

July 2023

**Manual of Rules and Rates
Newfoundland & Labrador**

**Various Rule Changes including revised U.S Exposure Surcharge
Effective November 1, 2023 (New Business and Renewals)**

Effective November 1, 2023 Facility Association is implementing the following update for new business and renewals in Newfoundland & Labrador:

- There are various rule changes in sections of the manual including revised U.S. Exposure Surcharge. A summary of the rule changes are attached to the Manual Bulletin on the Facility Association website.

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

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

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
PRIVATE PASSENGER SECTION				
<p>Rule 103 A.3</p> <p>Binding Coverage – New Policies</p> <p>A. Requirements/Procedures for binding new policies</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound, as evidenced by the Application signed by the Insured. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	<p>To bring FA inline with industry practice</p>	<p>This will not impact premiums</p>
<p>Rule 123.D</p> <p>Commonly Used Endorsements</p>	<p>D. Deletion of Glass Coverage</p> <p>The coverage provided under Comprehensive for damage to glass may be amended by means of adding 13C to delete coverage for damage to glass except when caused by Specified Perils. The premium charged for the reduced Comprehensive coverage is the Specified Perils premium plus 10% of the Comprehensive premium.</p> <p>Where the deductible is \$1,000 or higher, there is no premium reduction.</p> <p>Signature Required</p> <p>This endorsement requires a signature. If a signature cannot be obtained, refer to Rule 122: Endorsement Forms/Wordings.</p>	<p>D. Deletion of Glass Coverage Comprehensive Cover-Deletion of Glass Endorsement</p> <p>The coverage provided under Comprehensive for damage to glass may be amended by means of adding 13C to delete coverage for damage to glass except when caused by Specified Perils.</p> <p>The premium charged for the reduced Comprehensive coverage is the Specified Perils premium plus 10% of the Comprehensive premium.</p> <p>Where the deductible is \$1,000 or higher, there is no premium reduction.</p> <p>Signature Required</p> <p>This endorsement requires a signature. If a signature cannot be obtained, refer to Rule 122: Endorsement Forms/Wordings.</p>	<p>As of March 22, 2022, the name on 13D changed.</p> <p>FA manual needs to be updated for this change</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 127.E.a & c Policy Changes Deletions of Vehicles and Coverages</p>	<p>E. Deletions of Vehicles and Coverages</p> <p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day.</p> <p>For example: The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from Insured) more than 30 days after the date the deletion was requested to be effected, the deletion will take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from Insured).</p> <p>For example: The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>Note for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot</p>	<p>E. Deletions of Vehicles and Coverages</p> <p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day.</p> <p><i>For example:</i> The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from Insured) more than 30 days after the date the deletion was requested to be effected, the deletion will take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from Insured).</p> <p><i>For example:</i> The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>Note for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the</p>	<p>To bring FA inline with industry practice</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies						
	<p>be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p>	<p>request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold. regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the Insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p>	To bring FA inline with industry practice	This will not impact premiums						
<p>Rule 152</p> <p>Endorsements Applicable to POL 1</p> <p>13C</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">13C</td> <td style="width: 20%;">Deletion of Glass Coverage Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</td> <td style="width: 70%;">Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.</td> </tr> </table>	13C	Deletion of Glass Coverage Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.	Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">13C</td> <td style="width: 20%;">Deletion of Glass Coverage Comprehensive Cover – Deletion of Glass Endorsement Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</td> <td style="width: 70%;">Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.</td> </tr> </table>	13C	Deletion of Glass Coverage Comprehensive Cover – Deletion of Glass Endorsement Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.	Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.	<p>As of March 22, 2022, the name on 13C changed. FA manual needs to be updated for this change.</p> <p>FA has reviewed rules for 13C endorsement and aims to harmonize (if possible) across all jurisdictions.</p>	This will not impact premiums
13C	Deletion of Glass Coverage Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.	Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.								
13C	Deletion of Glass Coverage Comprehensive Cover – Deletion of Glass Endorsement Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.	Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.								

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
COMMERCIAL SECTION				
<p>Rule 203 A.3</p> <p>Binding Coverage – New Policies</p> <p>A. Requirements/P rocedures for binding new policies</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound, as evidenced by the Application signed by the Insured. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2 1. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	To bring FA inline with industry practice	This will not impact premiums
<p>Rule 217.E.c</p> <p>Policy Changes</p> <p>Deletions of Vehicles and Coverages</p>	<p>E. Deletions of Vehicles and Coverages</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p>	<p>E. Deletions of Vehicles and Coverages</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold. regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the Insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p>	To bring FA inline with industry practice	This will not impact premiums

