c) Written confirmation that the Insured has rejected the renewal contract. <p>Where an Insured has received renewal documents prior to the effective date of the renewal, 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.</p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>	<p>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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p>		
<p>617.E</p> <p>Cancellations, Cancellation Procedures</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 617: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal If renewal documents and liability cards are 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 the renewal documents are 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 renewal documents.</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 617: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 611) 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.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>5. Flat Cancellation Exceptions</p> <p>1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2) 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:</p>	<p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p> <p>5. Flat Cancellation Exceptions</p> <p>1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>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.</p> <p>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:</p>		
<p>Rule: 624</p> <p>Automobile Dealers</p>	<p>C. Dealer Plates:</p> <p>If there are dealer plates with no driver to be rated as principal operator of them, then rate each as excess dealer plates as described under Excess Dealer Plates.</p> <p>For example: There are two staff units, 3 owned cars and 1 dealer plate. Charge a private passenger rate for each of the three cars, a staff unit rate for the garage exposure and 25% of 07, 0, 1, 2 or 3 for the dealer plate. One of the staff units must be assigned as principal operator of two vehicles.</p>	<p>C. Dealer Plates</p> <p>If there are dealer plates with no driver to be rated as principal operator of them, then rate each as excess dealer plates as described under D. Excess Dealer Plates.</p>	<p>Removes an ambiguous example suggesting Excess Dealer Plates are entitled to a Driving Record higher than 0.</p>	<p>No impact on premium.</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
DRIVERS POLICY SECTION				
717.C Renewals, Renewal Processing	<p>Renewal not accepted</p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents (including liability cards) to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are 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 the documents are 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.</p> <p>Renewal documents that have been returned 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.</p>	<p>Renewal not accepted</p> <p>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:</p> <ul style="list-style-type: none"> 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) Written confirmation that the Insured has rejected the renewal contract. <p>Where an Insured has received renewal documents prior to the effective date of the renewal, 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.</p> <p>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.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.	If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued. Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.		
718.E Cancellations, Cancellation Procedures	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 718: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal If renewal documents and liability cards are 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 the renewal documents are 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 renewal documents.</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 718: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 717) 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.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>5. Cancellation of Renewals in Outlying Areas No longer applicable</p> <p>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.</p> <p>2) 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:</p>	<p>5. Cancellation of Renewals in Outlying Areas – No longer applicable</p> <p>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.</p> <p>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.</p> <p>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:</p>		
NON OWNED AUTOMOBILE SECTION				
811.C Rating, Liability for Damage to Hired Automobiles (END 94)	<p>A copy of every hiring contract/agreement together with the following information must be submitted to the Servicing Carrier so that the appropriate rates may be assessed:</p> <p>a. The type(s) of automobile concerned; whether hired with or without drivers; the period(s) for which the automobiles will be hired; the estimated cost of hire.</p> <p>b. The required coverage and the desired limit of liability and deductible in respect of any one occurrence.</p> <p>Note: In END 94, below the heading "Section B", the words "or assumed by him under any contract or agreement" must be deleted unless a copy of the contract/ agreement is submitted and provision of coverages in respect of the assumed liability is in fact approved by the Servicing Carrier.</p>	<p>A copy of every hiring contract/agreement together with the following information must be submitted to the Servicing Carrier so that the appropriate rates may be assessed:</p> <p>a) The type(s) of automobile concerned, including the estimated manufacturer list price new; whether hired with or without drivers; the period(s) for which the automobiles will be hired; the estimated cost of hire.</p> <p>b) The required coverage and the desired limit of liability and deductible in respect of any one occurrence.</p> <p>Note: In END 94, below the heading 'Section B', the words 'or assumed by him under any contract or agreement' must be deleted unless a copy of the contract/agreement is submitted and provision of coverages in respect of the assumed liability is in fact approved by the Servicing Carrier.</p>	Amends the rating methodology for END 94.	This will impact premiums charged on Non-Owned Automobile policies with END 94.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>For private passenger type vehicles, the rate per \$1,000 cost of hire shall be 2.5% of the appropriate Class 07, Driving Record 0 physical damage premium using Rate Group 17.</p> <p>For commercial type vehicles, the rate per \$1,000 cost of hire shall be 2.5% of the Commercial vehicle Driving Record 3 Rating Group 8 premium in the applicable territory.</p>	<p>For private passenger type vehicles, the rate per \$1,000 cost of hire shall be 2.5% of the appropriate Class 07, Driving Record 0 physical damage premium in the applicable territory. Rate group shall be determined using Table A, based on manufacturer list price new of the current model year.</p> <p>For commercial type vehicles, the rate per \$1,000 cost of hire shall be 2.5% of the commercial vehicle Driving Record 0 in the applicable territory. Rate group shall be determined using Table II, based on manufacturer list price new of the current model year.</p>		
816.B Renewals, Renewal Processing	<p>Renewal not accepted</p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents (including liability cards) to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are 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 the documents are not received within 15 days,</p>	<p>Renewal not accepted</p> <p>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:</p> <ul style="list-style-type: none"> 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) Written confirmation that the Insured has rejected the renewal contract. <p>Where an Insured has received renewal documents prior to the effective date of the renewal, 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</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>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.</p> <p>Renewal documents that have been returned 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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>	<p>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.</p> <p>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.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p>		
817.E Cancellations, Cancellation Procedures	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 817: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal If renewal documents and liability cards are 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 the renewal documents are 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</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 817: Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 816) 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</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE APRIL 1, 2021

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>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 renewal documents.</p> <p>5. Cancellation of Renewals in Outlying Areas No longer applicable</p> <p>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.</p> <p>2) 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:</p>	<p>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.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p> <p>5. Cancellation of Renewals in Outlying Areas – No longer applicable</p> <p>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.</p> <p>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.</p> <p>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:</p>		



October 2020

**Manual of Rules and Rates
ALBERTA**

**Revised Private Passenger Grid Rates
Effective January 1, 2021 New Business and Renewals**

In accordance with the Alberta Automobile Insurance Rate Board's Order, Private Passenger Grid premiums have been revised **effective January 1, 2021 for New Business and Renewals** to reflect +5.0% rate increase in mandatory coverage.

The Facility Association website www.facilityassociation.com has now been updated accordingly.

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



August 2020

**Manual of Rules and Rates
ALBERTA**

**Revised Fleet Rates
Effective January 1, 2021 (New Business and Renewals)**

Effective January 1, 2021 Facility Association is implementing the following updates for new business and renewals in Alberta:

- +16.3% rate increase for Private Passenger fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +29.3% rate increase for Public Bus fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- 0% rate change for All-Terrain Vehicle fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- The base premium on all other fleet rated classes have been amended from driving record 2 to 0. Currently there are no written exposures in the following classes. As such, no average rate level change is available at this time:
 - Motorcycle
 - Snow Vehicle
 - Ambulance & Funeral
 - Motorhome
 - Camper & Personal Trailers

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



June 2020

**Manual of Rules and Rates
ALBERTA**

**2020 Private Passenger CLEAR Rate Group Tables,
2020 Commercial Rate Group Tables and Commercial Rule Changes
Effective October 1, 2020 (New Business and Renewals)**

Effective October 1, 2020 Facility Association is implementing the following updates for new business and renewals in Alberta:

- 2020 Private Passenger CLEAR Rate Group Tables with no change to range of 3 to 12 for Accident Benefits rate groups.
- 2020 Commercial Rate Group Tables (Table I and II).
- There are amended rules in Commercial section of the manual. A summary of the rule changes is attached to the Manual Bulletin on the Facility Association website.

These tables are now available on the Facility Association website
www.facilityassociation.com.

With the implementation of both the Private Passenger and Commercial Rate Group Tables, Facility Association also includes the use of any rate group assignment for a new make or model introduced to the market.

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

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
COMMERCIAL SECTION				
Rule 200.A: Filed Underwriting Rules, The Insurer's rules for declining to issue, terminating or refusing to renew a contract	<p>A. The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</p> <ol style="list-style-type: none"> 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. 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 232: Suspension of Operator's Licence and Rule 201: Minimum Coverage. 5. The application is incomplete, has not been signed by the Applicant, or has not been bound by the Agent/Broker. 6. The Applicant/Agent/Broker refuses to provide the sufficient valid information to write the risk. Sufficient valid information to write the risk' includes data to properly rate the risk and to report the risk information in accordance with the Automobile Statistical Plan. 	<p>A. The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</p> <ol style="list-style-type: none"> 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 Named Insured 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. 4. The driver of a commercial vehicle does not hold a valid operator's licence, based on the class of vehicle insured. 5. The application is incomplete, or has not been signed by the Named Insured, or the risk has not been bound by the Agent/Broker. 6. Failure or refusal to supply underwriting information as identified under Rule 200.D: Supplementary Underwriting Information, necessary to underwrite the risk or underwriting information is incomplete, or underwriting information received is outside the 'oldest report date permitted', or where indicated, information is not issued by the Federal or Provincial Authority of the jurisdiction of registration. 	Revises the criteria that will permit FA to cancel or non-renew	This may impact coverage offered to Insureds.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 200.A: Filed Underwriting Rules, The Insurer's rules for declining to issue, terminating or refusing to renew a contract (Continued)	<p>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.</p> <p>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.</p> <p>9. Non-payment of premium for the current policy period (for purposes of termination only).</p>	<p>7. The vehicle is not in the possession of the Named Insured (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.</p> <p>8. Non-payment of premium for the current policy period (for purposes of termination only).</p> <p>9. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police.</p> <p>NOTE:</p> <p><i>In accordance with the Insurance Act, Private Passenger Vehicles, including those vehicles classified for business use (Class 07 or 03) and vehicles used in farming operations with a curb weight less than 4,500kg (Class 33) are not eligible to be declined, terminated or refuse to renew.</i></p> <p>Certain Endorsements applicable to commercial vehicles require a signature. Where no signature is obtained, the policy may be:</p> <p>a) Cancelled in accordance with the Statutory Conditions;</p> <p>b) Issued without the endorsement;</p> <p>c) Removed and policy re-rated accordingly.</p> <p>See Rule 213: Endorsement Forms/Wordings</p>	<p>Taken from proposed Rule Change filing submitted in April 2019</p> <p>Wording relocated from Rule 213.</p>	<p>This does not impact premiums</p> <p>This will not impact premium.</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 200.B: Filed Underwriting Rules, Rules for refusing to provide or continue a coverage	<p>B. Rules for refusing to provide or continue a coverage are:</p> <p>1. 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:</p> <p>i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; or ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; or iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; or iv) Wilfully made a false statement in respect of a claim.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p> <p>* 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.</p>	<p>B. Rules for refusing to provide or continue a coverage are:</p> <p>1. Where a Named Insured or any person who is a regular or frequent operator of the vehicle, has, within the immediately preceding thirty six months:</p> <p>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;</p> <p>* Misrepresentation means a Named Insured has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>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;</p> <p>Will be subject to the following coverage limitations: i) Optional physical damage coverage shall not be provided; ii) Completion of U.S. Filings shall not be provided.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p>	Revises coverage available to Insureds with a prior misrepresentation, non-disclosure or Insurance Fraud conviction within the last 36 months.	This may impact coverage offered to Insureds.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact									
Rule 200.B: Filed Underwriting Rules, Rules for refusing to provide or continue a coverage (Continued)		3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.											
Rule 200.C: Filed Underwriting Rules, Supplementary Underwriting Documents	NEW	<div>C. Supplementary Underwriting Documents Applicable to Commercial Vehicles</div> <div>The following documents are to be supplied to the Servicing Carrier in the circumstances described below, for the frequency specified. Failure to supply the following for a commercial vehicle may result in policy cancellation, in accordance with Rule 200.A.6.</div> <table><tr><th>Document Type</th><th>Oldest Report date permitted</th><th>Frequency required</th></tr><tr><td>Articles of Incorporation: Where the Named Insured is an incorporated entity, or is a limited liability company.</td><td>Date of last revision</td><td>New Business</td></tr><tr><td>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</td><td>90 days from date report was generated</td><td>New Business*, Renewals</td></tr></table>	Document Type	Oldest Report date permitted	Frequency required	Articles of Incorporation: Where the Named Insured is an incorporated entity, or is a limited liability company.	Date of last revision	New Business	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	90 days from date report was generated	New Business*, Renewals	<div>Specifies the types of documents and frequency of updates required to underwrite a risk.</div> <div>This document will confirm insurable interest.</div> <div>This document will evaluate a carrier’s safety rating, mileage and loss history in the U.S.</div>	<div>This will not impact premiums, but may impact coverage offered to Insureds.</div> <div>This will not impact premiums, but may impact coverage offered to Insureds.</div> <div>This will not impact premiums, but may impact coverage offered to Insureds.</div>
Document Type	Oldest Report date permitted	Frequency required											
Articles of Incorporation: Where the Named Insured is an incorporated entity, or is a limited liability company.	Date of last revision	New Business											
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	90 days from date report was generated	New Business*, Renewals											

