



June 2020

**Manual of Rules and Rates
ONTARIO**

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

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

- 2020 Private Passenger CLEAR Rate Group Tables, with a range of 3 to 12 for Accident Benefits rate groups.
- 2020 Commercial Rate Group Tables (Tables I and II)

This information is now available on the Facility Association website www.facilityassociation.com.

With the implementation of the Private Passenger Rate Group Tables 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.



June 2020

**Manual of Rules and Rates
ONTARIO**

**Various 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 Ontario:

- Various Commercial Rule Changes

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

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

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>information in accordance with the Automobile Statistical Plan.</p> <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>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>outside the 'oldest report date permitted', or where indicated, information is not issued by the Federal or Provincial Authority of the jurisdiction of registration.</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: Certain Endorsements require a signature. Where no signature is obtained, the policy may be: a) Cancelled in accordance with the Statutory Conditions; b) Issued without the endorsement; c) Removed and policy re-rated accordingly.</p> <p>See Rule 213: Endorsement Forms/Wordings</p>	<p>Wording relocated from Rule 213.</p>	<p>This will not impact premium.</p>
<p>Rule 200.B: Filed Underwriting Rules, Rules for refusing to provide or continue a coverage</p>	<p>B. Rules for refusing to provide or continue a coverage are:</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;</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</p>	<p>Revises coverage available to Insureds with a prior misrepresentation, non-disclosure or Insurance Fraud</p>	<p>This may impact coverage offered to Insureds.</p>

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	<p>or b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;</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>* 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) 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) Maximum \$1 million Third Party Liability (Bodily Injury and Property Damage) limit; ii) Optional physical damage coverage shall not be provided; iii) Completion of U.S. Filings shall not be provided.</p>	<p>conviction within the last 36 months.</p> <p>Revises coverage available to Insureds with a prior misrepresentation, non-disclosure or Insurance Fraud conviction within the last 36 months.</p>	<p>This may impact coverage offered to Insureds.</p>						
<p>Rule 200.D: Filed Underwriting Rules, Supplementary Underwriting Documents</p>	<p>NEW</p>	<p>D. Supplementary Underwriting Documents</p> <p>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 may result in policy cancellation, in accordance with Rule 200.A.6.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Document Type</th> <th style="text-align: center;">Oldest Report date permitted</th> <th style="text-align: center;">Frequency required</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"></td> <td></td> <td></td> </tr> </tbody> </table>	Document Type	Oldest Report date permitted	Frequency required				<p>Specifies the types of documents and frequency of updates required to underwrite a risk.</p>	<p>This will not impact premiums, but may impact coverage offered to Insureds.</p>
Document Type	Oldest Report date permitted	Frequency required								

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Rule	Current Wording	Proposed Wording		Change from Current	Premium impact	
		Articles of Incorporation: Where the Named Insured is an incorporated entity, or is a limited liability company.	Date of last revision	New Business	This document will confirm insurable interest.	This will not impact premiums, but may impact coverage offered to Insureds.
		FMCSA SMS "Complete" Carrier Profile (with full documentation), including U.S. DOT and MC Numbers: On all Heavy Commercial Vehicles with a Gross Vehicle Weight exceeding 4,500kg on vehicles traveling into the U.S.	90 days from date report was generated	New Business*, Renewals	This document will evaluate a carrier's safety rating, mileage and loss history in the U.S.	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	This document will confirm out-of-province and U.S. exposure.	This will not impact premiums, but may impact coverage offered to Insureds.
		NSC Carrier Profile (CVOR 'Level 2' in Ontario or Equivalent with full	90 days from date report was generated	New Business*, Renewals	This document will	This will not impact premiums,

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		<p>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.</p>			<p>evaluate a carrier's safety rating, mileage and loss history in Canada and the U.S.</p>	<p>but may impact coverage offered to Insureds.</p>
		<p>Prior Insurance Carrier Loss History/Experience Reports (Fleet Rated policies 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>	<p>30 days from date report/letter was generated</p>	<p>New Business</p>	<p>Document is required to evaluate prior loss history on fleet-rated risks only.</p>	<p>This will not impact premiums, but may impact coverage offered to Insureds.</p>
		<p>Safety Fitness Certificate: On vehicles with a Gross Vehicle Weight exceeding 4,500kg. Document supplied must be issued by</p>	<p>365 days from date report was generated</p>	<p>New Business, Vehicle Additions</p>	<p>This document will confirm that insured vehicle(s) meet</p>	<p>This will not impact premiums, but may impact coverage</p>