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																																															
Rule 228. C: Outside Province Exposure.	<p>Step 2: Determine U.S. Exposure</p> <p>Based on the total reported mileage (Canada and the U.S.), surcharge 1% per percentage (%) of exposure into the U.S.</p>	<p>Step 2: Determine U.S. Exposure</p> <p>The U.S. Exposure is determined by how often the vehicle travels <u>into the U.S.</u></p>	US surcharge will now be based on the State and Region where the majority of exposure exists	This may impact premiums																																																															
C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)	<p><i>For example:</i></p> <table border="1" data-bbox="443 488 982 646"> <thead> <tr> <th>U.S. Exposure</th> <th>Applicable U.S. Surcharge</th> </tr> </thead> <tbody> <tr> <td>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> </tbody> </table>	U.S. Exposure			Applicable U.S. Surcharge	5%	5%	10%	10%	25%	25%	50%	50%	<p>The U.S. surcharge is based on the States in which a vehicle travels. See Chart below:</p>																																																					
U.S. Exposure	Applicable U.S. Surcharge																																																																		
5%	5%																																																																		
10%	10%																																																																		
25%	25%																																																																		
50%	50%																																																																		
Rule 228. C: Outside Province Exposure.		<table border="1" data-bbox="1020 513 1625 1122"> <thead> <tr> <th>Region 1</th> <th>Region 2</th> <th>Region 3</th> </tr> </thead> <tbody> <tr> <td>Alaska</td> <td>Arizona</td> <td>Alabama</td> </tr> <tr> <td>Colorado</td> <td>Arkansas</td> <td>Connecticut</td> </tr> <tr> <td>Idaho</td> <td>California</td> <td>Delaware</td> </tr> <tr> <td>Iowa</td> <td>Georgia</td> <td>Florida</td> </tr> <tr> <td>Kansas</td> <td>Illinois</td> <td>Hawaii</td> </tr> <tr> <td>Nebraska</td> <td>Indiana</td> <td>Louisiana</td> </tr> <tr> <td>Nevada</td> <td>Kentucky</td> <td>Maine</td> </tr> <tr> <td>North Dakota</td> <td>Michigan</td> <td>Maryland</td> </tr> <tr> <td>Oregon</td> <td>Minnesota</td> <td>Massachusetts</td> </tr> <tr> <td>Utah</td> <td>Missouri</td> <td>Mississippi</td> </tr> <tr> <td>Wisconsin</td> <td>Montana</td> <td>New Hampshire</td> </tr> <tr> <td>Wyoming</td> <td>New Mexico</td> <td>New Jersey</td> </tr> <tr> <td></td> <td>North Carolina</td> <td>New York</td> </tr> <tr> <td></td> <td>Ohio</td> <td>Rhode Island</td> </tr> <tr> <td></td> <td>Oklahoma</td> <td>South Carolina</td> </tr> <tr> <td></td> <td>Pennsylvania</td> <td>Texas</td> </tr> <tr> <td></td> <td>South Dakota</td> <td>Vermont</td> </tr> <tr> <td></td> <td>Tennessee</td> <td>West Virginia</td> </tr> <tr> <td></td> <td>Virginia</td> <td></td> </tr> <tr> <td></td> <td>Washington</td> <td></td> </tr> </tbody> </table>	Region 1	Region 2	Region 3	Alaska	Arizona	Alabama	Colorado	Arkansas	Connecticut	Idaho	California	Delaware	Iowa	Georgia	Florida	Kansas	Illinois	Hawaii	Nebraska	Indiana	Louisiana	Nevada	Kentucky	Maine	North Dakota	Michigan	Maryland	Oregon	Minnesota	Massachusetts	Utah	Missouri	Mississippi	Wisconsin	Montana	New Hampshire	Wyoming	New Mexico	New Jersey		North Carolina	New York		Ohio	Rhode Island		Oklahoma	South Carolina		Pennsylvania	Texas		South Dakota	Vermont		Tennessee	West Virginia		Virginia			Washington			
Region 1		Region 2	Region 3																																																																
Alaska	Arizona	Alabama																																																																	
Colorado	Arkansas	Connecticut																																																																	
Idaho	California	Delaware																																																																	
Iowa	Georgia	Florida																																																																	
Kansas	Illinois	Hawaii																																																																	
Nebraska	Indiana	Louisiana																																																																	
Nevada	Kentucky	Maine																																																																	
North Dakota	Michigan	Maryland																																																																	
Oregon	Minnesota	Massachusetts																																																																	
Utah	Missouri	Mississippi																																																																	
Wisconsin	Montana	New Hampshire																																																																	
Wyoming	New Mexico	New Jersey																																																																	
	North Carolina	New York																																																																	
	Ohio	Rhode Island																																																																	
	Oklahoma	South Carolina																																																																	
	Pennsylvania	Texas																																																																	
	South Dakota	Vermont																																																																	
	Tennessee	West Virginia																																																																	
	Virginia																																																																		
	Washington																																																																		
C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)		<p>The rate of the U.S. Exposure surcharge (per percentage of U.S. Exposure) is based on the Region where the majority of exposure exists:</p>																																																																	
		<table border="1" data-bbox="1020 1227 1625 1406"> <thead> <tr> <th>Region</th> <th>Applicable Surcharge per % of Exposure</th> </tr> </thead> <tbody> <tr> <td>Region 1</td> <td>1%</td> </tr> <tr> <td>Region 2</td> <td>1.25%</td> </tr> </tbody> </table>			Region	Applicable Surcharge per % of Exposure	Region 1	1%	Region 2	1.25%																																																									
Region	Applicable Surcharge per % of Exposure																																																																		
Region 1	1%																																																																		
Region 2	1.25%																																																																		