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Rule	Current Wording	Approved Wording			Change from Current	Premium impact
Rule 200.D: Filed Underwriting Rules, Supplementary Underwriting Documents (Continued)		traveling into the U.S.			This document will confirm out-of-province and U.S. exposure.	This will not impact premiums, but may impact coverage offered to Insureds.
		International Fuel Tax Assessment (IFTA): On all vehicles with 'IRP' plates, traveling outside the jurisdiction of registration, including into the U.S. Documents supplied must be issued by the Federal Authority, or Provincial Authority of the jurisdiction of vehicle registration.	Prior four (4) quarters, including any reassessments, immediately preceding the effective date of the policy.	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	This document will evaluate a carrier's safety rating, mileage and loss history in Canada and the U.S.	This will not impact premiums, but may impact coverage offered to Insureds.
		Prior Insurance Carrier Loss History/Experience Reports (Fleet Rated policies	30 days from date report/letter was generated	New Business	Document is required to evaluate prior loss history on	This will not impact premiums, but may impact coverage

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Rule	Current Wording	Approved Wording			Change from Current	Premium impact
Rule 200.D: Filed Underwriting Rules, Supplementary Underwriting Documents (Continued)		<p>only): For prior insurance policies issued under the same Named Insured. Documents must be issued on Prior Carriers Letterhead, if the Servicing Carrier does not already have prior experience on file.</p> <p>Refer to Rule 209: Driving Record, for Individually-Rated Commercial Policies.</p>			fleet-rated risks only.	offered to Insureds.
		<p>Safety Fitness Certificate: Required on commercial vehicles or tractor trailer combinations with a registered curb weight exceeding:</p> <p>a) 4,500kg when operating outside of the province of Alberta</p> <p>OR</p> <p>b) 11,794kg when operating within the province of Alberta</p>	365 days from date report was generated	New Business, Vehicle Additions	This document will confirm that insured vehicle(s) meet provincial safety requirements.	This will not impact premiums, but may impact coverage offered to Insureds.
		<p>Vehicle Registration: Complete copy of document indicating that vehicle is registered to the</p>	Date of last revision	New Business, Vehicle Additions	This document will confirm insurable interest, registered gross vehicle	This will not impact premiums, but may impact coverage offered to Insureds.

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Rule	Current Wording	Approved Wording			Change from Current	Premium impact
Rule 200.D: Filed Underwriting Rules, Supplementary Underwriting Documents (Continued)		Named Insured. Document supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.			weight, vehicle branding and type of plating (i.e. Commercial, IRP, and Unplated).	This will not impact premiums, but may impact coverage offered to Insureds.
		<p>*For New Business Risks with 'No Prior Insurance', traveling out-of-province, including into the U.S., refer to Rule 204.G New Policies: No Prior Insurance, for special rating instructions.</p> <p>NOTE: <i>In accordance with the Insurance Act, Private Passenger Vehicles, including those vehicles classified for business use (Class 07 or 03) and vehicles used in farming operations with a curb weight less than 4,500kg (Class 33) are not eligible to be declined, terminated or refuse to renew.</i></p>				
Rule 201.A: Coverages Available and Minimum Deductibles, Liability	<p>A. Liability Not more than \$2,000,000 except:</p> <ul style="list-style-type: none"> •When required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required. •Where the Insured is required to have limits higher than \$2,000,000 but not exceeding \$5,000,000 in order to obtain a contract of work or obtain employment and where failure to do so will result in loss of the contract or employment. The Insured will be required to provide documentation of the contract requirements or employment requirements for limits no higher than \$5,000,000. This documentation is required at the time the higher limit is requested but not for subsequent renewal terms. 	<p>A. Liability Not more than \$2,000,000 except:</p> <ul style="list-style-type: none"> •When required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required. •Where the Named Insured is required to have limits higher than \$2,000,000 but not exceeding \$5,000,000 in order to obtain a contract of work or obtain employment and where failure to do so will result in loss of the contract or employment. The Insured will be required to provide documentation of the contract requirements or employment requirements for limits no higher than \$5,000,000. This documentation is required at the time the higher limit is requested but not for subsequent renewal terms. 			<p>Replaces the term "Applicant" with "Named Insured"</p> <p>Allows the Servicing Carrier to decline the application of a</p>	<p>This will not impact premiums.</p> <p>This will not impact premiums, but may impact coverage</p>
Rule 201.A:						

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Coverages Available and Minimum Deductibles, Liability (Continued)	<p>The policy states that an automobile and trailer are held to be one vehicle; a trailer and any towing vehicle must be insured for the same Liability limit.</p> <p>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.</p> <p>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.</p> <p>The amounts shown on any proof of insurance may not exceed those required by the authority concerned. For example: The Liability limit chosen by the Applicant is \$1,000,000. Proof of insurance is required for \$500,000. The policy will be issued at \$1,000,000 but the proof of insurance shall only show \$500,000.</p>	<p>The Servicing Carrier reserves the right to decline the application of a liability limit over \$2 million.</p> <p>NOTE: At no time may the liability limit shown on any proof of insurance exceed those required by the authority concerned.</p> <p>For Example: If the Liability limit chosen by the Named Insured is \$1,000,000 and proof of insurance is required for \$500,000. The policy will be issued at \$1,000,000 but the proof of insurance shall only show \$500,000.</p> <p>The policy states that an automobile and trailer are held to be one vehicle. A trailer and any attached vehicle must be insured for the same Liability limit, if separate liability coverage is obtained for the trailer. Refer to Rule 212: Trailers, for rating instructions.</p> <p>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.</p> <p>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.</p>	<p>liability limit over \$2 million.</p> <p>Paragraph inserted for consistency across all Provinces</p> <p>Replaces the term "towing" with "attached"</p>	<p>offered to Insureds.</p> <p>This will not impact premiums.</p> <p>This will not impact premiums.</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact																								
Rule 201.C: Coverages Available and Minimum Deductibles, Physical Damage	<p>C. Physical Damage</p> <p>Physical damage shall not be provided or continued for any vehicle valued at \$1,000,000 or more. Physical damage shall not be provided for off-road commercial vehicles e.g. logging trucks used solely in the bush.</p> <p>Under this coverage, a motor vehicle and one or more trailers are separate automobiles, consequently, different deductibles for trailers and towing vehicles are permitted.</p> <p>All Perils coverage is no longer available. Comprehensive coverage is not available on logging vehicles.</p> <p>a) Minimum Deductibles The following table indicates the minimum deductibles.</p> <table><tr><th>Rate Groups</th><th>Minimum Deductible Collision / Comprehensive /Specified Perils</th></tr><tr><td>15 and under</td><td>\$500</td></tr><tr><td>16 - 18</td><td>\$1,000</td></tr><tr><td>19 - 21</td><td>\$2,500</td></tr><tr><td>22 and over</td><td>5% of LPN rounded to the nearest \$250 (minimum deductible \$2,500).*</td></tr><tr><td>All RGs</td><td>END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months</td></tr></table>	Rate Groups	Minimum Deductible Collision / Comprehensive /Specified Perils	15 and under	\$500	16 - 18	\$1,000	19 - 21	\$2,500	22 and over	5% of LPN rounded to the nearest \$250 (minimum deductible \$2,500).*	All RGs	END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months	<p>C. Optional Physical Damage Coverage and Deductibles</p> <p>All Perils coverage is no longer available. Comprehensive coverage is not available on logging vehicles.</p> <p>No optional physical damage coverage shall be provided or offered for commercial vehicles valued at \$1,000,000 or more.</p> <p>Optional physical damage coverage shall not be provided for off-road commercial vehicles e.g. logging trucks used solely in the bush.</p> <p>Under this coverage, a motor vehicle and one or more trailers are separate automobiles; consequently, different deductibles for trailers and towing vehicles are permitted.</p> <p>a) Minimum Deductibles for Light Commercial Vehicles (Registered Curb Weight up to 4,500 kg)</p> <p>The deductibles are to be no less than:</p> <table><tr><th>Rate Groups</th><th>Minimum Deductible</th></tr><tr><td>15 and under</td><td>\$500</td></tr><tr><td>16 – 18</td><td>\$1,000</td></tr><tr><td>19 – 21</td><td>\$2,500</td></tr><tr><td>22 and over</td><td>10% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).</td></tr><tr><td>END 40</td><td>END 40 is mandatory on any vehicles with prior fire and total theft claims within the past 60 months</td></tr></table>	Rate Groups	Minimum Deductible	15 and under	\$500	16 – 18	\$1,000	19 – 21	\$2,500	22 and over	10% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).	END 40	END 40 is mandatory on any vehicles with prior fire and total theft claims within the past 60 months	<p>Splits Optional Physical Damage deductibles between LCV and HCV. Minimum deductible offered.</p> <p>Outlines the</p>	<p>This may impact premiums of clients who now require an increased deductible.</p> <p>This may impact</p>
Rate Groups	Minimum Deductible Collision / Comprehensive /Specified Perils																											
15 and under	\$500																											
16 - 18	\$1,000																											
19 - 21	\$2,500																											
22 and over	5% of LPN rounded to the nearest \$250 (minimum deductible \$2,500).*																											
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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact																
Rule 201.C: Coverages Available and Minimum Deductibles, Physical Damage (Continued)	<p>*Example: If the list price new is \$123,000 5% is \$6,150. The deductible shall be \$6,250 and the rating factor for \$2,500 or more applies.</p> <p>NOTE: For risks with claims, refer to the following chart. Where a risk is eligible for one deductible based on rate group/vehicle and another based on claims, the higher deductible applies.</p>	<p>b) Minimum Deductibles for Heavy Commercial Vehicles (Registered Curb Weight Over 4,500kg)</p> <p>The following deductibles are based on Vehicle List Price New, including the cost of any customizations and attached equipment. Deductibles are to be rounded to the nearest \$500 and are to be no less than:</p> <table><tr><th>List Price New</th><th>Minimum Deductible</th></tr><tr><td>Vehicle Make and Model listed in Commercial Rate Group Table I</td><td>10% of List Price New (minimum deductible \$5,000).</td></tr><tr><td><\$50,001</td><td>10% of List Price New</td></tr><tr><td>\$50,001-\$75,000</td><td>12% of List Price New</td></tr><tr><td>\$75,001 - \$100,000</td><td>15% of List Price New</td></tr><tr><td>\$100,001 - \$125,000</td><td>20% of List Price New</td></tr><tr><td>\$125,001 and Over</td><td>25% of List Price New</td></tr><tr><td>END 40</td><td>END 40 is mandatory on any vehicles with prior fire and total theft claims within the past 60 months</td></tr></table> <p>Example: If list price new of a Class 42 Sand & Gravel truck is \$122,000, 20% is \$24,400. The deductible shall be \$24,500 and the rating factor for \$2,500 or more applies.</p> <p>c) Minimum Deductibles based on Prior Loss Experience</p> <p>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.</p>	List Price New	Minimum Deductible	Vehicle Make and Model listed in Commercial Rate Group Table I	10% of List Price New (minimum deductible \$5,000).	<\$50,001	10% of List Price New	\$50,001-\$75,000	12% of List Price New	\$75,001 - \$100,000	15% of List Price New	\$100,001 - \$125,000	20% of List Price New	\$125,001 and Over	25% of List Price New	END 40	END 40 is mandatory on any vehicles with prior fire and total theft claims within the past 60 months	<p>minimum deductible requirements for Heavy Commercial Vehicles.</p> <p>Updates an example based on proposed rule</p> <p>Section "c)" created for clarity and updates the minimum deductible offered based on prior</p>	<p>premiums of clients who now require an increased deductible.</p> <p>This will not impact premiums.</p> <p>This may impact premiums of clients who now require an increased deductible, or who may no longer qualify for coverage.</p>
List Price New	Minimum Deductible																			
Vehicle Make and Model listed in Commercial Rate Group Table I	10% of List Price New (minimum deductible \$5,000).																			
<\$50,001	10% of List Price New																			
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\$125,001 and Over	25% of List Price New																			
END 40	END 40 is mandatory on any vehicles with prior fire and total theft claims within the past 60 months																			