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		<p>the Provincial Authority of the jurisdiction of vehicle registration.</p> <table border="1" data-bbox="1045 440 1629 854"> <tr> <td data-bbox="1045 440 1308 854"> Vehicle Registration: Complete document with vehicle plate/permit portions indicating that vehicle is registered to the Named Insured. Document supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration. </td> <td data-bbox="1308 440 1472 854">Date of last revision</td> <td data-bbox="1472 440 1629 854">New Business, Vehicle Additions</td> </tr> </table> <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>	Vehicle Registration: Complete document with vehicle plate/permit portions indicating that vehicle is registered to the Named Insured. Document supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.	Date of last revision	New Business, Vehicle Additions	<p>provincial safety requirements.</p> <p>This document will confirm insurable interest, registered gross vehicle weight, vehicle branding and type of plating (i.e. Commercial, IRP, and Unplated).</p>	<p>offered to Insureds.</p> <p>This will not impact premiums, but may impact coverage offered to Insureds.</p> <p>This will not impact premiums, but may impact coverage offered to Insureds.</p>
Vehicle Registration: Complete document with vehicle plate/permit portions indicating that vehicle is registered to the Named Insured. Document supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.	Date of last revision	New Business, Vehicle Additions					
<p>Rule 201.A: Coverages Available and Minimum Deductibles, Liability</p>	<p>A. Liability Not more than \$2,000,000 except: •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.</p> <p>•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</p>	<p>A. Liability Not more than \$2,000,000 except: •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.</p> <p>•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</p>	<p>Replaces the term "Applicant" with "Named Insured"</p> <p>Allows the Servicing Carrier to</p>	<p>This will not impact premiums.</p> <p>This will not impact premiums,</p>			

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>required at the time the higher limit is requested but not for subsequent renewal terms.</p> <p>NOTE: If the Liability limit chosen by the Applicant 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>If the policy is issued for a Liability limit greater than \$1,000,000 and proof of insurance is issued, the amounts shown on the proof of insurance may not exceed those required by the authority concerned.</p> <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>required at the time the higher limit is requested but not for subsequent renewal terms.</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.</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>decline the application of a liability limit over \$2 million.</p> <p>Paragraph revised for consistency across all Provinces.</p> <p>Replaces the term "towing" with "attached"</p>	<p>but may impact coverage offered to Insureds.</p> <p>This will not impact premiums.</p> <p>This will not impact premiums.</p>
<p>Rule 201.E:</p> <p>Coverages Available and Minimum Deductibles, Optional Physical Damage</p>	<p>E. Optional Physical Damage Coverage and Deductibles</p> <p>All Perils coverage is no longer available.</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>E. Optional Physical Damage Coverage and Deductibles</p> <p>All Perils coverage is no longer available.</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>		

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	<p>The policy states that a motor vehicle and one or more trailers are separate automobiles; consequently, different deductibles for trailers and towing vehicles are permitted.</p> <p>At the Servicing Carrier's discretion, vehicles rated Class 41, 42 or 49 may require a current inspection of the vehicle itself indicating that the vehicle is in satisfactory condition. The inspection will include a written report and pictures to confirm the accuracy of the VIN and the absence of unrepaired damage. The inspection will be conducted by an inspection service determined by Facility Association.</p> <p>In addition, a current full CVOR (Commercial Vehicle Operator's Registration) for all Class 42 and Class 46 vehicles and, at the Servicing Carrier's discretion, for other classes is required. CVOR will be obtained at the Insured's expense.</p> <p>NOTE: Normal wear and tear is not considered unrepaired damage.</p> <p>This rule applies to new business, additions, substitutions and existing vehicles insured on an FA policy with optional physical damage coverage being added.</p> <p>Where the inspection is not provided when required by the Servicing Carrier, where the inspection shows the vehicle is not in satisfactory condition or where a current CVOR is not provided as required, the following approach shall be taken:</p> <ul style="list-style-type: none"> • Policy shall be issued with all vehicles at the correct premium. • If any inspection or CVOR is not provided within 30 days from the date requested by the Servicing Carrier, the policy shall be cancelled by registered letter. <p>Note: Extensions beyond 30 days may be permitted at the Servicing Carrier's discretion for Insureds living in remote locations.</p>	<p>The policy states that a motor vehicle and one or more trailers are separate automobiles; consequently, different deductibles for trailers and towing vehicles are permitted.</p>	<p>Removes wording requesting a vehicle inspection on select classes.</p> <p>Removes wording requesting a CVOR on select classes.</p> <p>(Refer to proposed rule 200.D. for the conditions and frequency a CVOR/NSC Carrier Profile is to be supplied)</p>	<p>This will not impact premiums.</p> <p>This will not impact premiums.</p>