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies		
<p>Rule 228. C: Outside Province Exposure.</p> <p>C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</p>	<p>Step 3: Determine the Total Outside Province Exposure Surcharge (or discount) applicable to the Interurban Vehicle</p> <p>The total surcharge (or discount) applicable is determined by totaling the surcharge amounts calculated under Step 1 and Step 2. The total surcharge (or discount) is applicable to Liability (BI and PD) and DCPD premiums.</p> <p>Example: Step 1: Canadian Out of Province Discount = -70% Step 2: U.S. Exposure Surcharge = <u>10%</u> Total Out of Province Exposure Adjustment -60%</p> <p>In the above example, a 60% discount would apply to Liability (BI and PD) and DCPD Premiums.</p>	<table border="1" data-bbox="1024 310 1606 360"> <tr> <td data-bbox="1035 310 1314 337">Region 3</td> <td data-bbox="1314 310 1606 337">1.5%</td> </tr> </table> <p><i>Example:</i> A vehicle travels 10% in Region 1, 40% in Region 2 and 50% in Region 3, then the rate U.S. surcharge would be 1.5% per % of U.S Exposure.</p> <p>In the event of a tie or where no clear majority exists in any Region, select the Region that generates the highest surcharge (per percentage of U.S. Exposure), as outlined in the chart above.</p> <p><i>Example:</i> A vehicle travels 20% in Region 1; 40% in both Region 2 and Region 3. A surcharge rate of Region 3 (1.5% per % of U.S. Exposure) would apply.</p> <p>To determine the U.S. Exposure surcharge, multiply the rate of surcharge by the percentage of U.S. Exposure, as outlined in the chart above.</p> <p><i>Example:</i> A vehicle traveling 40% into the U.S. using Region 3 would have a 60% surcharge.</p> <p>Step 3: Determine the Total Outside Province Exposure Surcharge applicable to the Interurban Vehicle</p> <p>The total surcharge applicable is determined by totaling the amounts calculated under Step 1 and Step 2.</p> <p>The total surcharge is applicable to Liability (BI and PD) and DCPD premiums</p> <p><i>Example:</i> Step 1: Canadian Out of Province Surcharge= 320% Step 2: U.S. Exposure Surcharge Region 3 = <u>60%</u> Total Out of Province Exposure Surcharge 380% If applicable, round up to the nearest whole %.</p> <p>In the above example, a 380% surcharge would apply to the Liability (BI and PD) and DCPD Premiums</p>	Region 3	1.5%	<p>US surcharge will now be based on the State and Region where the majority of exposure exists</p>	<p>This may impact premiums</p>
Region 3	1.5%					

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 243 Endorsements Applicable to POL 1</p> <p>13C</p>	<p>13C Deletion of Glass Coverage Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</p> <p>Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium.</p> <p>Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage.</p> <p>Other Vehicles: Not offered.</p>	<p>13C Deletion of Glass Coverage Comprehensive Cover – Deletion of Glass Endorsement Amends the Comprehensive coverage for deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</p> <p>Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium.</p> <p>Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage.</p> <p>Other Vehicles: Not offered.</p>	<p>As of March 22, 2022, the name on 13C changed. FA manual needs to be updated for this change</p>	<p>This will not impact premiums</p>
PUBLIC SECTION				
<p>Rule 303 A.3</p> <p>Binding Coverage – New Policies</p> <p>A. Requirements/P rocedures for binding new policies</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound, as evidenced by the Application signed by the Insured. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p>	<p>To bring FA inline with industry practice</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	<p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>		
<p>Rule 315.E.a & c Policy Changes Deletions of Vehicles and Coverages</p>	<p>E. Deletions of Vehicles and Coverages</p> <p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day.</p> <p>For example: The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from Insured) more than 30 days after the date the deletion was requested to be effected, the deletion will take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from Insured).</p>	<p>E. Deletions of Vehicles and Coverages</p> <p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day.</p> <p><i>For example:</i> The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from Insured) more than 30 days after the date the deletion was requested to be effected, the deletion will take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from Insured).</p>	<p>To bring FA inline with industry practice</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies						
	<p>For example: The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>Note for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p>	<p><i>For example:</i> The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>Note for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold. regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the Insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p>	To bring FA inline with industry practice	This will not impact premiums						
<p>Rule 338</p> <p>13C</p> <p>Endorsements Applicable to POL 1</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">13C</td> <td style="width: 40%; text-align: center;">Deletion of Glass Coverage</td> <td style="width: 50%;">Not offered in this section.</td> </tr> </table>	13C	Deletion of Glass Coverage	Not offered in this section.	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">13C</td> <td style="width: 40%; text-align: center;">Deletion of Glass Coverage Comprehensive Cover-Deletion of Glass Endorsement</td> <td style="width: 50%;">Not offered in this section on 'Public Vehicles' as described in the Public Section of this manual</td> </tr> </table>	13C	Deletion of Glass Coverage Comprehensive Cover-Deletion of Glass Endorsement	Not offered in this section on 'Public Vehicles' as described in the Public Section of this manual	As of March 22, 2022, the name on 13C changed. FA manual needs to be updated for this change	This will not impact premiums
13C	Deletion of Glass Coverage	Not offered in this section.								
13C	Deletion of Glass Coverage Comprehensive Cover-Deletion of Glass Endorsement	Not offered in this section on 'Public Vehicles' as described in the Public Section of this manual								

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
RECREATIONAL SECTION				
Rule 403 A.3 Binding Coverage – New Policies A. Requirements/Procedures for binding new policies	<p>3) The insurance shall take effect as of the time and date the coverage is bound. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound, as evidenced by the Application signed by the Insured. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2 1. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	To bring FA inline with industry practice	This will not impact premiums
Rule 409.B Driving Record Motorcycle & Mopeds		<p>1. Driving Record Entitlement The Full number of years immediately preceding the commencement date of the period of insurance for which:</p> <p>a) the principal driver has continuously held a valid operator’s licence; and</p> <p>b) there has been no chargeable accidents</p> <p>Regardless of the period during which an operator has held a Learner’s Licence/permit, the risk will qualify for only Driving Record 0 until a regular motorcycle licence is obtained.</p>	Clarifies the rule that DR will not progress when operator only has Learner’s licence / permit	This may impact premiums