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording				Approved Wording				Change from Current	Premium impact
Rule 201.C: Coverages Available and Minimum Deductibles, Physical Damage (Continued)	Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)			Deductible amount applicable to the coverage under which the claims were made*	Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)			Deductible amount applicable to the coverage under which the claims were made*	claims experience.	
	In prior 12 months	In prior 36 months	In prior 60 months (fire and/or total theft)		In prior 12 months	In prior 36 months	In prior 60 months (fire and/or total theft)			
	3	-	2		\$2,500	3	-			
	-	3	-	\$1,000	-	3	-	\$2,500		
	-	4	-	\$2,500	-	4	-	5% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).		
	-	5 or more	-	5% of LPN (minimum \$5,000)	-	5 or more	-	No coverage offered		
			3 or more	No coverage	-	-	3 or more	No coverage offered		
	*Claims that have occurred under All Perils coverage shall be assigned to the appropriate section of the coverage i.e. Collision or Comprehensive.				*Claims that have occurred under All Perils coverage shall be assigned to the appropriate section of the coverage i.e. Collision or Comprehensive.					
	Higher deductibles based on claims shall only be imposed when there have been a sufficient number of claims under any given coverage to warrant such application. For example one Collision loss and three Comprehensive losses in the previous 12 months will result in the application of a \$2,500 deductible on Comprehensive only. Only if the Insured has sustained three Collision losses as well, would \$2,500 deductible be applied to the Collision coverage.				Any higher minimum deductibles provided for in this manual shall override these amounts.					
					Higher deductibles 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 shall						
								Updates an example based on	This will not impact premiums.	

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact												
Rule 201.C: Coverages Available and Minimum Deductibles, Physical Damage (Continued)	<p>b) Vehicles insured for Comprehensive/Specified Perils only shall be renewed once and then lapsed at the next renewal if there is no other vehicle with Liability coverage on the policy. Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.</p> <p>b) Minimum Deductibles The following table indicates the minimum deductibles applicable to logging vehicles.</p> <table><tr><td>Value on which premium is based</td><td>Minimum Deductible Collision / /Specified Perils</td></tr><tr><td>Less than \$52,501</td><td>\$500</td></tr><tr><td>\$52,501 – \$76,000</td><td>\$2,500</td></tr><tr><td>\$76,001 – \$100,000</td><td>\$4,000</td></tr><tr><td>Over \$100,000</td><td>5% of said value to nearest \$250</td></tr><tr><td>NOTE</td><td>END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months</td></tr></table>	Value on which premium is based	Minimum Deductible Collision / /Specified Perils	Less than \$52,501	\$500	\$52,501 – \$76,000	\$2,500	\$76,001 – \$100,000	\$4,000	Over \$100,000	5% of said value to nearest \$250	NOTE	END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months	<p>result in the application of a \$5,000 deductible on Comprehensive only. Only if the Insured has sustained three Collision losses as well, would \$5,000 deductible be applied to the Collision coverage.</p> <p>d) Vehicles Insured for Comprehensive or Specified Perils Coverage Only</p> <p>If Statutory coverages (Liability, Accident Benefits, Uninsured Automobile) are removed or suspended by way of END 16 twice in one year, subsequent requests will not be permitted until the following renewal. It is not necessary to remove the license plate from the vehicle while coverage is removed or suspended.</p> <p>If Statutory coverages are not added to the vehicle by the renewal date, the vehicle shall be renewed once with Comprehensive or Specified Perils Coverages only, then lapsed at the next renewal if there is no other vehicle with Statutory coverage on the policy.</p> <p>Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.</p>	<p>proposed rule</p> <p>New section "d)" created. Clarifies existing rule regarding vehicles insured for Comp/S.P. only.</p> <p>Removes separate deductible chart for logging vehicles. Minimum deductible would be based on Registered Curb Weight</p>	<p>This will not impact premiums.</p> <p>This may impact premiums of clients who now require an increased deductible.</p>
Value on which premium is based	Minimum Deductible Collision / /Specified Perils															
Less than \$52,501	\$500															
\$52,501 – \$76,000	\$2,500															
\$76,001 – \$100,000	\$4,000															
Over \$100,000	5% of said value to nearest \$250															
NOTE	END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months															

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 201.E: Coverages Available and Minimum Deductibles, Minimum Coverage	<p>E: 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:</p> <p>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.</p> <p>END 44 may remain on a policy where 'moving' coverages have been suspended by means of END 16.</p> <p>Suspended coverages are reinstated by means of END 17. In no event shall a refund be granted for any suspension of less than forty-five (45) consecutive days.</p> <p>(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.</p> <p>Notes: 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.</p>	<p>E: Minimum Coverage Individually rated commercial policies are required to provide at least the statutory minimum coverage applicable to the jurisdiction in which the vehicle is registered except when an automobile is temporarily out of use and in storage.</p> <p>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'.</p> <p>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 suspension of less than forty-five (45) consecutive days.</p> <p>Suspended coverages are reinstated by means of END 17.</p> <p>Note: END 44 may remain on a policy only where 'moving' coverages have been suspended by means of END 16. END 16/17 is not available on experience rated risks.</p> <p>For Light Commercial vehicles only, in the case of an existing policy that includes Comprehensive or Specified Perils coverage, coverages other than Comprehensive or Specified Perils may be deleted for a maximum of 90 consecutive days. <i>Refer to Rule 201.C.d: Vehicles Insured for Comprehensive or Specified Perils Coverage Only, for conditions.</i></p> <p>Note: If all coverages except Comprehensive or Specified Perils are deleted entirely, END 44 must be deleted as well.</p> <p>Statutory Minimum coverage is to be maintained at all times on policies where the following conditions exist:</p> <ul style="list-style-type: none"> • Vehicles for which proof of insurance is issued or filed; • Recreational vehicles to which the Recreational Section applies; 	<p>Clarifies existing rule to indicate that it applies to individually rated commercial policies only.</p> <p>Revises rule to indicate that coverages can be suspended for a maximum of 90 days.</p> <p>Clarifies rule to indicate under</p>	<p>This will not impact premiums.</p> <p>This may impact premium if suspension is required for a period over 90 days.</p> <p>This has no impact on premium</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 201.E: Coverages Available and Minimum Deductibles, Minimum Coverage (Continued)		<ul style="list-style-type: none"> Vehicles that were never intended to be driven (e.g. Vehicles registered as Antique under the Traffic Safety Act); Vehicles held for sale whether or not on an auto dealer's lot; Experience rated risks <p>Definitions: Temporarily: May be defined as 'a limited time only, as distinguished from that which is perpetual or indefinite in duration'. There is an anticipated end point to the vehicle being out of use. Agent/Broker must indicate on the application or policy change request what the anticipated end date is, whether that is 3, 8 or 36 months from the date of the request.</p> <p>Out of use: The vehicle will not be driven either by the Insured or by garage personnel or potential purchasers.</p> <p>In storage: The vehicle is not readily available for use e.g. the plates have been removed, the battery has been removed etc. The Agent/Broker must confirm on the application or policy change request that the vehicle is out of use and in storage.</p>	<p>which conditions suspension of coverage will not be permitted.</p> <p>Revised wording inserted for clarity and consistency across all manuals.</p> <p>Wording relocated to proposed Rule 201.C,d)</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>
	<p>2. If Liability 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.</p> <p>3. If Liability 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 and Accident Benefits coverages on the policy.</p> <p>4. In the case of a new application, a policy may not be issued for Comprehensive or Specified Perils only.</p>			

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 203.A.: Binding Coverage – New Policies, Requirements/Procedures for Binding New Policies	<p>A. Requirements/Procedures for binding new policies</p> <p>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</p>	<p>A. Requirements/Procedures for Binding New Policies</p> <p>1) The Agent/Broker must have a fully completed application signed by the Named Insured(s) of the vehicle(s) detailing all information on the risk.</p> <p>Supplementary questionnaires, if required, must be completed and signed by the Named Insured(s). 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.</p> <p>Refer to Rule 204: New Policies for additional information as to who may enter into a contract of Insurance.</p>	Replaces the term "Applicant" with "Named Insured"	This has no impact on premium.
Rule 204: New Policies		<p>A. Name of the Insured and Who may Apply for Insurance</p> <p>The contract of Insurance may be in the name of:</p> <p>a) An Individual; OR</p> <p>b) Partnership (unincorporated); OR</p> <p>c) Limited Liability Company (incorporated); OR</p> <p>d) Non-governmental organization (incorporated or unincorporated).</p> <p>Insurance contracts must be made with individuals who have the capacity to enter into a contract and have the authority to enter into a contract on behalf of a Partnership, Joint Venture or Limited Liability Company. Upon the Servicing Carriers request, Articles of Incorporation will be required to confirm insurable interest.</p> <p>The Name of Insured must reflect the full name, including all "operating as" and/or "Trade" names of the individual or the business as registered with the appropriate municipal, provincial or federal authority and must be the same as the name on the vehicle registration.</p> <p>Two or More Names as Named Insured:</p>	Relocated from Rule 204, Section F and adds language to clarify who may apply for a contract of Insurance, and who is considered a Named Insured.	This has no impact on premium.

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 204: New Policies (Continued)	<p>A. Application Form</p> <p>Every application for insurance must be made on a current approved Standard Application Form and must be fully completed and signed by the Applicant</p>	<p>Where an application is received for vehicle(s) registered in two or more individual names or a Partnership, the application must be signed by all parties. In the event the policy is to be cancelled at the Insured's request, all parties must request the cancellation.</p> <p>Where an application is received for vehicle(s) registered in two or more limited liability companies, separate policies may be required. Copies of the Articles of Incorporation for all registered entities must be reviewed by the Servicing Carrier to establish common ownership.</p> <p>The Servicing Carrier reserves the right to require separate applications for policies where common ownership cannot be established.</p> <p>Two or more limited liability companies linked by common management will require separate policies if rated individually. Refer to Rule 239: Fleets, if policy is fleet rated.</p> <p>Separate policies may not be required if the policy insures a combination of owned and vehicles subject to a long-term lease (leased over 30 days). The Lessee must be the same individual or entity as the registered owner of any owned vehicles. Refer to Rule 237: Long Term Leases-Specified Lessees - Leases Exceeding 30 Days.</p> <p>Where it is discovered in the middle of the policy term, that a single policy has been issued with two (or more) unrelated individuals or limited liability entities, 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.</p> <p>B. Application Form</p> <p>Every application for insurance must be made on the current approved Standard Application Form and must be fully completed and signed by the Named</p>	<p>Renumbers section and replaces the term "Applicant" with "Named Insured"</p>	<p>This has no impact on premium.</p>

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Rule 204: New Policies (Continued)	<p>where required. See also Rule 204: Computer Generated Application Forms.</p> <p>Commercial, garage, public, experience rated and some specially rated risks will require completion of supplementary questionnaires.</p> <p>A copy of the valid registration for all owned vehicles being insured in this section, regardless of vehicle type or use, will be required with the application. If the valid registration cannot be submitted with the application, a copy of the registration is required within 30 days of binding coverage.</p> <ul style="list-style-type: none"> • 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 cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for vehicles meeting the registration requirement. <p>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.</p> <p>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.</p> <p>D. Computer Generated Application Forms These application forms are acceptable but must be in the standard format approved by the applicable</p>	<p>Insured(s) where required. See also Rule 204:E. Computer Generated Application Forms.</p> <p>Commercial, garage, public, experience rated and some specially rated risks will require completion of supplementary questionnaires.</p> <p>A copy of the valid registration for all owned vehicles being insured, regardless of vehicle type or use, will be required with the application.</p> <p>Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required when binding a new risk.</p> <p>R</p> <p>C. 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.</p> <p>D. 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.</p> <p>E. Computer Generated Application Forms</p>	<p>Refers Users back to Rule 200 for a complete list of supplementary info that may be required to underwrite a risk.</p> <p>Replaces the term "Applicant" with "Named Insured"</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>