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	<ul style="list-style-type: none"> • If the missing inspection or CVOR is provided before the cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for the vehicles meeting the inspection or CVOR requirement. <p>a) Minimum Deductibles</p> <p>The deductibles are to be no less than:</p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Rate Groups</th> <th style="text-align: center;">Minimum Deductible</th> </tr> </thead> <tbody> <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 List Price New rounded to the nearest \$250 (minimum deductible \$2,500).</td> </tr> <tr> <td>Class 42</td> <td>10% of List Price New rounded to the nearest \$250 (minimum deductible \$2,500). See example below.</td> </tr> <tr> <td>END 40</td> <td>END 40 is mandatory on any vehicles with prior fire claims within the past 60 months</td> </tr> </tbody> </table>	Rate Groups	Minimum Deductible	15 and under	\$500	16 – 18	\$1,000	19 – 21	\$2,500	22 and over	5% of List Price New rounded to the nearest \$250 (minimum deductible \$2,500).	Class 42	10% of List Price New rounded to the nearest \$250 (minimum deductible \$2,500). See example below.	END 40	END 40 is mandatory on any vehicles with prior fire claims within the past 60 months	<p>a) Minimum Deductibles for Light Commercial Vehicles (Gross Vehicle Weight Up To 4,500 kg)</p> <p>The deductibles are to be no less than:</p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Rate Groups</th> <th style="text-align: center;">Minimum Deductible</th> </tr> </thead> <tbody> <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 claims within the past 60 months</td> </tr> </tbody> </table> <p>b) Minimum Deductibles for Heavy Commercial Vehicles (Gross Vehicle 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 border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">List Price New</th> <th style="text-align: center;">Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td>Vehicle Make and Model listed in</td> <td>10% of List Price New (minimum deductible \$5,000).</td> </tr> </tbody> </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 claims within the past 60 months	List Price New	Minimum Deductible	Vehicle Make and Model listed in	10% of List Price New (minimum deductible \$5,000).	<p>Splits Optional Physical Damage deductibles between LCV and HCV. Minimum deductible offered.</p> <p>Outlines the minimum deductible requirements for Heavy Commercial Vehicles.</p>	<p>This may impact premiums of clients who now require an increased deductible.</p> <p>This may impact premiums of clients who now require an increased deductible.</p>
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	<p>Example: If list price new of Class 42 Sand & Gravel truck is \$122,000 10 % is \$12,200. The deductible shall be \$12,250 and the rating factor for \$2,500 or more applies.</p> <p>NOTE: For risks with claims, refer to the chart below. Where a risk is eligible for one deductible based on rate group and another based on claims, the higher deductible applies.</p> <table border="1" data-bbox="453 1003 1016 1393"> <thead> <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> </thead> <tbody> <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> </tbody> </table>	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	<table border="1" data-bbox="1047 282 1631 594"> <thead> <tr> <th>Commercial Rate Group Table I</th> <th></th> </tr> </thead> <tbody> <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 claims within the past 60 months</td> </tr> </tbody> </table> <p>Example: If list price new of 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> <table border="1" data-bbox="1058 980 1621 1416"> <thead> <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> </thead> <tbody> <tr> <td>3</td> <td>-</td> <td>2</td> <td>\$5,000</td> </tr> <tr> <td>-</td> <td>3</td> <td>-</td> <td>\$2,500</td> </tr> <tr> <td>-</td> <td>4</td> <td>-</td> <td>5% of List Price New rounded to</td> </tr> </tbody> </table>	Commercial Rate Group Table I		<\$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 claims within the past 60 months	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	\$5,000	-	3	-	\$2,500	-	4	-	5% of List Price New rounded to	<p>Updates an example based on proposed rule</p> <p>Section "c)" created for clarity and updates the minimum deductible offered based on prior claims experience.</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>
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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 claims within the past 60 months																																																							
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	\$5,000																																																					
-	3	-	\$2,500																																																					
-	4	-	5% of List Price New rounded to																																																					