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																												
	<p>1. Calculating Driving Record with a Licence Suspension/Cancellation/Lapse Suspension of Operator’s Licence can be one of two types:</p> <p>A. Suspension for cause: A driver’s licence suspension or cancellation for more than two weeks resulting from a conviction or an accumulation of demerit points.</p> <p>B. Administrative Suspension/Cancellation/Lapse: A suspension/cancellation/lapse for one year or more for any reason other than those outlined in item A.</p> <p>A. With suspensions for cause</p> <ul style="list-style-type: none"> • For the total of all suspensions within the last 5 years, deduct 1 year for each year (or partial year) of suspension from the driving record (maximum Driving Record 3) <p><i>Examples:</i></p>	<table border="1" data-bbox="1024 310 1591 581"> <thead> <tr> <th>Years Licenced</th> <th>Learner’s Permit</th> <th>Valid or Regular no DTC</th> <th>Valid or Regular with DTC</th> </tr> </thead> <tbody> <tr> <td>Less than 1</td> <td>0</td> <td>0</td> <td>3</td> </tr> <tr> <td>1 year</td> <td>0</td> <td>1</td> <td>3</td> </tr> <tr> <td>2 years</td> <td>0</td> <td>2</td> <td>3</td> </tr> <tr> <td>3 years</td> <td>0</td> <td>3</td> <td>3</td> </tr> <tr> <td>4 years</td> <td>0</td> <td>4*</td> <td>4*</td> </tr> <tr> <td>5 years</td> <td>0</td> <td>5*</td> <td>5*</td> </tr> </tbody> </table> <p>Where an accident or conviction surcharge (15% or more) is applied to a vehicle premium, a maximum of Driving Record 3 shall be allowed. The driving record established applies to all coverage. A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.</p> <p>2. Calculating Driving Record with a Licence Suspension/Cancellation/Lapse Suspension of Operator’s Licence can be one of two types:</p> <p>A. Suspension for cause: A driver’s licence suspension or cancellation for more than two weeks resulting from a conviction or an accumulation of demerit points.</p> <p>B. Administrative Suspension/Cancellation/Lapse: A suspension/cancellation/lapse for one year or more for any reason other than those outlined in item A.</p> <p>A. With suspensions for cause</p> <ul style="list-style-type: none"> • For the total of all suspensions within the last 5 years, deduct 1 year for each year (or partial year) of suspension from the driving record (maximum Driving Record 3) <p><i>Examples 1</i></p> <p>± Principal operator is eligible for driving record 4. Has 6 month suspension for demerit points. Now qualifies for driving record 3.</p>	Years Licenced	Learner’s Permit	Valid or Regular no DTC	Valid or Regular with DTC	Less than 1	0	0	3	1 year	0	1	3	2 years	0	2	3	3 years	0	3	3	4 years	0	4*	4*	5 years	0	5*	5*	Aligns the rule in the manual where accident or conviction surcharge (15% or more DR 3 shall be allowed Outlines where driving record applies to which coverage	This will not impact premiums
Years Licenced	Learner’s Permit	Valid or Regular no DTC	Valid or Regular with DTC																													
Less than 1	0	0	3																													
1 year	0	1	3																													
2 years	0	2	3																													
3 years	0	3	3																													
4 years	0	4*	4*																													
5 years	0	5*	5*																													