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Rule 204: New Policies (Continued)	<p>regulatory authority and must include all information that is required to be provided on the current approved Standard Application Form.</p> <p>The computerized application must be signed and dated by the Applicant.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>The computerized application must be signed and dated by the Named Insured(s).</p> <p>F. Named Insured(s) Signature The Named Insured(s) signature shall be provided on the current approved Standard Application Form or the computerized application form at the time of binding whenever possible.</p> <p>If the Named Insured(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.</p> <p>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.</p> <p>G. No Prior Insurance with Out of Province including U.S. Exposure In the event that Named Insured has no prior insurance with insured vehicles, traveling outside of the province, including into the U.S., supplementary underwriting documents (as outlined under Rule 200.D) required to evaluate out of province exposure, may not be immediately available for review at New Business.</p>	<p>Replaces the term "Applicant" with "Named Insured"</p> <p>Outlines rating action to take place in the event that a Named Insured has no prior insurance and is unable to supply the documentation outlined</p>	<p>This has no impact on premium.</p> <p>This will impact premiums of clients with no prior insurance and travel out-of-province, including into the U.S.</p>

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Rule 204: New Policies (Continued)	<p>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.</p> <p>The name of the Insured must include or be the same as the name on the vehicle registration.</p> <p>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.</p> <p>Two or More Vehicles Registered to Different Names: If the Applicant has vehicles leased from different leasing companies, or, one vehicle registered for</p>	<p>Where required supplementary underwriting information is unavailable when binding a new risk, as the Named Insured has not previously traveled outside of the Province or into the U.S., the vehicle(s) shall be underwritten with 75% Out-of-Province exposure.</p> <p>If during the first term of insurance, the Named Insured(s) claim entitlement to a lower Out-of-Province/U.S. Exposure amount and submits the required Supplementary Underwriting Documents as outlined under Rule 200.D to the satisfaction of the Servicing Carrier, the Out-of-Province/U.S. Exposure surcharge shall be adjusted effective the date the documentation was submitted. Backdating any adjustment to the Out-of-Province/U.S. Exposure surcharge is not permitted.</p>	<p>under Rule 200.D.</p> <p>Section removed as wording has been updated for clarity. Refer to Rule 201.A.</p>	

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Rule 204: New Policies (Continued)	<p>example in the father's name and one in the son's name, separate policies must be maintained.</p> <p>If the Applicant has vehicle(s) leased from the same leasing company and owned vehicle(s), separate policies may not be necessary.</p> <p>Exception: 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.</p> <p>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.</p> <p>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 as the case may be.</p> <p>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.</p>	<p>H. 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 as the case may be.</p> <p>I. Variation in Coverage To conform to the Insurance Act, the Named Insured(s) must be advised if the coverage provided by the policy is not as requested in the application.</p> <p>If the information received on supplementary underwriting documents is different from that reported on the application, to the extent that premium or coverage changes, the Servicing Carrier shall issue the policy based on the revised premium and/or coverage in accordance with the Manual of</p>	<p>Clarifies that notice is to be given to the Insured when variation of coverage or premium occurs.</p>	<p>This has no impact on premium.</p>

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Rule 204: New Policies (Continued)	<p>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:</p> <p>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.</p> <p>Since Facility Association recognizes driving experience gained in the U.S., part of that experience includes convictions obtained there. To properly rate drivers with U.S. experience, the confirmed conviction record provided through a U.S. abstract is needed. If the U.S. abstract is not provided, experience gained in the U.S. is not recognized.</p> <p>On experience (fleet) rated risks, the abstract is not required.</p> <p>b) All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the applicant claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> <p>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or applicants with</p>	<p>Rules and Rates, and notify the Agent/Broker of the applicable changes.</p> <p>J. Verification of Driving History In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium:</p> <p>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. The report date on the Driver Abstract shall not exceed 90 days prior to the effective date of the policy.</p> <p>b) All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Named Insured(s) claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> <p>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or Named</p>	<p>Clarifies the oldest date permitted on an MVR for the purposes of verification of driver history and removes repetitive language</p> <p>Replaces the term "Applicant" with "Named Insured"</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>

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Rule 204: New Policies (Continued)	<p>only an international licence. See special instructions under Fleets and the Garage section.</p> <p>See special instructions under Rule 239: Fleets.</p> <p>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.</p>		<p>Insured(s) with only an international licence. See special instructions under Fleets and the Garage section.</p> <p>See special instructions under Rule 239: Fleets.</p>		Relocates paragraph to proposed Rule 204.I, for consistency across all Provinces	This has no impact on premium.												
Rule 207.A: Rating Class, Load Classification	A. Load Classification <table><tr><td>Vehicles with a Gross Vehicle Weight not in excess of 4.5 tonnes (10,000 lbs.)</td><td>Light (L)</td></tr><tr><td>Vehicles with a Gross Vehicle Weight of more than 4.5 tonnes (10,000 lbs.)</td><td>Heavy (H)</td></tr><tr><td>Road Tractors used to haul trailers</td><td>Heavy (H)</td></tr></table>		Vehicles with a Gross Vehicle Weight not in excess of 4.5 tonnes (10,000 lbs.)	Light (L)	Vehicles with a Gross Vehicle Weight of more than 4.5 tonnes (10,000 lbs.)	Heavy (H)	Road Tractors used to haul trailers	Heavy (H)	A. Load Classification <table><tr><td>Vehicles with a Curb Weight not in excess of 4,500kg (10,000 lbs.)</td><td>Light (L)</td></tr><tr><td>Vehicles with a Curb Weight of more than 4,500kg (10,000 lbs.)</td><td>Heavy (H)</td></tr><tr><td>Road Tractors used to haul trailers</td><td>Heavy (H)</td></tr></table>		Vehicles with a Curb Weight not in excess of 4,500kg (10,000 lbs.)	Light (L)	Vehicles with a Curb Weight of more than 4,500kg (10,000 lbs.)	Heavy (H)	Road Tractors used to haul trailers	Heavy (H)	Updates rule for consistency across all Provinces	This has no impact on premium.
Vehicles with a Gross Vehicle Weight not in excess of 4.5 tonnes (10,000 lbs.)	Light (L)																	
Vehicles with a Gross Vehicle Weight of more than 4.5 tonnes (10,000 lbs.)	Heavy (H)																	
Road Tractors used to haul trailers	Heavy (H)																	
Vehicles with a Curb Weight not in excess of 4,500kg (10,000 lbs.)	Light (L)																	
Vehicles with a Curb Weight of more than 4,500kg (10,000 lbs.)	Heavy (H)																	
Road Tractors used to haul trailers	Heavy (H)																	
Rule 207.B: Rating Class, Radius	B. Radius <p>Radius means the road distance from the boundary of the city or town in which the vehicle is usually kept. Operation within a city or town or within 40 km (25 miles) of the boundaries of a city or town shall be regarded as within a 40 km (25 mile) radius. A radius of 80 km (50 miles) means that the vehicle is being operated within 80 km (50 miles) of the boundaries of the city or town in which it is kept.</p> <p>Note: A vehicle used for more than 12 trips per year (6 trips on a six month policy) beyond a radius of 80 km (50 miles) is to be rated: Radius 81-160 km (100 miles) Class 61</p>		B. Radius <p>Radius means the road distance from the boundary of the city or town in which the vehicle is usually kept. Operation within a city or town or within 40 km (25 miles) of the boundaries of a city or town shall be regarded as within a 40 km (25 mile) radius. A radius of 80 km (50 miles) means that the vehicle is being operated within 80 km (50 miles) of the boundaries of the city or town in which it is kept.</p> <p>Note: A vehicle used for more than 12 trips per year (6 trips on a six month policy) beyond a radius of 80 km (50 miles) is to be rated:</p>		Updates rule for consistency across all Provinces	This has no impact on premium.												