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording				Proposed Wording				Change from Current	Premium impact
	-	5 or more	-	5% of LPN (minimum deductible \$5000)				the nearest \$500 (minimum deductible \$5,000).		
	-	-	3 or more	No coverage offered	-	5 or more	-	No coverage offered		
					-	-	3 or more	No coverage offered		
	<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>Any higher minimum deductibles provided for in this manual shall override these amounts.</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 shall 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> <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>*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>Any higher minimum deductibles provided for in this manual shall override these amounts.</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 shall 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, DCPD, 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>Updates an example based on proposed rule</p> <p>New section "d)" created. Wording relocated from Rule 201.G and clarifies existing</p>	<p>This will not impact premiums.</p> <p>This will not impact premiums.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
		<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>	rule regarding vehicles insured for Comp/S.P. only.	
<p>Rule 201.G: Coverages Available and Minimum Deductibles, Minimum Coverage</p>	<p>G: Minimum Coverage Policies are required to provide at least the statutory minimum coverage applicable to the jurisdiction in which the vehicle is registered except as indicated below:</p> <p>Exception When an automobile is temporarily out of use and in storage:</p> <p>a) Coverage other than Comprehensive or Specified Perils may be suspended by means of END 16 for those vehicles that are temporarily laid up. This endorsement does not suspend coverages that relate to 'driving other vehicles'. The endorsement may be used in respect of most private passenger and commercial-type vehicles. In no event shall a refund be granted for any cancellation period of less than forty-five (45) consecutive days.</p> <p>Suspended coverages are reinstated by means of END 17.</p> <p>b) In the case of an existing policy that includes Comprehensive or Specified Perils coverage, coverages other than Comprehensive or Specified Perils may be deleted.</p>	<p>G: 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 44R 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</i></p>	<p>Clarifies existing rule to indicate that it applies to individually rated commercial policies only.</p> <p>Revises rule to indicate that coverages</p>	<p>This will not impact premiums.</p> <p>This may impact premium if suspension is required</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>Note: END 44R may remain on a policy only where 'moving' coverages have been suspended by means of END 16. If all coverages except Comprehensive or Specified Perils are deleted entirely, END 44R must be deleted as well. END 16/17 is not available on experience rated risks.</p> <p>c) In the case of a new application, a policy may not be issued for Comprehensive or Specified Perils coverage only.</p> <p>Note: a), b) or c) above is not applicable for the following:</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. • Vehicles that were never intended to be driven (e.g. vehicles in a collection). • Vehicles held for sale whether or not on an auto dealer's lot • Experience rated risks. <p>Explanations: 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</p>	<p><i>201.E.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 44R 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; • Vehicles that were never intended to be driven (e.g. vehicles in a collection); • 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</p>	<p>can be suspended for a maximum of 90 days.</p> <p>Wording relocated to proposed Rule 201.E,d)</p> <p>Clarifies rule to indicate under which conditions suspension of coverage will not be permitted.</p> <p>Replaces the term Explanations with Definitions</p>	<p>for a period over 90 days.</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>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>confirm on the application or policy change request that the vehicle is out of use and in storage.</p> <p><i>If moving coverages are not added to the vehicle by the anticipated end date, the vehicle shall be renewed once and then lapsed at the next renewal if there is no other vehicle with road coverage on the policy.</i></p> <p><i>If Third Party Liability and Accident Benefits coverages are removed or suspended more than twice in one year, then removal of those coverages 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.</i></p>	<p>confirm on the application or policy change request that the vehicle is out of use and in storage.</p>	<p>Wording relocated to proposed Rule 201.E,d) Wording relocated to proposed Rule 201.E,d)</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>
<p>Rule 203.A.: Binding Coverage – New Policies, Requirements/ Procedures for Binding New Policies</p>	<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.</p> <p>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 Insure(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>	<p>Replaces the term "Applicant" with "Named Insured"</p>	<p>This has no impact on premium.</p>
<p>Rule 204: New Policies</p>		<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 b) Partnership (unincorporated); OR c) Limited Liability Company (incorporated).</p> <p>Insurance contracts must be made with individuals who have the capacity to enter into a contract and</p>	<p>Relocated from Rule 204, Section F and adds language to clarify who may apply for a contract of</p>	<p>This has no impact on premium.</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
		<p>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> <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 are required to sign the request for 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 leased vehicles. Refer to Rule 237: Long Term Leases-Specified Lessees - Leases Exceeding 30 Days.</p>	<p>Insurance, and who is considered a Named Insured.</p> <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.</p>	<p>This has no impact on premium.</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>A. 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 both the Applicant and Agent/Broker where required. See also Rule 204:D. 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. If the registration cannot be submitted with the application, a copy of the registration is required within 30 days of binding coverage.</p> <p>Where a copy of the registration is not provided, the following shall apply:</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 the cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for the vehicles meeting the registration requirement. <p>B. Owners Policy (APP 1)</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 both the Named Insured(s) and Agent/Broker 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>C. Owners Policy (APP 1)</p>	<p>Re numbers section and replaces the term "Applicant" with "Named Insured"</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>This has no impact on premium.</p> <p>This has no impact on premium.</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>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 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 as well as the Agent/Broker.</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</p>	<p>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 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) as well as the Agent/Broker.</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</p>	<p>Replaces the term "Applicant" with "Named Insured"</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	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>responsible for the full indicated earned premium for the time on risk.</p> <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:</p>	<p>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</p> <p>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>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% U.S. 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>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 under Rule 200.D.</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	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>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 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</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>		