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>1. Principal operator is eligible for driving record 4. Has 6 month suspension for demerit points. Now qualifies for driving record 3.</p> <p>2. Principal operator is eligible for driving record 4. Has been reinstated May 1, 2015 after an 18 month suspension for convictions. Policy is effective June 1, 2015. Now qualifies for Driving Record 2.</p> <p>3. Driver is newly licenced at Level II and has had a licence suspension while at Level I. Risk qualifies for Driving Record 0.</p> <p>B. With administrative suspensions/ cancellation/ lapse:</p> <ul style="list-style-type: none"> • If the total time the driver’s licence has been suspended/cancelled/lapsed is less than 1 year in the past 5 years, the driving record will not be affected. • If the total time the driver’s licence has been suspended/cancelled/lapsed is 1 year or more in the past 5 years, the driving record will be reduced by 1 for every year (or partial year) suspended/ cancelled/ lapsed. <p><i>Examples:</i></p> <p>1. Risk is eligible for Driving Record 4. One operator has 10 month suspension for unpaid fines. Now qualifies for Driving Record 4.</p> <p>2. Risk is eligible for Driving Record 4. One operator has 24 month suspension for unpaid fines. Now qualifies for Driving Record 2.</p> <p>If the driver’s licence of the person reported as the principal operator is currently suspended/ cancelled/ lapsed see Rule 431: Suspension of Operator’s Licence.</p> <p>An operator with a licence suspension is not eligible for a driver training discount or new driver credit.</p>	<p><i>Example 2</i> Principal operator is eligible for driving record 4. Has been reinstated May 1, 2015 after an 18 month suspension for convictions. Policy is effective June 1, 2015. Now qualifies for Driving Record 2.</p> <p><i>Example 3</i> 3- Driver is newly licenced at Level II and has had a licence suspension while at Level I. Risk qualifies for Driving Record 0.</p> <p>B. Administrative Suspension/Cancellation/ Lapse: A suspension/cancellation/lapse for one year or more for any reason other than those outlined in item A.</p> <p>B-With administrative suspensions/ cancellation/ lapse:</p> <ul style="list-style-type: none"> • If the total time the driver’s licence has been suspended/cancelled/lapsed is less than 1 year in the past 5 years, the driving record will not be affected. • If the total time the driver’s licence has been suspended/cancelled/lapsed is 1 year or more in the past 5 years, the driving record will be reduced by 1 for every year (or partial year) suspended/ cancelled/ lapsed. <p><i>Examples 1</i> 1-Risk is eligible for Driving Record 4. One operator has 10 month suspension for unpaid fines. Now qualifies for Driving Record 4.</p> <p><i>Example 2</i> 2- Risk is eligible for Driving Record 4. One operator has 24 month suspension for unpaid fines. Now qualifies for Driving Record 2.</p> <p>If the driver’s licence of the person reported as the principal operator is currently suspended/ cancelled/ lapsed see Rule 431: Suspension of Operator’s Licence.</p>	<p>FA aims to harmonize across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																																								
	<p>Ignition Interlock Under the Interlock Programme, the length of the licence suspension shall be calculated from the date the licence was suspended to the date the Interlock Programme was entered.</p> <p>For example: Licence was suspended from January 1 to July 1. The driver entered the Interlock Programme on March 1. The total time the driver's licence is considered to have been suspended is 2 months (January 1 to March 1) not 6 months. Regardless of the period during which an operator has held a Learner's Licence`, the risk will qualify for only Driving Record 0 until a regular motorcycle licence is obtained.</p> <table border="1" data-bbox="424 722 987 987"> <thead> <tr> <th>Years Licenced</th> <th>Learner's Permit</th> <th>Valid or Regular no DTC</th> <th>Valid or Regular with DTC</th> </tr> </thead> <tbody> <tr><td>Less than 1</td><td>0</td><td>0</td><td>3</td></tr> <tr><td>1 year</td><td>0</td><td>1</td><td>3</td></tr> <tr><td>2 years</td><td>0</td><td>2</td><td>3</td></tr> <tr><td>3 years</td><td>0</td><td>3</td><td>3</td></tr> <tr><td>4 years</td><td>0</td><td>4*</td><td>4*</td></tr> <tr><td>5 years</td><td>0</td><td>5*</td><td>5*</td></tr> </tbody> </table> <p>A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.</p> <p>2. Valid Operator's Licence A valid licence to drive the type of vehicle concerned. A Learner's Permit/Licence or Level One licence where there is Graduated Licensing will be regarded as a valid operator's licence except as it pertains to the accumulation of experience.</p> <p>The operator of a Moped must meet the licence requirements of the jurisdiction in which the vehicle is operated.</p> <p>For purposes of policy issuance, the operator of a motorcycle must possess a valid driver's licence.</p>	Years Licenced	Learner's Permit	Valid or Regular no DTC	Valid or Regular with DTC	Less than 1	0	0	3	1 year	0	1	3	2 years	0	2	3	3 years	0	3	3	4 years	0	4*	4*	5 years	0	5*	5*	<p>Ignition Interlock Under the Interlock Programme, the length of the licence suspension shall be calculated from the date the licence was suspended to the date the Interlock Programme was entered.</p> <p>For example: Licence was suspended from January 1 to July 1. The driver entered the Interlock Programme on March 1. The total time the driver's licence is considered to have been suspended is 2 months (January 1 to March 1) not 6 months.</p> <p>Regardless of the period during which an operator has held a Learner's Licence`, the risk will qualify for only Driving Record 0 until a regular motorcycle licence is obtained.</p> <table border="1" data-bbox="1022 748 1585 1013"> <thead> <tr> <th>Years Licenced</th> <th>Learner's Permit</th> <th>Valid or Regular no DTC</th> <th>Valid or Regular with DTC</th> </tr> </thead> <tbody> <tr><td>Less than 1</td><td>0</td><td>0</td><td>3</td></tr> <tr><td>1 year</td><td>0</td><td>1</td><td>3</td></tr> <tr><td>2 years</td><td>0</td><td>2</td><td>3</td></tr> <tr><td>3 years</td><td>0</td><td>3</td><td>3</td></tr> <tr><td>4 years</td><td>0</td><td>4*</td><td>4*</td></tr> <tr><td>5 years</td><td>0</td><td>5*</td><td>5*</td></tr> </tbody> </table> <p>A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.</p> <p>3. Valid Operator's Licence A valid licence to drive the type of vehicle concerned. A Learner's Permit/Licence or Level One licence where there is Graduated Licensing will be regarded as a valid operator's licence except as it pertains to the accumulation of experience.</p> <p>The operator of a Moped must meet the licence requirements of the jurisdiction in which the vehicle is operated.</p>	Years Licenced	Learner's Permit	Valid or Regular no DTC	Valid or Regular with DTC	Less than 1	0	0	3	1 year	0	1	3	2 years	0	2	3	3 years	0	3	3	4 years	0	4*	4*	5 years	0	5*	5*	FA aims to harmonize across all jurisdictions	This will not impact premiums
Years Licenced	Learner's Permit	Valid or Regular no DTC	Valid or Regular with DTC																																																									
Less than 1	0	0	3																																																									
1 year	0	1	3																																																									
2 years	0	2	3																																																									
3 years	0	3	3																																																									
4 years	0	4*	4*																																																									
5 years	0	5*	5*																																																									
Years Licenced	Learner's Permit	Valid or Regular no DTC	Valid or Regular with DTC																																																									
Less than 1	0	0	3																																																									
1 year	0	1	3																																																									
2 years	0	2	3																																																									
3 years	0	3	3																																																									
4 years	0	4*	4*																																																									
5 years	0	5*	5*																																																									