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Rule 207.B: Rating Class, Radius (Continued)	<p>Radius 161- 400km Class 62 Radius 401-750km Class 63 Radius over 750km Class 64</p> <p>Hazardous Cargo rates are to be used if the vehicle is transporting Dangerous Goods. This rule only applies to vehicles hauling cargo for compensation.</p> <p>For example: A vehicle hauling dangerous goods is used 13 times a year to haul those goods 100 km. Class 61B rates are applicable.</p> <p>2. For policies issued for less than 6 months, Note 1 shall apply if the percentage of mileage used beyond 80 km (50 miles) for the policy period, exceeds 5%.</p> <p>Note 2 does not apply if the vehicle is in transit and is not being used to transport goods or for the specialized purpose for which it was designed.</p>	<p>Radius 81-160 km (100 miles) Class 61 Radius 161- 400km Class 62 Radius 401-750km Class 63 Radius over 750km Class 64</p> <p>Special Increased Limits (for Chemical Products, Explosives, Petroleum Products, Radioactive Materials) classifications are to be used if the vehicle is transporting Dangerous Goods. Refer to Interurban Rate Pages for classification and rates.</p> <p>For example: A vehicle hauling dangerous goods is used 13 times a year to transport those goods within a 100 km radius. Class 61B rates are applicable.</p> <p>For policies issued for less than 6 months, the use of Special increased limits (for Chemical Products, Explosives, Petroleum Products, Radioactive Materials) classifications shall apply if the percentage of mileage used beyond 80 km (50 miles) for the policy period, exceeds 5%.</p> <p>The use of Special increased limits (for Chemical Products, Explosives, Petroleum Products, Radioactive Materials) classifications does not apply if the vehicle is in transit and is not being used to transport goods or for the specialized purpose for which it was designed.</p>	<p>Update to rule for clarity and consistency across all Provinces</p> <p>Update to rule for clarity and consistency across all Provinces</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>
Rule 207.D: Rating Class, Road Tractor Without Trailer	<p>D. Road Tractor Without Trailer When a road tractor is insured, it is presumed that it will be used with one or more trailers. Accordingly, the semi-trailer Liability premium must be charged even if no specific trailer is described. Refer to Rule 212: Rating of Trailers.</p>	<p>D. Road Tractor Without Trailer When a road tractor not used in connection with a farm is insured, it is presumed that it will be used with one or more trailers. Refer to Rule 212: Rating of Trailers for rating instructions</p> <p>For tractors used in connection with a Farm, refer to Rule 207.H: Farm Trucks.</p>	<p>Clarifies this section does <u>not</u> apply to farming operations and refers users to Rule 212 for Trailer rating instructions.</p>	<p>This has no impact on premium.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 208: Rating for More Than One Use	<p>If a vehicle is used for more than one purpose, the highest rated class (based on premium) must be used regardless of the percentage of exposure.</p> <p>Since private passenger Classes 01, 02, 03 and 07 exclude commercial use, vehicles used for both private passenger and commercial use must be rated commercially.</p> <p>Examples</p> <p>a) The Insured has a mini van used for courier purposes and for pleasure. Rate the vehicle for courier delivery.</p> <p>b) The Insured has a light pickup truck. During the day he makes business calls to clients of the company he works for as a salesman. During the night he works for another company delivering pizza. Rate the vehicle for pizza delivery.</p>	<p>If the vehicle is used for more than one commercial purpose, the highest rated class (based on premium) must be used regardless of the percentage of exposure.</p> <p>Since private passenger Classes 01, 02, 03 and 07 exclude commercial use, vehicles used for both private passenger and commercial use must be rated commercially.</p> <p>Examples:</p> <p>a) The insured has a minivan used for courier purposes and for pleasure. Rate the vehicle for courier delivery.</p> <p>b) The insured has a light pickup truck. During the day he makes business calls to clients of the company he works for as a salesman. During the night he works for another company delivering pizza. Rate the vehicle for pizza delivery.</p> <p>c) The Insured owns and operates a courier business with one Straight Truck currently rated for courier services. The Insured successfully bids on a contract to transport radioactive medical isotopes to local hospitals one day per month. Rate the vehicle for the transportation of dangerous goods.</p> <p>Slip Tanks <u>not</u> carrying petroleum products are to be rated based on commodity hauled, Class 48 (Dangerous Goods) must not be used.</p> <p>Refer to Rule 236 for instructions on how to rate Driver Training Vehicles.</p> <p>Refer to Rule 238 for instructions on how to rate Short Term Leases.</p>	<p>Clarifies that this pertains to vehicles used for more than one commercial purpose</p> <p>Updates example based on proposed language</p> <p>Updates rule to create consistency across all Provinces</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p> <p>This has no impact on premium.</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 209: Driving Record	<p>Driving record is the number of years of verified 'Clear Record'. This rule does not apply to coverages that are experience (fleet) rated.</p> <p>All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Applicant claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> <p>A. Clear Record Through out the period concerned: 1. There has been no accident involving the described vehicle or one for which it has been substituted; and 2. The Applicant has owned the described vehicle or one of a similar type for which it has been substituted.</p> <p>Ownership is established from the date on which the Applicant takes possession of the vehicle.</p> <p>There is no requirement that drivers be accident free on other vehicles; the rating is determined from the vehicle history not the driver's history.</p>	<p>Driving record for individually rated policies are the number of years of verified 'Clear Record'. This rule does not apply to coverages that are experience (fleet) rated.</p> <p>See special instructions under Rule 239: Fleets.</p> <p>All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Named Insured(s) claim entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance details to the satisfaction of the Servicing Carrier, the re-rating shall then be backdated appropriately.</p> <p>A. Clear Record Through out the period concerned: 1. There has been no accident involving the described vehicle or one for which it has been substituted; and 2. The Named Insured(s) has owned the described vehicle or one of a similar type for which it has been substituted.</p> <p>Ownership is established from the date on which the Applicant takes possession of the vehicle.</p> <p>There is no requirement that drivers be accident free on other vehicles; the rating is determined from the vehicle history not the driver's history.</p>	<p>Updates rule to create consistency across all Provinces.</p> <p>Replaces the term "Applicant" with "Named Insured"</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact																								
Rule 209.B: Driving Record, Driving Record Entitlement	<table><tr><th colspan="2">B. Driving Record Entitlement</th></tr><tr><th>Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance</th><th>Driving Record Entitlement</th></tr><tr><td>Less than 1 year</td><td>0</td></tr><tr><td>At least 1 year</td><td>1</td></tr><tr><td>At least 2 years</td><td>2</td></tr><tr><td>At least 3 years</td><td>3</td></tr></table> <p>Notes: 1. The driving record established applies to all coverages concerned. There is no split rating. 2. Where an Applicant owns more than one vehicle, each vehicle's driving record is established separately. Where an additional vehicle is acquired it shall develop its own driving record (initially at Driving Record 0). Where a vehicle is deleted, an accident charged for on the deleted vehicle shall be transferred to the remaining vehicle developing the highest premium.</p>	B. Driving Record Entitlement		Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance	Driving Record Entitlement	Less than 1 year	0	At least 1 year	1	At least 2 years	2	At least 3 years	3	<table><tr><th colspan="2">B. Driving Record Entitlement</th></tr><tr><th>Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance</th><th>Driving Record Entitlement</th></tr><tr><td>Less than 1 year</td><td>0</td></tr><tr><td>At least 1 year</td><td>1</td></tr><tr><td>At least 2 years</td><td>2</td></tr><tr><td>At least 3 years</td><td>3</td></tr></table> <p>Notes: 1. The driving record established applies to all coverages concerned. There is no split rating. 2. Where the Named Insured(s) owns more than one vehicle, each vehicle's driving record is established separately. Where an additional vehicle is acquired it shall develop its own driving record (initially at Driving Record 0). Where a vehicle is deleted, an accident charged for on the deleted vehicle shall be transferred to the remaining vehicle developing the highest premium.</p>	B. Driving Record Entitlement		Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance	Driving Record Entitlement	Less than 1 year	0	At least 1 year	1	At least 2 years	2	At least 3 years	3	Replaces the term "Applicant" with "Named Insured"	This has no impact on premium.
B. Driving Record Entitlement																												
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Rule 209.D: Driving Record, Incorrect Class of License	<p>D. Incorrect Class of License Some heavy commercial vehicles require the operator to maintain a specific class of licence in order to operate such vehicles. Where the operator fails to have the proper class of licence for the vehicle to be insured, the policy will be issued at Driving Record 0. If evidence of the correct class of licence is not provided to the Servicing Carrier within 30 days, the policy will be cancelled by registered letter.</p>	(Removed)	Removed Section D. As updated rule proposed under Rule 200.	This will not impact premiums, but may impact coverage offered to Insureds.																								
Rule 212.B: Trailers, Rating of Trailers	<p>1. Owned Trailer Liability Charge the indicated percentage of the premium applicable to the highest rated vehicle with which the trailer may be towed:</p>	<p>1. Owned Trailer Liability Liability coverage applicable to owned trailers is available to add on a policy. Refer to Rule 201.A, for conditions regarding limits available. Premiums are charged on a per-trailer basis.</p> <p>To add liability coverage, charge the indicated percentage of the premium applicable to the highest rated vehicle with which the trailer may be towed:</p>	Where a policy insures a vehicle and commercial trailer, the change clarifies existing language to indicate that	This may impact some consumers premiums																								

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording		Approved Wording		Change from Current	Premium impact
Rule 212.B: Trailers, Rating of Trailers (Continued)	Trailer Converter Dolly: Non Cargo Cargo	Nil 25%	Trailer Converter Dolly: Non Cargo Cargo	Nil 25%	liability is available to be endorsed	
	Non-Cargo Trailer	10%	Non-Cargo Trailer	10%		
	Low-bed Float Trailer	25%	Low-bed Float Trailer	25%		
	Cargo Trailer		Cargo Trailer			
	Semi-trailer	10%	Semi-trailer	10%		
	Other	25%	Other	25%		
	Pulling Modular Homes and the like	25%	Pulling Modular Homes and the like	25%		
	2. Non Owned Trailers		2. Non Owned Trailers			
	Liability		Liability			
	When a road tractor is insured, it is presumed that it will be used with one or more trailers. Accordingly, the semi-trailer Liability premium that is applicable to an owned trailer is added to the tractor Liability premium. Apply any outside Alberta exposure surcharge to the total Liability premium.		When a road tractor is insured, it is presumed that it will be used with one or more trailers. Liability coverage applicable to non-owned trailers is available to add on a policy. Refer to Rule 201.A, for conditions regarding limits available. Premiums are charged on a per-trailer basis, and are applicable to all non-owned trailers that will be attached to insured road tractors.			
		For example, liability coverage is requested on six (6) non-owned trailers that will be attached as a B-train. There are three (3) road tractors insured on the policy. Liability premiums will apply to six (6) non-owned trailers.				
		To add liability coverage, use the Semi-Trailer Liability premium that is applicable to an owned trailer per the table under Rule 212.B.1. Apply any outside Alberta exposure surcharge to the total Liability premium.				
Accident Benefits		Accident Benefits		Clarifies the use of the END 27 and how premiums are to be calculated	This will not impact premiums.	
No charge.		No charge.				
Physical Damage		Physical Damage				
	Charge the premium applicable for these coverages on each trailer as though each trailer was owned. Establish the rate group and premium for the non-owned trailer that has the highest value and multiply that premium by the number of non-owned trailers that may be towed.		Charge the premium applicable for these coverages on each trailer as though each trailer was owned. Establish the rate group and premium for the non-owned trailer that has the highest value; model year is assumed to be the current year. Apply outside Alberta exposure surcharge if required.			

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 212.B: Trailers, Rating of Trailers (Continued)	<p>The limit shown on END 27 will be the amount on which the rate group is based. The vehicle type and the Insured's business must be shown under point 2 of the END 27. Apply outside Alberta exposure surcharge if required.</p> <p>NOTE: Since END 27 is a policy level endorsement, a premium must be charged for each non-owned trailer.</p>	<p>If physical damage coverage to non-owned trailers is extended via the END 27, establish the rate group and premium as outlined above and multiply that premium by the number of non-owned trailers that may be in the Applicant's care, custody and control. This premium is the total premium charged under the END 27.</p> <p>The limit shown on END 27 will be the amount on which the rate group is based. The trailer type and the Insured's business must be shown under point 2 of the END 27.</p> <p>NOTE: Since END 27 is a policy level endorsement, the premium charged on a per policy basis.</p>		
Rule 213: Endorsement (Policy Change) Forms and Wordings	<p>Changes to standard approved forms are not permitted.</p> <p>Rule 243: 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.</p> <p>Certain endorsement forms 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.</p> <p>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.</p> <p>Provided the endorsement form does not indicate the expiry date of the policy term, once an endorsement form has been signed, it need not be signed again on subsequent policy renewal terms.</p>	<p>Changes to standard approved forms are not permitted.</p> <p>Rule 243: 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.</p> <p>Provided the endorsement form does not indicate the expiry date of the policy term, once an endorsement form has been signed, it need not be signed again on subsequent policy renewal terms.</p>	<p>Removes 3rd paragraph, as relocated to Rule 200.</p> <p>Removes redundant example.</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 214: Commonly Used Endorsements	<p>END 27 – Legal Liability for Damage to Non-Owned Automobiles</p> <p>The Applicant must specify the types of vehicle/trailer that may be in the Applicant's custody and provide the required limit per occurrence. The vehicle type and the Insured's business must be shown under point 2 of the END 27.</p> <p>The premiums to be charged are those applicable to the highest rated vehicle that may be in the Applicant's custody as though the vehicle was an owned vehicle. The rating is based upon the driving record, the type and use of the vehicle/trailer.</p> <p>Non-Owned Trailers</p> <p>Physical Damage</p> <p>Charge the premium applicable for these coverages on each trailer as though each trailer was owned. Establish the rate group and premium for the non-owned trailer that has the highest value and multiply that premium by the number of non-owned trailers that may be towed.</p> <p>The limit shown on END 27 will be the amount on which the rate group is based. Apply outside Alberta exposure surcharge if required.</p>	<p>END 27 – Legal Liability for Damage to Non-Owned Automobiles</p> <p>Not offered except as indicated for commercial non-owned trailers.</p> <p>The Applicant must specify the types of trailer(s) that may be in the Applicant's care, custody and control, and provide the required limit per occurrence. The trailer type and the Insured's business must be shown under point 2 of the END 27.</p> <p>The premiums to be charged are those applicable to the highest rated trailer that may be in the Applicant's care, custody and control as though the trailer was owned.</p> <p>Refer to Rule 212.B.2 for premium computation process.</p>	Clarifies the use of the END 27 and how premiums are to be calculated and removes duplicate language.	No impact on premium.
Rule 228.A: Outside Alberta Exposure, Outside Alberta Exposure Surcharge	<p>A. Outside Alberta Exposure Surcharge</p> <p>Any commercial vehicle that is operated in another Canadian jurisdiction or the U.S. is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.</p> <p>The surcharge does not apply where the vehicle is used for personal use only or artisan use i.e. Class 07 or Class 35 and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used outside Alberta and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule</p>	<p>A. Outside Alberta Exposure Surcharge</p> <p>Any commercial vehicle that is operated in another Canadian jurisdiction or the U.S. is subject to a surcharge.</p> <p>The surcharge does not apply where the vehicle is used for personal use only or artisan use i.e. Class 07 or Class 35 and proof of insurance is not required.</p> <p>Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required on vehicles traveling outside of the jurisdiction of registration, including into the U.S.</p>	Refers Users back to Rule 200 for list of documents that may be required when an Insured travels out of Province, how exposure is determined and revised to	<p>This may impact premiums on Insured's who travel less than 5% into the U.S.</p> <p>This may impact premiums on</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact																				
Rule 228.A: Outside Alberta Exposure, Outside Alberta Exposure Surcharge (Continued)	<p>234: Vehicles Used Outside Jurisdiction of Registration.</p> <p>If this exposure is 5.0% or less of total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability, Accident Benefits and END 44 only.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>Liability, Accident Benefits, END 44</p> <p>For each percentage point of total mileage in another Canadian jurisdiction or the U.S., surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Alberta Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5% and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table>	Outside Alberta Exposure	Applicable Surcharge	Up to 5% and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	<p>The percentage of Out of Province Exposure will be determined based on the International Fuel Tax Assessment (IFTA) reports from the last four (4) quarters immediately preceding the effective date of the policy or endorsement.</p> <p>If the Named Insured(s) has no prior insurance, refer to Rule 204.G: No Prior Insurance with Out-of-Province including U.S. Exposure</p> <p>If the Named Insured does not participate in IFTA, please contact your Servicing Carrier for the documents required to confirm the percentage of U.S. exposure.</p> <p>If this exposure is 5.0% or less of total mileage, a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile, and END 44.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount. If eligible, U.S. Filings will be completed using the <u>minimum</u> FMCSA required limit based on the type of carriage, commodity transported and State required.</p> <p>Liability, Accident Benefits, END 44</p> <p>For each percentage point of total mileage in another Canadian jurisdiction or the U.S., surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Alberta Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5%</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table>	Outside Alberta Exposure	Applicable Surcharge	Up to 5%	5%	10%	10%	25%	25%	50%	50%	<p>indicate that surcharge will not be waived if exposure is 5% or less.</p> <p>Clarifies that U.S. filings will be completed using the minimum required limit.</p> <p>Update example based on proposed rule</p>	<p>Insured's who travel less than 5% out of Province.</p> <p>This will not impact premiums.</p> <p>This will not impact premiums.</p>
Outside Alberta Exposure	Applicable Surcharge																							
Up to 5% and proof of insurance required	5%																							
10%	10%																							
25%	25%																							
50%	50%																							
Outside Alberta Exposure	Applicable Surcharge																							
Up to 5%	5%																							
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FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 234: Vehicles Used Outside Jurisdiction of Registration	<p>Rule 200: Filed Underwriting Rules requires 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.'</p> <p>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.</p> <p>There are circumstances under which the vehicle may be used for a period of time in another jurisdiction where vehicle registration in that jurisdiction is not required.</p> <p>For example: The Insured resides in Alberta and the vehicle is registered there; however, the Insured will be travelling the Atlantic provinces for the next year.</p> <p>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.</p> <p>When a vehicle is registered in one jurisdiction but used in another, the following is to be used as a guide for rating purposes.</p> <ol style="list-style-type: none"> 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. If the vehicle is operated outside Alberta, Alberta rates and a surcharge apply. Refer to Rule 228. 3. The surcharge does not apply where the vehicle is used for artisan use i.e. Class 35 and proof of insurance is not required. 	<p>When a Named Insured takes up permanent residence, or registers the business in another jurisdiction, the Named Insured is required to register the commercial vehicle(s) in the new jurisdiction. The existing policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction.</p> <p>Facility Association shall not provide insurance for vehicles that are never operated in the jurisdiction in which they were registered.</p> <p>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:</p> <ol style="list-style-type: none"> 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. If it is known in which territory the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used. 3. If the vehicle is operated outside Alberta, including into the U.S., Alberta rates and a surcharge apply. 	<p>Updates rule to create consistency across all Provinces and removes duplicate language addressed in other rules.</p> <p>Updates rule to create consistency across all Provinces and removes duplicate language addressed in other rules.</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 234: Vehicles Used Outside Jurisdiction of Registration (Continued)	<p>4. If the out of province exposure is 5.0% or less of total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability, Accident Benefits and END 44 only.</p> <p>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.</p> <p>5. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered. For example: The Insured lives in Calgary, is on sabbatical in California and the vehicle is registered in Alberta. Calgary rates apply.</p> <p>6. If the vehicle is used in different territories, within the same jurisdiction, refer to Rule 206: Rating Territory.</p>	Refer to Rule 228: Outside Alberta Exposure to determine the surcharges applicable.		