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>the Insured has signed the request for cancellation as the case may be.</p> <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 or U.S. jurisdiction in which the driver has been licensed in the previous three years.</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>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 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>Clarifies that notice is to be given to the Insured when variation of coverage or premium occurs.</p> <p>Clarifies the oldest date permitted on an MVR for the purposes of verification of driver history.</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> <p>This has no impact on premium.</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact												
	<p>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or applicants with 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>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or applicants 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 Rule 204.I, for consistency across all Provinces	This has no impact on premium.												
Rule 207.A: Rating Class, Load Classification	<p>A. Load Classification</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 60%;">Vehicles with a Gross Vehicle Weight not in excess of 4.5 tonnes (10,000 lbs.)</td> <td style="width: 40%;">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)	<p>A. Load Classification</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 60%;">Vehicles with a Gross Vehicle Weight not in excess of 4,500kg (10,000 lbs.)</td> <td style="width: 40%;">Light (L)</td> </tr> <tr> <td>Vehicles with a Gross Vehicle 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 Gross Vehicle Weight not in excess of 4,500kg (10,000 lbs.)	Light (L)	Vehicles with a Gross Vehicle 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 Gross Vehicle Weight not in excess of 4,500kg (10,000 lbs.)	Light (L)															
Vehicles with a Gross Vehicle 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	<p>B. Radius (only applies to vehicles hauling cargo for compensation)</p> <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>	<p>B. Radius</p> <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.												

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<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>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>For policies issued for less than 6 months, the note shall apply if the percentage of mileage used beyond 80 km (50 miles) for the policy period, exceeds 5%.</p> <p>This note 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 and DCPD premiums (see Rule 212: Rating of Trailers) must be charged even if no specific trailer is described.</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. Accordingly, the semi-trailer Liability and DCPD premiums (see Rule 212: Rating of Trailers) must be charged even if no specific trailer is described.</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</p>	<p>This has no impact on premium.</p>
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>If the vehicle is used for more than one commercial purpose, the highest rated class (based on premium)</p>	<p>Clarifies that this pertains to</p>	<p>This has no impact</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium impact																				
	<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>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>across all Provinces.</p> <p>Replaces the term “Applicant” with “Named Insured”</p>	<p>This has no impact on premium.</p>																				
Rule 209.B: Driving Record, Driving Record Entitlement	<p>B. Driving Record Entitlement</p> <table border="1"> <thead> <tr> <th style="text-align: center;">Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance</th> <th style="text-align: center;">Driving Record Entitlement</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Less than 1 year</td> <td style="text-align: center;">0</td> </tr> <tr> <td style="text-align: center;">At least 1 year</td> <td style="text-align: center;">1</td> </tr> <tr> <td style="text-align: center;">At least 2 years</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">At least 3 years</td> <td style="text-align: center;">3</td> </tr> </tbody> </table> <p>Notes: 1. The driving record established applies to all coverages concerned. There is no split rating.</p>	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	<p>B. Driving Record Entitlement</p> <table border="1"> <thead> <tr> <th style="text-align: center;">Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance</th> <th style="text-align: center;">Driving Record Entitlement</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Less than 1 year</td> <td style="text-align: center;">0</td> </tr> <tr> <td style="text-align: center;">At least 1 year</td> <td style="text-align: center;">1</td> </tr> <tr> <td style="text-align: center;">At least 2 years</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">At least 3 years</td> <td style="text-align: center;">3</td> </tr> </tbody> </table> <p>Notes: 1. The driving record established applies to all coverages concerned. There is no split rating.</p>	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	<p>Replaces the term “Applicant” with “Named Insured”</p>	<p>This has no impact on premium.</p>
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																							
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Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance	Driving Record Entitlement																							
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**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	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.	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.		
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 license in order to operate such vehicles. Where the operator fails to have the proper class of license for the vehicle to be insured, the policy will be issued at Driving Record 0.</p> <p>If evidence of the correct class of license is not provided to the Servicing Carrier within 30 days, the policy will be cancelled by registered letter.</p>	...	Removed Section D. As updated rule proposed under Rule 200.	This will not impact premiums, but may impact coverage offered to Insureds.
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>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>...</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>	Removes 3 rd paragraph, as relocated to Rule 200.	This has no impact on premium.