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>Where the operator fails to have the proper class of licence, 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> <p>3. New Drivers Where the applicant, actual owner or operator holds only a Learner’s Licence/Permit or Level One Licence the risk will qualify for only Driving Record 0 until a regular motorcycle licence is obtained. Refer to Rule 409:B.1. Accumulation of experience begins only when a permanent licence (Level 2) is obtained. A newly licensed driver will qualify for only Driving Record 0 for the first year. ‘Newly licensed’ does not include Learner’s Licence/ Permit or Level One Licence.</p> <p>A licensed (Level 2 or 3 for graduated licensing) new driver with Driver Training shall be rated at Driving Record 3, provided that the driver has no at fault accidents or no licence suspensions at the commencement of the period of insurance.</p> <p>4. Driver Training Successful completion of the Motorcycle Driver Training Program approved by the Canada Safety Council or any training program approved by the appropriate Ministry of Transportation where the program also has the authority to issue motorcycle licences.</p>	<p>For purposes of policy issuance, the operator of a motorcycle must possess a valid driver’s licence. Where the operator fails to have the proper class of licence, 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> <p>4. New Drivers Where the applicant, actual owner or operator holds only a Learner’s Licence/Permit or Level One Licence the risk will qualify for only Driving Record 0 until a regular motorcycle licence is obtained. Refer to Rule 409:B.1. Accumulation of experience begins only when a permanent licence (Level 2) is obtained. A newly licensed driver will qualify for only Driving Record 0 for the first year. ‘Newly licensed’ does not include Learner’s Licence/ Permit or Level One Licence.</p> <p>A licensed (Level 2 or 3 for graduated licensing) new driver with Driver Training shall be rated at Driving Record 3, provided that the driver has no at fault accidents or no licence suspensions at the commencement of the period of insurance.</p> <p>5. Driver Training Successful completion of the Motorcycle Driver Training Program approved by the Canada Safety Council or any training program approved by the appropriate Ministry of Transportation where the program also has the authority to issue motorcycle licences.</p>		
<p>Rule 409.C.4</p> <p>Motorcycles & Mopeds</p> <p>C. Rating Notes – Optional Physical Damage</p>	<p>4. Motorcycles 750 cc and over Comprehensive/Specified Perils coverage may not be provided unless:</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>4. Motorcycles 750 cc and over At the Servicing Carrier discretion, the following may be required to apply Comprehensive /Specified Perils coverage may not be provided unless:</p> <p>a) Bill of Sale: 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</p>	<p>This is not industry practice and does not been found to be of any usefulness to the underwriting process.</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>b) The Agent/Broker or an independent appraiser acceptable to the Servicing Carrier has completed the Motorcycle Inspection Report verifying that he/she has seen the vehicle and has verified its licence number, year, make, model and serial number with the information shown on the vehicle registration and on the application. This report must be obtained at the applicant's expense and must be attached to the application or change request. If coverage is deleted from the vehicle and added again at a later date, a new inspection must accompany the request for the addition of coverage.</p>	<p>agreement must confirm the vehicle's year, make, model, serial number and purchase price.</p> <p>OR</p> <p>b) Independent Appraisal: The Agent/Broker or an independent appraiser acceptable to the Servicing Carrier has completed the Motorcycle Inspection. The report at minimum should verifying that he/she has seen the vehicle, and has verified its licence number, year, make, model and serial number with the information shown on the vehicle registration and on the application. This report must be obtained at the Applicant's expense and must be attached to the application or change request. If coverage is deleted from the vehicle and added again at a later date, a new inspection must accompany the request for the addition of coverage.</p> <p>OR</p> <p>c) Motorcycle Inspection: The Agent/Broker completes the Motorcycle Inspection Report verifying that they have seen the vehicle and has verified its licence number, year, make, model and serial number with the information shown on the vehicle registration and on the application.</p>	<p>Changes the requirement for a motorcycle inspection to the discretion of the Servicing carrier.</p>	<p>This will not impact premiums</p>
<p>Rule 416.E.a & c Policy Changes Deletions of Vehicles and Coverages</p>	<p>E. Deletions of Vehicles and Coverages</p> <p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day.</p> <p>For example: The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40</p>	<p>E. Deletions of Vehicles and Coverages</p> <p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day.</p> <p><i>For example:</i> The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will</p>	<p>To bring FA inline with industry practice</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from Insured) more than 30 days after the date the deletion was requested to be effected, the deletion will take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from Insured).</p> <p>For example: The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>Note for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p>	<p>delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from Insured) more than 30 days after the date the deletion was requested to be effected, the deletion will take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from Insured).</p> <p><i>For example:</i> The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>Note for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold. regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the Insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p>	<p>To bring FA inline with industry practice</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies						
<p>Rule 442</p> <p>Endorsements Applicable to POL 1</p> <p>13C</p>	<table border="1"> <tr> <td data-bbox="422 329 510 841"> <p>13C</p> </td> <td data-bbox="510 329 653 841"> <p>Deletion of Glass Coverage Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</p> </td> <td data-bbox="653 329 970 841"> <p>Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.</p> </td> </tr> </table>	<p>13C</p>	<p>Deletion of Glass Coverage Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</p>	<p>Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.</p>	<table border="1"> <tr> <td data-bbox="1020 329 1115 841"> <p>13C</p> </td> <td data-bbox="1115 329 1325 841"> <p>Deletion of Glass Coverage Comprehensive Cover – Deletion of Glass Endorsement Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</p> </td> <td data-bbox="1325 329 1629 841"> <p>Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.</p> </td> </tr> </table>	<p>13C</p>	<p>Deletion of Glass Coverage Comprehensive Cover – Deletion of Glass Endorsement Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</p>	<p>Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.</p>	<p>As of March 22, 2022, the name on 13C changed. FA manual needs to be updated for this change.</p> <p>FA has reviewed rules for 13C endorsement and aims to harmonize (if possible) across all jurisdictions.</p>	<p>This will not impact premiums</p>
<p>13C</p>	<p>Deletion of Glass Coverage Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</p>	<p>Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.</p>								
<p>13C</p>	<p>Deletion of Glass Coverage Comprehensive Cover – Deletion of Glass Endorsement Amends the Comprehensive coverage by deleting coverage for damage to glass unless caused by a hazard included in Specified Perils coverage.</p>	<p>Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Private Passenger Vehicles, Motor Homes and “Light” Commercial Vehicles (excluding Trailers) Premium charged for reduced coverage is Specified Perils plus 10% of Comprehensive except for deductibles of \$1000 or over where there is no discount from the full applicable Comprehensive premium. Note: For the purposes of the Automobile Statistical Plan, the reduced coverage is reported as Comprehensive Coverage. Other Vehicles: Not offered.</p>								
<p>GARAGE SECTION</p>					<p>Rule 602.B.1</p> <p>Application</p> <p>B. Completing the Application</p>	<p>B. Completing the Application When underwriting a garage policy, the following is required:</p> <p>1. A fully completed and signed current approved Standard Garage Application Form. This must be attached to a current approved Standard Application (APP 1) form which shows the applicant’s name and address and the date and time coverage was bound. APP 1 must also be signed and dated by the applicant. Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form; therefore, coverage may not be bound as of 12:01 a.m. on the date the application is signed. If there is any other insurance in force in respect of the risk, binding shall</p>	<p>B. Completing the Application When underwriting a garage policy, the following is required:</p> <p>1. A fully completed and signed current approved Standard Garage Application Form. This must be attached to a current approved Standard Application (APP 1) form which showing the applicant’s name and address and the date and time coverage was bound, as evidenced by the Application signed by the Insured. APP 1 must also be signed and dated by the applicant. Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form; therefore, coverage may not be bound as of 12:01 a.m. on the date the application is signed. If there is any other insurance in force in respect of the</p>	<p>To bring FA in line with industry practices.</p>	<p>This will not impact premiums</p>	
<p>Rule 602.B.1</p> <p>Application</p> <p>B. Completing the Application</p>	<p>B. Completing the Application When underwriting a garage policy, the following is required:</p> <p>1. A fully completed and signed current approved Standard Garage Application Form. This must be attached to a current approved Standard Application (APP 1) form which shows the applicant’s name and address and the date and time coverage was bound. APP 1 must also be signed and dated by the applicant. Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form; therefore, coverage may not be bound as of 12:01 a.m. on the date the application is signed. If there is any other insurance in force in respect of the risk, binding shall</p>	<p>B. Completing the Application When underwriting a garage policy, the following is required:</p> <p>1. A fully completed and signed current approved Standard Garage Application Form. This must be attached to a current approved Standard Application (APP 1) form which showing the applicant’s name and address and the date and time coverage was bound, as evidenced by the Application signed by the Insured. APP 1 must also be signed and dated by the applicant. Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form; therefore, coverage may not be bound as of 12:01 a.m. on the date the application is signed. If there is any other insurance in force in respect of the</p>	<p>To bring FA in line with industry practices.</p>	<p>This will not impact premiums</p>						