April 2020

**Manual of Rules and Rates
ALBERTA**

**Various Rule Changes
Effective August 1, 2020 (New Business & Renewals)**

Facility Association has received approval from the Superintendent of Insurance in Alberta **effective April 1, 2020 (New Business and Renewals)** for amendments to rules in various section of the manual.

A summary of rule changes are attached. All rule changes are marked with a bar in the margin.

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

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

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
PRIVATE PASSENGER SECTION				
100.B Rule for Refusing to Provide or Continue a Coverage are:	<p>1. 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:</p> <p style="padding-left: 40px;">i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; or</p> <p style="padding-left: 40px;">ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; or</p> <p style="padding-left: 40px;">iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; or</p> <p style="padding-left: 40px;">iv) Wilfully made a false statement in respect of a claim.</p> <p>2. Physical damage coverage should not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter in accordance with the Adverse Contractual Action Regulation.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'.</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p>	<p>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:</p> <p style="padding-left: 40px;">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</p> <p style="padding-left: 40px;">b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; or</p> <p style="padding-left: 40px;">c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; or</p> <p style="padding-left: 40px;">d) Wilfully made a false statement in respect of a claim.</p> <p>* 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.</p> <p>2. Physical damage coverage should not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter in accordance with the Adverse Contractual Action Regulation.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'.</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p>	Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage	This does not impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>The Servicing Carrier shall refer all refusals or noncontinuance to the Facility Association prior to declining coverage.</p> <p>* 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.</p>			
<p>137</p> <p>Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise 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.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in</p>	<p>1. The Agent/Broker is authorized to provide written verification of insurance on behalf of the Servicing Carrier.</p> <p>a. Verification must be provided only on a Described Automobiles basis. Should verification be required on a Blanket Basis, refer to Item #4 below.</p> <p>b. Copies of all written verification of insurance issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>c. The Servicing Carrier is ultimately responsible for ensuring that all written verification of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any written verification originally issued by the Agent/Broker, where indicated coverage differs from the policy.</p> <p>2. The Servicing Carrier is responsible for the completion of any forms not approved by the Superintendent, Out-of-Province, U.S. or Other filings.</p> <p>a. The Agent/Broker must specify to the Servicing Carrier if verification of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b. Where vehicles are operated in the</p>	<p>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>what amount.</p> <p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for his/her records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles - unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the Applicant and a witness) and provided to the Servicing Carrier.</p> <p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. 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.</p>	<p>U.S., Agents/Brokers must confirm with Insured's if verification of insurance is to be filed and, if so, in what amount.</p> <p>3. If verification of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Verification of insurance must only be issued on a 'Described Automobile' basis. Verification 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 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The verification of insurance issued confirms to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>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.</p>		
COMMERCIAL SECTION				
200:A The Insurer's rules	NEW	10. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern	Expands the existing rules for declining	This does not impact premiums.

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
for declining to issue, terminating or refusing to renew a contract are:		for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police. NOTE: Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.	to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.	
200.B Rule for Refusing to Provide or Continue a Coverage are:	<p>1. 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:</p> <p style="padding-left: 40px;">i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; or ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; or iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; or iv) Wilfully made a false statement in respect of a claim.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p>	<p>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:</p> <p style="padding-left: 40px;">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) Willfully made a false statement in respect of a claim.</p> <p>* 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.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p>	Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage	This does not impact premiums.

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p> <p>The Servicing Carrier shall refer all refusals or noncontinuance to the Facility Association prior to declining coverage.</p> <p>* 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.</p>	<p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p>		
207 Rating Class Table: Lumber Carriers, On-Premises Only	NEW	Lumber Carriers, on premises only –see On-Premises Trucks (unlicensed)	Clarifies method of rating based on existing rating methodology	There is no impact on premium.
207 Rating Class Table: Lumber Carriers, On-Premises Only, Ross Carrier Type	NEW	<p>Lumber Carriers, on-premises only (unlicensed), Ross Carrier Type - Class 54.</p> <p>Multiply the premium that would otherwise apply by the factor on the Special Rating factor page. Use Rating Group Table III to determine rate group.</p>	Clarifies method of rating based on existing rating methodology	There is no impact on premium.
218.A Renewals	NEW	<p>NOTE:</p> <p>a. Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p> <p>b. Private Passenger vehicles, which include</p>	Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.	This does not impact premiums.

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
		business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.		
227 Proof of Insurance Where Notice of Cancellation or Deletion is Required	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise 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.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p>	<p>1. The Agent/Broker is authorized to provide written verification of insurance on behalf of the Servicing Carrier.</p> <p>a. Verification must be provided only on a Described Automobiles basis. Should verification be required on a Blanket Basis, refer to Item #4 below.</p> <p>b. Copies of all written verification of insurance issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>c. The Servicing Carrier is ultimately responsible for ensuring that all written verification of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any written verification originally issued by the Agent/Broker, where indicated coverage differs from the policy.</p> <p>2. The Servicing Carrier is responsible for the completion of any forms not approved by the Superintendent, Out-of-Province, U.S. or Other filings.</p> <p>a. The Agent/Broker must specify to the Servicing Carrier if verification of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b. Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if verification of insurance is to be filed and, if so, in</p>	Allows Agents /Brokers to complete proof of insurance requests within stated guidelines	This does not impact premiums.

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for his/her records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles - unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the Applicant and a witness) and provided to the Servicing Carrier.</p> <p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. 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.</p>	<p>what amount.</p> <p>3. If verification of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Verification of insurance must only be issued on a 'Described Automobile' basis. Verification 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 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The verification of insurance issued confirms to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>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.</p>		
PUBLIC SECTION				
300:A The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:	NEW	<p>10. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police.</p> <p>NOTE: Private Passenger vehicles, which include</p>	Expands the existing rules for declining to issue, terminating or refusing to renew a contract to	This does not impact premiums.

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
		business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.	include when abusive or threatening behaviour has occurred.	
300.B Rule for Refusing to Provide or Continue a Coverage are:	<p>1. 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:</p> <p style="padding-left: 40px;">i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; or ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; or iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; or iv) Willfully made a false statement in respect of a claim.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use and is</p>	<p>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:</p> <p style="padding-left: 40px;">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) Willfully made a false statement in respect of a claim.</p> <p>* 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.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use and is</p>	Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage	This does not impact premiums.

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p> <p>The Servicing Carrier shall refer all refusals or noncontinuance to the Facility Association prior to declining coverage.</p> <p>* 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.</p>	used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.		
316.A Renewals	NEW	<p>NOTE:</p> <p>a. Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p> <p>b. Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.</p>	Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.	This does not impact premiums.
324 Proof of Insurance Where Notice of Cancellation or Deletion is Required	1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.	<p>1. The Agent/Broker is authorized to provide written verification of insurance on behalf of the Servicing Carrier.</p> <p>a. Verification must be provided only on a Described Automobiles basis. Should verification be required on a Blanket Basis, refer to Item #4 below.</p> <p>b. Copies of all written verification of insurance issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>c. The Servicing Carrier is ultimately responsible for ensuring that all</p>	Allows Agents /Brokers to complete proof of insurance requests within stated guidelines	This does not impact premiums.

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	<p>2. The Agent/Broker must promptly advise 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.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for his/her records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles - unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the Applicant and a witness) and provided to the Servicing Carrier.</p> <p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the</p>	<p>written verification of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any written verification originally issued by the Agent/Broker, where indicated coverage differs from the policy.</p> <p>2. The Servicing Carrier is responsible for the completion of any forms not approved by the Superintendent, Out-of-Province, U.S. or Other filings.</p> <p>a. The Agent/Broker must specify to the Servicing Carrier if verification of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b. Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if verification of insurance is to be filed and, if so, in what amount.</p> <p>3. If verification of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Verification of insurance must only be issued on a 'Described Automobile' basis. Verification 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 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The verification of insurance issued confirms to</p>		

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	<p>party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. 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.</p>	<p>the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>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.</p>		
RECREATIONAL SECTION				
<p>400:A</p> <p>The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</p>	<p>NEW</p>	<p>10. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police.</p> <p>NOTE: Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.</p>	<p>Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.</p>	<p>This does not impact premiums.</p>
<p>400.B</p> <p>Rule for Refusing to Provide or Continue a Coverage are:</p>	<p>1. 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:</p> <p style="padding-left: 40px;">i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; or ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; or iii) Has contravened a term of an</p>	<p>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:</p> <p style="padding-left: 40px;">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</p>	<p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage</p>	<p>This does not impact premiums.</p>

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	<p>insurance contract or been convicted of fraud in relation thereto; or iv) Wilfully made a false statement in respect of a claim.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use or off road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p> <p>The Servicing Carrier shall refer all refusals or noncontinuance to the Facility Association prior to declining coverage.</p> <p>* 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.</p>	<p>insurance contract or been convicted of fraud in relation thereto; or d) Willfully made a false statement in respect of a claim.</p> <p>* 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.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p>		
417.A Renewals	NEW	<p>NOTE: a. Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf</p>	Adds note for refusing to renew a contract when abusive or threatening	This does not impact premiums.