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
<p>Rule: 225.B</p> <p>Definition of Accident: What is Not A Chargeable Accident</p>	<p>An occurrence shall not be regarded as a chargeable accident if:</p> <ul style="list-style-type: none"> • The Insured's degree of fault is determined as 25% or less under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. • The damage resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours. • The damage occurred while the vehicle was legally parked and is reported to police within 24 hours. • The damage results from collision with a wild or domestic animal. • All damages are legally recoverable from the owner or driver of an uninsured or unidentified automobile. 	<p>An occurrence shall not be regarded as a chargeable accident if:</p> <ol style="list-style-type: none"> 1. For a minor accident occurring on or after June 1, 2016 the following criteria are met: <ul style="list-style-type: none"> • Damage to each vehicle including property damage does not exceed \$2000 and is paid by or on behalf of the at fault driver. • No personal injuries are sustained. • No payment is made by any insurer. • This is the first minor at fault accident involving the vehicle in the previous three years. 2. For accidents not meeting the definition of minor accident or occurring prior to June 1, 2016: <ul style="list-style-type: none"> • The Insured's degree of fault is determined as 25% or less under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. • The damage resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours. • The damage occurred while the vehicle was legally parked and is reported to police within 24 hours. • The damage results from collision with a wild or domestic animal. • All damages are legally recoverable from the owner or driver of an uninsured or unidentified automobile. 	<p>Updates the definition of what is not a chargeable accident to include June 2016 reforms.</p>	<p>No impact on premium.</p>
<p>Rule 228: U.S. Exposure</p>	<p>A. U.S. Exposure Surcharge Any commercial vehicle that is operated in the U.S. is subject to the U.S. exposure surcharge.</p> <p>The Insured must advise the Agent/Broker the percentage of the total mileage that the vehicle will be used in the U.S.</p>	<p>A. U.S. Exposure Surcharge Any commercial vehicle that is operated in the U.S. is subject to the U.S. exposure surcharge.</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> <p>The percentage of U.S. 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>Refers Users back to Rule 200 for list of documents that may be required when an Insured travels into the U.S., how exposure is determined and revised to</p>	<p>This may impact premiums on Insured's who travel less than 5% into the U.S.</p> <p>This may impact premiums</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact								
	<p>If the U.S. exposure is 5.0% or less of total mileage, the surcharge shall be waived unless U.S. authorities require proof of insurance. In this case a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile, DCPD and END 44R.</p> <p>NOTE: 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>Liability, Accident Benefits, Uninsured Automobile, DCPD, END 44R For each percentage point of mileage in the U.S., surcharge 1.5% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">U.S. Exposure</th> <th style="text-align: center;">Applicable Surcharge</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Up to 5% and proof of insurance required</td> <td style="text-align: center;">5%</td> </tr> </tbody> </table>	U.S. Exposure	Applicable Surcharge	Up to 5% and proof of insurance required	5%	<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, DCPD and END 44R.</p> <p>NOTE: 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. 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, Uninsured Automobile, DCPD, END 44R For each percentage point of mileage in the U.S., surcharge 1.5% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">U.S. Exposure</th> <th style="text-align: center;">Applicable Surcharge</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Up to 5%</td> <td style="text-align: center;">5%</td> </tr> </tbody> </table>	U.S. Exposure	Applicable Surcharge	Up to 5%	5%	<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>on Insured's who travel less than 5% into the U.S.</p> <p>This will not impact premiums.</p> <p>This will not impact premiums.</p>
U.S. Exposure	Applicable Surcharge											
Up to 5% and proof of insurance required	5%											
U.S. Exposure	Applicable Surcharge											
Up to 5%	5%											
Rule 234: Vehicles Used Outside Jurisdiction of Registration	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.'	...	Updates rule to create consistency across all Provinces and removes duplicate	This has no impact on premium.								