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	not be made effective before the expiry of that other insurance.	risk, binding shall not be made effective before the expiry of that other insurance.		
Rule 602.D New Policies Item 3 of the Application	D. Item 3 of the Application Specify the principal business e.g. Automobile Dealer. Should the risk have other business in respect of which automobile insurance is to be provided, then it must be listed. Any business/operation not listed is not covered.	D. Item 3 of the Application Specify the principal business e.g. Automobile Dealer, as well as dealer/Service Plate Numbers. Should the risk have other business in respect of which automobile insurance is to be provided, then it must be listed. Any business/operation/plate number not listed is not covered.	The Plate Number will now be added on Item 3, which will eliminate the need for Plate Searches.	This will not impact premiums
Rule 611.A Renewals A. Renewal processing	A. Renewal processing If the renewal involves a vehicle for which proof of insurance has been filed or is required, refer to Rule 608: Proof of Insurance. Prior to the expiry date of the policy, the Servicing Carrier shall ask the Agent/Broker to have a new Garage Rating / Underwriting Supplement completed and signed to update the information on record for the upcoming renewal term. Such a request shall be made well in advance of the expiry date because of the need issue the renewal policy before the insurance expires.	A. Renewal processing If the renewal involves a vehicle for which proof of insurance has been filed or is required, refer to Rule 608: Proof of Insurance. Every 2 nd renewal, pPrior to the expiry date of the policy, the Servicing Carrier shall ask the Agent/Broker to have a new Garage Rating / Underwriting Supplement completed and signed to update the information on record for the upcoming renewal term. Such a request shall be made well in advance of the expiry date because of the need to issue the renewal policy before the insurance expires. The onus remains on the Broker to communicate any changes to the policy between Garage Supplement requests.	This is to reduce the number of times the Servicing Carrier needs to request a Garage Supplement.	This will not impact premiums
Rule 614.C Inspection Reports	C. Inspection Reports An underwriting report (Sentinel, Equifax, IAO etc.) must be ordered by the Servicing Carrier on every new garage risk. If the information in the underwriting report is not consistent with the information in the Garage Rating/ Underwriting Supplement or the garage application, the Agent/Broker, Insured and underwriting report company must be queried to resolve the inconsistency. In the event that the inconsistency cannot be resolved the matter must be referred to Facility Association Central Office.	C. Inspection Reports An underwriting report (Sentinel, Equifax, IAO etc.) must be ordered by at the Servicing Carrier's discretion on every new garage risk. If the information in the underwriting report is not consistent with the information in the Garage Rating/ Underwriting Supplement or the garage application, the Agent/Broker, Insured and underwriting report company must be queried to resolve the inconsistency. In the event that the inconsistency cannot be resolved the matter must be referred to Facility Association Central Office.	Changing rule to be at the Servicing Carriers discretion.	This will not impact premiums