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
		<p>of either and circumstances have been reported to police shall be non-renewed.</p> <p>b. Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.</p>	behaviour has occurred.	
<p>426</p> <p>Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise 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.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p>	<p>1. The Agent/Broker is authorized to provide written verification of insurance on behalf of the Servicing Carrier.</p> <p>a. Verification must be provided only on a Described Automobiles basis. Should verification be required on a Blanket Basis, refer to Item #4 below.</p> <p>b. Copies of all written verification of insurance issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>c. The Servicing Carrier is ultimately responsible for ensuring that all written verification of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any written verification originally issued by the Agent/Broker, where indicated coverage differs from the policy.</p> <p>2. The Servicing Carrier is responsible for the completion of any forms not approved by the Superintendent, Out-of-Province, U.S. or Other filings.</p> <p>a. The Agent/Broker must specify to the Servicing Carrier if verification of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b. Where vehicles are operated in the</p>	Allows Agents /Brokers to complete proof of insurance requests within stated guidelines	This does not impact premiums.

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for his/her records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles - unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the Applicant and a witness) and provided to the Servicing Carrier.</p> <p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. 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.</p>	<p>U.S., Agents/Brokers must confirm with Insured's if verification of insurance is to be filed and, if so, in what amount.</p> <p>3. If verification of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Verification of insurance must only be issued on a 'Described Automobile' basis. Verification 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 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The verification of insurance issued confirms to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>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.</p>		
GARAGE SECTION				
600.B Underwriting Rules: Facility Association's rules	NEW	10. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either	Expands the existing rules for declining to issue, terminating or	This does not impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
for declining to issue, terminating or refusing to renew a POL 4 (Garage Automobile Policy) contract:		and circumstances have been reported to police. NOTE: Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.	refusing to renew a contract to include when abusive or threatening behaviour has occurred.	
600.B Underwriting Rules: Facility Association's rules for refusing to provide or continue a coverage on a POL 4 (Garage Automobile Policy) contract:	<p>1. Owned automobiles are branded as 'salvage' or are in pieces.</p> <p>2. Within the preceding thirty six months, the Applicant, owner or proprietor:</p> <ul style="list-style-type: none"> - knowingly misrepresented or failed to disclose in an application any fact to be stated therein resulting in a policy being cancelled by registered letter for material misrepresentation or a claim being denied for material misrepresentation. <li style="text-align: center;">OR - wilfully made a false statement in respect of a claim. <li style="text-align: center;">OR - contravened a term of an insurance contract or been convicted of fraud in relation thereto. <li style="text-align: center;">OR - when making a previous application for automobile insurance, gave false particulars of a risk to be insured to the prejudice of the Insurer. <p>The Servicing Carrier shall refer all refusals or non-continuance to the Facility Association Head Office prior to declining coverage.</p>	<p>1. Owned automobiles are branded as 'salvage' or are in pieces.</p> <p>2. Within the preceding thirty six months, the Applicant, owner or proprietor:</p> <ul style="list-style-type: none"> a) knowingly misrepresented or failed to disclose in an application any fact to be stated therein resulting in a policy being cancelled by registered letter for material misrepresentation or a claim being denied for material misrepresentation. <li style="text-align: center;">OR b) wilfully made a false statement in respect of a claim. <li style="text-align: center;">OR c) contravened a term of an insurance contract or been convicted of fraud in relation thereto. <li style="text-align: center;">OR d) when making a previous application for automobile insurance, gave false particulars of a risk to be insured to the prejudice of the Insurer. 	Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage	This does not impact premiums.
608.A Proof of Insurance Where Notice of Cancellation or Deletion is Required: General	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p>	<p>1. The Agent/Broker is authorized to provide written verification of insurance on behalf of the Servicing Carrier.</p> <p style="padding-left: 40px;">a. Verification must be provided only on a Described Automobiles and/or</p>	Allows Agents /Brokers to complete proof of insurance requests within stated	This does not impact premiums.

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
Information	<p>2. The Agent/Broker must promptly advise 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.</p> <p>Where vehicles are operated in the U.S., Insureds must be asked whether or not proof of insurance must be filed and, if so, in what amount.</p>	<p>Described Location basis. Should verification be required on a Blanket Basis, refer to Item #4 below.</p> <p>b. Copies of all written verification of insurance issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>c. The Servicing Carrier is ultimately responsible for ensuring that all written verification of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any written verification originally issued by the Agent/Broker, where indicated coverage differs from the policy.</p> <p>2. The Servicing Carrier is responsible for the completion of any forms not approved by the Superintendent, Out-of-Province, U.S. or Other filings.</p> <p>a. The Agent/Broker must specify to the Servicing Carrier if verification of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b. Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if verification of insurance is to be filed and, if so, in what amount.</p>	guidelines	

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles – unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the Applicant and a witness) and provided to the Servicing Carrier.</p> <p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. 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 Central Office.</p>	<p>3. If verification of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Verification of insurance must only be issued on a 'Described Automobile' and/or 'Described Location' basis. Verification of insurance may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles or garage locations), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The verification of insurance issued confirms to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>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.</p>		
611.A Renewals: Renewal Processing	NOTE: Renewals shall only be offered for annual terms.	<p>NOTE: a. Renewals shall only be offered for annual terms.</p> <p>b. Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety</p>	Adds note for refusing to renew a contract when abusive or threatening behaviour has	This does not impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
		<p>concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p> <p>c. Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.</p>	occurred.	
DRIVERS POLICY SECTION				
701.A The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:	NEW	9. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police.	Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.	This does not impact premiums.
701.B.1 Rule for Refusing to Provide or Continue a Coverage are:	<p>1. Physical damage coverage shall not be provided where the Applicant, within the immediately preceding thirty six months, has:</p> <p>i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; or</p> <p>ii) Knowingly misrepresented*or failed to disclose in an application any fact required to be stated therein; or</p> <p>iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto;</p>	<p>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:</p> <p>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</p> <p>b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; or</p> <p>c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto;</p>	Removes the requirement for Servicing Carriers to refer these types of risk to FA prior to declining coverage.	This does not impact premiums.

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>iv) or Willfully made a false statement in respect of a claim.</p> <p>2. Where a non-owned vehicle is licensed for road use and is used on roads as well as used for race or speed tests, physical damage coverage shall not be provided.</p> <p>The Servicing Carrier shall refer all refusals or noncontinuance to the Facility Association prior to declining coverage.</p> <p>* 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.</p>	<p>or d) Willfully made a false statement in respect of a claim.</p> <p>* 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.</p> <p>2. Where a non-owned vehicle is licensed for road use and is used on roads as well as used for race or speed tests, physical damage coverage shall not be provided.</p>		
717.A Renewals	NEW	NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.	Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.	This does not impact premiums.
725 Proof of Insurance Where Notice of Cancellation or Deletion is Required	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise 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.</p>	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise 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.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p>	Creates consistent wording across all jurisdictions.	No impact on premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for his/her records.</p> <p>4. The certificate showing proof of insurance guarantees that the driver is insured. This is the full extent of the guarantee.</p> <p>5. 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.</p>	<p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p> <p>4. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the driver is insured. This is the full extent of the guarantee.</p> <p>5. 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.</p>		
NON OWNED AUTOMOBILE SECTION				
<p>800</p> <p>POL 6 – Non-Owned Automobile Policy Overview</p>	<p>A Non-Owned Automobile Liability Policy indemnifies the named Insured against legal liability for bodily injury and property damage that arises from the use or operation of non-owned automobiles by others.</p>	<p>A Non-Owned Automobile Liability Policy indemnifies the named Insured against legal liability for bodily injury and property damage that arises from the use or operation of non-owned automobiles by others.</p> <p>The purpose of POL 6 (Non-Owned Automobile Policy) is to provide coverage that is excess of any policy specifically insuring the automobile concerned.</p> <p>Insureds (individuals or companies) wishing to purchase this policy instead of the coverage available through a car rental company should be advised that Facility Association does not offer primary coverage through non-owned policies.</p>	<p>Clarifies that coverage is provided on an excess basis.</p>	<p>No impact on premiums.</p>
<p>801.A</p> <p>The Insurer's rules for declining to issue, terminating or refusing to</p>	<p>NEW</p>	<p>8. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police.</p>	<p>Expands the existing rules for declining to issue, terminating or refusing to</p>	<p>This does not impact premiums.</p>

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE AUGUST 1, 2020 (NEW BUSINESS & RENEWALS)

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
renew a contract are:			renew a contract to include when abusive or threatening behaviour has occurred.	
801.B Rules for refusing to provide or continue a coverage are:	<p>1. Physical damage coverage shall not be provided as a coverage extension to non-owned vehicles where the Applicant has, within the immediately preceding thirty six months:</p> <p>i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; or ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; or iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; or iv) Willfully made a false statement in respect of a claim.</p> <p>2. Where a non-owned vehicle is licensed for road use and is used on roads as well as for race or speed tests, physical damage coverage shall not be provided.</p> <p>The Servicing Carrier shall refer all refusals or noncontinuance to the Facility Association prior to declining coverage.</p> <p>* 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.</p>	<p>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:</p> <p>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) Willfully made a false statement in respect of a claim.</p> <p>2. Where a non-owned vehicle is licensed for road use and is used on roads as well as for race or speed tests, physical damage coverage shall not be provided.</p> <p>* 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.</p>	Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage	This does not impact premiums.
816.A	NEW	NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver	Adds note for refusing to	This does not impact

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
Renewals		within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.	renew a contract when abusive or threatening behaviour has occurred.	premiums.



April 2020

**Manual of Rules and Rates
ALBERTA**

**Private Passenger Rule Changes
Effective April 1, 2020 (New Business) and June 1, 2020 (Renewals)**

Facility Association has received approval from the Superintendent of Insurance in Alberta **effective April 1, 2020 (New Business) and June 1, 2020 (Renewals)** for amendments to rules in the Private Passenger section of the manual.

A summary of rule changes are attached. All rule changes are marked with a bar in the margin.

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

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

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES BULLETIN 07-2019
EFFECTIVE APRIL 1, 2020 NEW BUSINESS & JUNE 1, 2020 RENEWALS