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<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>However, 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 Ontario and the vehicle is registered in that jurisdiction; however, the Insured will be travelling the western provinces for the next year.</p> <p>Regardless of where the vehicle is registered, 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 being used in the U.S., it must be rated in the territory in which it is registered. 4. See Rule 228: U.S. Exposure Surcharge to determine surcharges applicable to commercial vehicles. 	<p>When a Named Insured takes up permanent residence, or registers the business in another jurisdiction, the Named Insured is required to register the vehicle(s) in the new jurisdiction. The existing policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction.</p> <p>...</p> <p>...</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 being used in the U.S., it must be rated in the territory in which it is registered. Refer to Rule 228: U.S. Exposure Surcharge to determine the surcharges applicable. <p>...</p>	<p>language addressed in other proposed rules.</p> <p>Updates rule to create consistency across all Provinces and removes duplicate</p>	<p>This has no impact on premium.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
	<p>5. If the vehicle is used within one region as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</p> <p>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</p> <p>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</p> <p>Region 3 – West and North Rate as Alberta Territory 4</p> <p>6. If the vehicle is used in a Canadian jurisdiction for which Facility Association has no rates, the following shall apply:</p> <ul style="list-style-type: none"> - Charge Alberta Territory 4 for British Columbia, Saskatchewan and Manitoba. - Charge Ontario Territory 20 for Quebec. <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>4. If the vehicle is used within one region as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</p> <p>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</p> <p>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</p> <p>Region 3 – West and North Rate as Alberta Territory 4</p> <p>5. If the vehicle is used in a Canadian jurisdiction for which Facility Association has no rates, the following shall apply:</p> <ul style="list-style-type: none"> -Charge Alberta Territory 4 for British Columbia, Saskatchewan and Manitoba. -Charge Ontario Territory 20 for Quebec. <p>...</p>	<p>language addressed in other proposed rules.</p>	
PUBLIC SECTION				
<p>Rule: 322.B Definition of Accident: What is Not A Chargeable Accident</p>	<p>An occurrence shall not be regarded as a chargeable accident if:</p> <ul style="list-style-type: none"> • The Insured's degree of fault is determined as 25% or less under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. • The damage resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours. • The damage occurred while the vehicle was legally parked and is reported to police within 24 hours. • The damage results from collision with a wild or domestic animal. • All damages are legally recoverable from the owner or driver of an uninsured or unidentified automobile. 	<p>An occurrence shall not be regarded as a chargeable accident if:</p> <ol style="list-style-type: none"> 1. For a minor accident occurring on or after June 1, 2016 the following criteria are met: <ul style="list-style-type: none"> • Damage to each vehicle including property damage does not exceed \$2000 and is paid by or on behalf of the at fault driver. • No personal injuries are sustained. • No payment is made by any insurer. • This is the first minor at fault accident involving the vehicle in the previous three years. 2. For accidents not meeting the definition of minor accident or occurring prior to June 1, 2016: 	<p>Updates the definition of what is not a chargeable accident to include June 2016 reforms.</p>	<p>No impact on premium.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium impact
		<ul style="list-style-type: none"> • The Insured's degree of fault is determined as 25% or less under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. • The damage resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours. • The damage occurred while the vehicle was legally parked and is reported to police within 24 hours. • The damage results from collision with a wild or domestic animal. • All damages are legally recoverable from the owner or driver of an uninsured or unidentified automobile. 		
RECREATIONAL SECTION				
<p>Rule: 424.B</p> <p>Definition of Accident: What is Not A Chargeable Accident</p>	<p>An occurrence shall not be regarded as a chargeable accident if:</p> <ul style="list-style-type: none"> • The Insured's degree of fault is determined as 25% or less under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. • The damage resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours. • The damage occurred while the vehicle was legally parked and is reported to police within 24 hours. • The damage results from collision with a wild or domestic animal. • All damages are legally recoverable from the owner or driver of an uninsured or unidentified automobile. 	<p>An occurrence shall not be regarded as a chargeable accident if:</p> <p>1. For a minor accident occurring on or after June 1, 2016 the following criteria are met:</p> <ul style="list-style-type: none"> • Damage to each vehicle including property damage does not exceed \$2000 and is paid by or on behalf of the at fault driver. • No personal injuries are sustained. • No payment is made by any insurer. • This is the first minor at fault accident involving the vehicle in the previous three years. <p>2. For accidents not meeting the definition of minor accident or occurring prior to June 1, 2016:</p> <ul style="list-style-type: none"> • The Insured's degree of fault is determined as 25% or less under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. • The damage resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours. • The damage occurred while the vehicle was legally parked and is reported to police within 24 hours. • The damage results from collision with a wild or domestic animal. • All damages are legally recoverable from the owner or driver of an uninsured or unidentified automobile. 	<p>Updates the definition of what is not a chargeable accident to include June 2016 reforms.</p>	<p>No impact on premium.</p>



May 2020

**Manual of Rules and Rates
ONTARIO**

**Various Rule Changes
Effective September 1, 2020 (New Business and Renewals)**

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

- Various Rule Changes

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

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

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE SEPTEMBER 1, 2020**

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
PRIVATE PASSENGER SECTION				
<p>128</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>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; <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) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date. <p>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>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE SEPTEMBER 1, 2020**