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
		If the information received is different from than 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 policy change.		
Rule 614.D Vehicle Plate Search Report	<p>D. Vehicle Plate Search Report In some jurisdictions it is possible to order a report which provides a list of all vehicle plates belonging to an individual or business. In addition, the list may include vehicles leased by the Insured to other and vehicles leased to the Insured. Where the report indicates that plates are lost, stolen or returned or the Insured can provide proof of such a situation, no charge will be made for those plates. The circumstances must be clearly documented in the Servicing Carrier's file. Where available this report must be ordered by the Servicing Carrier on every new garage risk and at each renewal.</p> <p>NOTE: Where it is possible to order both an inspection report and a vehicle plate search report, the vehicle plate search report must be ordered. It is not necessary to order both. In those circumstances where both reports are necessary to properly assess the risk, both reports may be ordered. If the information received in the Inspection Report or Vehicle Plate Search Report 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 policy change.</p>	<p>**REMOVED**</p> <p>**REMOVED**</p>	<p>Rule Deleted as Plates will now be sown on the Application and if not shown will not be covered Rule Deleted as Plates will now be sown on the Application and if not shown will not be covered</p>	<p>This will not impact premiums</p> <p>This will not impact premiums</p>
Rule 629 Tow Trucks	<p>Tow Trucks Incidental To An Automobile Dealer Operation</p> <p>Use Pol 4 Only Because END No. 71 is not applied to risks rated as Auto Dealers, coverage for tow trucks is included on the POL. 4.</p>	<p>Tow Trucks Incidental To An Automobile Dealer Operation</p> <p>Use Pol 4 Only Because END No. 71 is not applied to risks rated as Auto Dealers, coverage for tow trucks is included on the POL. 4.</p>	<p>FA aims to harmonize all jurisdiction upon reviewed DCPD needed to be</p>	<p>This may impact premium</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
DRIVER'S POLICY SECTION				
<p>Rule 704.A.3</p> <p>Binding Coverage – New Policies</p> <p>A. Requirements/Procedures for binding new policies</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound, as evidenced by the Application signed by the Insured. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	<p>To bring FA inline with industry practice</p>	<p>This will not impact premiums</p>
NON OWNED SECTION				
<p>Rule 803.A.3</p> <p>Binding Coverage – New Policies</p> <p>A. Requirements/Procedures for binding new policies</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p>	<p>3) The insurance shall take effect as of the time and date the coverage is bound, as evidenced by the Application signed by the Insured. <i>Under no circumstances may coverage be shown as effective prior to the date and time of completion of the application form. Therefore coverage may not be bound as of 12:01 a.m. on the date the application is signed.</i> However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day following the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p>	<p>To bring FA inline with industry practice</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES NOVEMBER 1, 2023**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p><i>For example:</i> a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>	<p><i>For example:</i> a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 2. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p>		
<p>Rule 812.F</p> <p>Minimum Premium / Minimum Retain Premium</p>	<p>F. Minimum Premium / Minimum Retained Premium</p> <p>The minimum premium for POL 6 (Non-Owned Automobile Policy), shall be \$250 and the minimum retained premium, in the event of cancellation, shall be \$250.</p>	<p>F. Minimum Premium / Minimum Retained Premium</p> <p>The minimum premium for POL 6 (Non-Owned Automobile Policy), shall be \$250 \$400 and the minimum retained premium, in the event of cancellation, shall be \$250 \$400.</p>	<p>Increases minimum policy premium and minimum retained premium.</p>	<p>This may impact premiums</p>

May 2023

**Manual of Rules and Rates
NEWFOUNDLAND & LABRADOR**

**2023 Private Passenger CLEAR Rate Group Tables and
2023 Commercial Rate Group Tables
Effective September 1, 2023 (New Business and Renewals)**

Effective September 1, 2023 Facility Association is implementing the following update for new business and renewals in Newfoundland & Labrador:

- 2023 Private Passenger CLEAR Rate Group Tables now having an amended range of 1-12 for Accident Benefits rate groups;
- 2023 Commercial Rate Group Tables (Tables I and II).

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.