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact																																																						
PRIVATE PASSENGER SECTION																																																										
Rule 101.C: Coverages Available and Minimum Deductibles, Physical Damage	<p>NOTE: For risks with claims, refer to the following chart. Where a risk is eligible for one deductible based on rate group/vehicle and another based on claims, the higher deductible applies.</p> <table><tr><th colspan="3">Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)</th><th rowspan="2">Deductible amount applicable to the coverage under which the claims were made*</th></tr><tr><th>In prior 12 months</th><th>In prior 36 months</th><th>In prior 60 months (fire and/or total theft)</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 \$5,000)</td></tr><tr><td></td><td></td><td>3 or more</td><td>No coverage</td></tr></table> <p>*Claims that have occurred under All Perils coverage shall be assigned to the appropriate section of the coverage i.e. Collision or Comprehensive</p> <p>Higher deductibles shall only be imposed when there have been a sufficient number of claims under any given coverage to warrant such application.</p> <p>For example one Collision loss and three Comprehensive losses in the previous 12 months will result in the application of a \$2,500 deductible on Comprehensive only. Only if the Insured has sustained three Collision losses as well, would \$2,500 deductible be applied to the Collision coverage.</p>	Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)			Deductible amount applicable to the coverage under which the claims were made*	In prior 12 months	In prior 36 months	In prior 60 months (fire and/or total theft)	3	-	2	\$2,500	-	3	-	\$1,000	-	4	-	\$2,500	-	5 or more	-	5% of LPN (minimum \$5,000)			3 or more	No coverage	<p>NOTE: For risks with claims, refer to the following chart. Where a risk is eligible for one deductible based on rate group/vehicle and another based on claims, the higher deductible applies.</p> <table><tr><th colspan="3">Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils), for the assigned Principal or Occasional Operator*</th><th rowspan="2">Deductible amount applicable to the coverage under which the claims were made**</th></tr><tr><th>In prior 12 months</th><th>In prior 36 months</th><th>In prior 60 months (fire and/or total theft)</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 \$5,000)</td></tr><tr><td></td><td></td><td>3 or more</td><td>No coverage</td></tr></table> <p>*Increased Deductibles due to prior loss history are only applicable to accident/claims arising from the ownership or operation of an automobile attributable to an Operator for whom a premium is charged.</p> <p>**Claims that have occurred under All Perils coverage shall be assigned to the appropriate section of the coverage i.e. Collision or Comprehensive.</p> <p>Higher deductibles shall only be imposed when there have been a sufficient number of claims under any given coverage to warrant such application.</p> <p>For Example: A driver assigned as Principal Operator has one Collision loss and three Comprehensive losses</p>	Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils), for the assigned Principal or Occasional Operator*			Deductible amount applicable to the coverage under which the claims were made**	In prior 12 months	In prior 36 months	In prior 60 months (fire and/or total theft)	3	-	2	\$2,500	-	3	-	\$1,000	-	4	-	\$2,500	-	5 or more	-	5% of LPN (minimum \$5,000)			3 or more	No coverage	Clarifies that increased deductibles based on prior loss history are applicable to an operator for whom a premium is charged.	This may impact premiums.
Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)			Deductible amount applicable to the coverage under which the claims were made*																																																							
In prior 12 months	In prior 36 months	In prior 60 months (fire and/or total theft)																																																								
3	-	2	\$2,500																																																							
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-	5 or more	-	5% of LPN (minimum \$5,000)																																																							
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Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils), for the assigned Principal or Occasional Operator*			Deductible amount applicable to the coverage under which the claims were made**																																																							
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3	-	2	\$2,500																																																							
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SUMMARY OF APPROVED RULE CHANGES BULLETIN 07-2019
EFFECTIVE APRIL 1, 2020 NEW BUSINESS & JUNE 1, 2020 RENEWALS**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
		in the previous 12 months will result in the application of a \$2,500 deductible on Comprehensive only. Only if the Insured has sustained three Collision losses as well, would \$2,500 deductible be applied to the Collision coverage.		
Rule 113.C: Driving Record Entitlement, Admission to Driving Record 5	<p>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:</p> <p>Every driver in the household (except as provided in the notes below) has:</p> <p>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</p> <p>b) Not been involved in an at fault accident during the past five years (there must be a five year clear record for both Liability and Collision); and</p> <p>c) Not had during the past three years a serious or major conviction nor more than two minor convictions OR</p> <p>d) Applicable in Alberta, not had during the past three years a Criminal Code Conviction, a Serious Traffic Safety Conviction or more than two Traffic Safety Convictions.</p>	<p>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:</p> <p>Every driver in the household (except where indicated below) has:</p> <p>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</p> <p>b) <u>The Principal or Occasional (class 05 or 06) Operator</u> has not been involved in an at fault accident during the past five years (there must be a five year clear record for both Liability and Collision); and</p> <p>c) <u>The Principal or Occasional (class 05 or 06) Operator</u> has not had during the past three years a serious or major conviction nor more than two minor convictions OR</p> <p>d) Applicable in Alberta, <u>The Principal or Occasional (class 05 or 06) Operator</u> has not had during the past three years a Criminal Code Conviction, a Serious Traffic Safety Conviction or more than two Traffic Safety Convictions.</p>	Clarifies that the criteria to qualify for DR 5, with respect to accident and conviction history is applicable to the Principal or Occasional (class 05/06) Operator only.	This may impact premiums.

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EFFECTIVE APRIL 1, 2020 NEW BUSINESS & JUNE 1, 2020 RENEWALS

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
Rule 136.A: Accident and Conviction Surcharges, Accidents	<p>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 period of insurance.</p> <p>1. At New Business:</p> <p>No accident shall be used more than once in determining the surcharges for vehicles insured through FA by the same Servicing Carrier, whether or not on the same policy.</p> <p>As long as there is a Class 05 or Class 06 premium charged on the policy, accidents relating to Class 05 or Class 06 drivers shall only be used to calculate surcharges on the Class 06 or Class 05 premium. The Class 05 or Class 06 premium develops its own surcharge independent of the underlying class.</p> <p>Accidents arising from the ownership of any vehicle other than the described vehicle are not to be considered.</p> <p>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 through 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 through 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 through FA, as long as they are rated under another inforce automobile policy.</p>	<p>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 period of insurance.</p> <p>1. At New Business:</p> <p>Only accidents arising from the ownership or operation of an automobile attributable to an operator from whom a premium is charged may be used.</p> <p>No accident shall be used more than once in determining the surcharges for vehicles insured through FA by the same Servicing Carrier, whether or not on the same policy.</p> <p>As long as there is a Class 05 or Class 06 premium charged on the policy, accidents relating to the Class 05 or Class 06 driver shall only be used to calculate surcharges on the Class 06 or Class 05 premium. The Class 05 or Class 06 premium develops its own surcharge independent of the underlying class.</p> <p>Accidents arising from the ownership of any vehicle other than the described vehicle are not to be considered.</p> <p>For example: The Insured owns a business in which three vehicles are driven by three individual employees. Two of the vehicles and drivers are insured in the voluntary market; the remaining vehicle and driver is insured through 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 vehicle and driver insured through FA. There have been three accidents incurred by the driver insured through 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 through FA.</p>	Clarifies existing wording and updates examples to indicate that only accidents arising from the ownership or operation of an automobile applicable to which a premium has been charged may be used.	This may impact premiums.

FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES BULLETIN 07-2019
EFFECTIVE APRIL 1, 2020 NEW BUSINESS & JUNE 1, 2020 RENEWALS

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>Where the term 'described vehicle' is used, it includes a vehicle substituted for it.</p> <p>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.</p> <p>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).</p> <p>For example: Husband has had 1 at fault accident on the described vehicle and 1 accident on the neighbour's car. Wife had 1 at fault accident on her 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.</p> <p>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.</p> <p>For example: Two vehicles on the policy, husband 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</p>	<p>Where the term 'described vehicle' is used, it includes a vehicle substituted for it.</p> <p>Accidents arising out of the use or operation of other vehicles for which another listed driver is responsible shall not be considered for rating or surcharge purposes.</p> <p>a) One vehicle on the policy Consider accidents that involved the described vehicle and accidents that involved the Principal or Occasional (class 05 or 06) Operator.</p> <p>For Example: Husband has had 1 at fault accident on the described vehicle and 1 accident on the neighbour's car. Wife had 1 at fault accident on her own vehicle insured elsewhere but has now sold that vehicle. Only the accidents incurred by the husband shall be allocated to the described vehicle and a surcharge shall be applied.</p> <p>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 Principal or Occasional (Class 05 or 06) Operator shall be assigned to the vehicle that produces the highest premium before the application of any accident or conviction surcharge.</p> <p>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</p>		

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>applicant is principal 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.</p> <p>c) Two or more drivers and two or more vehicles Each driver is to be assigned as principal operator 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 a principal operator of another vehicle, shall be allocated to the vehicle which develops the highest premium before the application of any accident or conviction surcharges.</p> <p>For example: Applicant is principal operator of Vehicle 1 and has had one accident on Vehicle 1, two accidents on Vehicle 2 and 1 accident on his company car. Spouse is principal operator of Vehicle 2 and has had no accidents. The daughter has had one accident on Vehicle 2. The Applicant's four accidents will be rated against Vehicle 1. The daughter's accident is rated on Vehicle 2. A surcharge for the Applicant's four accidents applies to Vehicle 1 as the Applicant is principal operator of Vehicle 1.</p> <p>2. At Renewal (for surcharge only) At the time of renewal, the accident record shall be updated. Any accidents that occurred more than 36 months prior to renewal date shall be excluded and</p>	<p>Applicant is principal 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.</p> <p>c) Two or more drivers and two or more vehicles Each driver is to be assigned as principal operator on the vehicle they most frequently drive.</p> <p>Accidents that the Principal Operator or Occasional (Class 05 or 06) Operator had on any vehicle are to be considered.</p> <p>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.</p> <p>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 a principal operator of another vehicle, shall not be considered towards the application of any accident or conviction surcharges.</p> <p>For Example: Applicant is Principal Operator of Vehicle 1 and has had one accident on Vehicle 1, two accidents on Vehicle 2 and one accident on his company car. Spouse is principal operator of Vehicle 2 and has had no accidents. The Applicant 20-year old Child has had one accident on Vehicle 2. The Applicant's four accidents will be rated against Vehicle 1. The Applicant 20-year old Child accident is rated on Vehicle 2, as a Class 05 or 06 Operator. A surcharge for the Applicant's four accidents applies to Vehicle 1 as the Applicant is principal operator of Vehicle 1.</p> <p>2. At Renewal (for surcharge only) At the time of renewal, the accident record shall be updated. Any accidents that occurred more than 36 months prior to renewal date shall be excluded and all</p>		

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	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.	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.		
136.B: Accident and Conviction Surcharges, Convictions	<p>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.</p> <p>1. How to apply conviction surcharges:</p> <p>No conviction record shall be used more than once to determine conviction surcharges for vehicles insured through FA by the same Servicing Carrier, whether or not insured on the same policy.</p> <p>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.</p> <p>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.</p> <p>As long as there is a Class 05 or Class 06 premium charged on the policy, the conviction records relating to Class 05 or Class 06 drivers shall only be used to calculate surcharges on the Class 05 or Class 06 premium. The Class 05 or Class 06 premium develops its own surcharge independent of the underlying class.</p>	<p>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.</p> <p>1. How to apply conviction surcharges:</p> <p>Only convictions of an operator for whom a premium is charged may be used in the development of surcharges.</p> <p>No conviction record shall be used more than once to determine conviction surcharges for vehicles insured through FA by the same Servicing Carrier, whether or not insured on the same policy.</p> <p>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.</p> <p>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.</p> <p>As long as there is a Class 05 or Class 06 premium charged on the policy, the conviction records relating to the Class 05 or Class 06 driver shall only be used to calculate surcharges on the Class 05 or Class 06 premium. The Class 05 or Class 06 premium develops its own surcharge independent of the underlying class.</p>	Clarifies existing wording to indicate that only convictions arising from the ownership or operation of an automobile applicable to which a premium has been charged may be used.	This may impact premiums.



October 2019

**Manual of Rules and Rates
ALBERTA**

**Revised Commercial Rates and Taxi Rates
Effective February 1, 2020 (New Business and Renewals)**

Effective February 1, 2020 Facility Association is implementing the following updates for new business and renewals in Alberta:

- Commercial +4.3%
- Taxi +4.5%

Rates may vary depending on individual policy circumstances. Since the base premiums and revised rate pages have been sent to you already, only a copy of the Manual Bulletin is attached.

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

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



October 2019

**Manual of Rules and Rates
ALBERTA**

**Revised Private Passenger Grid Rates
Effective January 1, 2020 New Business and Renewals**

In accordance with the Alberta Automobile Insurance Rate Board's Order, Private Passenger Grid premiums have been revised **effective January 1, 2020 for New Business and Renewals** to reflect +15.0% rate increase in mandatory coverage.

The Facility Association website www.facilityassociation.com has now been updated accordingly.

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



September 2019

**Manual of Rules and Rates
ALBERTA**

**Revised Garage Rates, Commercial Fleet, Interurban Fleet, Private Bus Fleet,
School Bus Fleet, Hotel & Country Club Bus Fleet, and Taxi Fleet Rates
Effective January 1, 2020 (New Business and Renewals)**

Effective January 1, 2020 Facility Association is implementing the following updates for new business and renewals in Alberta:

- +11.2% overall rate increase for Garage business
- +57.6% rate increase for Commercial fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no change to the base rates.
- +17.9% rate increase for Interurban fleets achieved by moving the base driving record in the fleet calculator from 1 to 0. There are no change to the base rates.
- +33.8% rate increase for Private Bus fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no change to the base rates.
- +28.2% rate increase for School Bus fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no change to the base rates.
- +34.4% rate increase for Hotel & Country Club Bus fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no change to the base rates.
- +28.3% rate increase for Taxi fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no change to the base rates.

These tables are now available on the Facility Association website
www.facilityassociation.com.

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