Rule	Current Wording	Proposed 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. In that event a refusal letter shall be required for private passenger vehicles.	If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued. In that event a refusal letter shall be required for private passenger vehicles.		
129.E Cancellations, Cancellation Procedures	<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>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>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 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> <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. 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>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact						
	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:	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:								
Rule: 152 Endorsements Applicable to POL 1 (Owners Policy)	<table border="1"> <tr> <td style="text-align: center;">28A</td> <td>Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. The endorsement must be signed annually.</td> <td>Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.</td> </tr> </table>	28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. The endorsement must be signed annually.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.	<table border="1"> <tr> <td style="text-align: center;">28A</td> <td>Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement.</td> <td>Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.</td> </tr> </table>	28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.	Removes the requirement to obtain an annual signature	No impact on premium.
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COMMERCIAL SECTION										
218 Renewals, Renewal Processing	Renewal not accepted 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.	Renewal not accepted If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier: a) Return all the renewal documents (including liability cards) to the Servicing Carrier; OR b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.						

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<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>the Agent/Broker's office;</p> <p>OR</p> <p>c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</p> <p>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>219.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 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</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 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</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>Rule: 243</p> <p>Endorsements Applicable to POL 1 (Owners Policy)</p>	<table border="1"> <tr> <td style="text-align: center;">28A</td> <td>Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign</td> <td>Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be</td> </tr> </table>	28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be	<table border="1"> <tr> <td style="text-align: center;">28A</td> <td>Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign</td> <td>Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be</td> </tr> </table>	28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be	Removes the requirement to obtain an annual signature	No impact on premium.
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301.D Coverages Available and Minimum Deductibles, Optional Physical Damage	<p>Minimum Deductibles</p> <p>The following table indicates the minimum deductible on any physical damage coverage for Public Buses:</p> <table border="1" style="width: 100%;"> <thead> <tr> <th colspan="2" style="text-align: center;">PUBLIC BUSES</th> </tr> <tr> <th style="text-align: center;">List Price</th> <th style="text-align: center;">Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td>Under \$52,501</td> <td>\$1,000</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 the said value to nearest \$250</td> </tr> <tr> <td>All Rate Groups</td> <td>END 40 is mandatory on any vehicle with prior fire and total theft claims within the past 60 months</td> </tr> </tbody> </table> <p>OTHER PUBLIC VEHICLES</p> <p>The following table indicates the minimum deductible on any physical damage coverage when Private Passenger rates and the CLEAR Rate Group Table or Table A are used. When the rate group is established in Table A, the minimum deductible is determined by applying the value used to obtain the rate group to the Table A column below.</p>		PUBLIC BUSES		List Price	Minimum Deductible	Under \$52,501	\$1,000	\$52,501 – \$76,000	\$2,500	\$76,001 – \$100,000	\$4,000	Over \$100,000	5% of the said value to nearest \$250	All Rate Groups	END 40 is mandatory on any vehicle with prior fire and total theft claims within the past 60 months	<p>Minimum Deductibles</p> <p>The following table indicates the minimum deductible on any physical damage coverage for Public Buses:</p> <table border="1" style="width: 100%;"> <thead> <tr> <th colspan="2" style="text-align: center;">PUBLIC BUSES</th> </tr> <tr> <th style="text-align: center;">List Price</th> <th style="text-align: center;">Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td>Under \$52,501</td> <td>\$1,000</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 the said value to nearest \$250</td> </tr> <tr> <td>All Rate Groups</td> <td>END 40 is mandatory on any vehicle with prior fire claims within the past 60 months</td> </tr> </tbody> </table> <p>OTHER PUBLIC VEHICLES</p> <p>The following table indicates the minimum deductible on any physical damage coverage when Private Passenger rates and the CLEAR Rate Group Table or Table A are used. When the rate group is established in Table A, the minimum deductible is determined by applying the value used to obtain the rate group to the Table A column below.</p>		PUBLIC BUSES		List Price	Minimum Deductible	Under \$52,501	\$1,000	\$52,501 – \$76,000	\$2,500	\$76,001 – \$100,000	\$4,000	Over \$100,000	5% of the said value to nearest \$250	All Rate Groups	END 40 is mandatory on any vehicle with prior fire claims within the past 60 months	Corrects the language of the rule to synchronize with END 40 endorsement wording.	This does not impact premiums.
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Rule	Current Wording			Proposed Wording			Change from Current	Premium Impact																								
	CLEAR Rate Group	Minimum Deductibles Coll/ Comp/ Specified Perils	Table A	CLEAR Rate Group	Minimum Deductibles Coll/ Comp/ Specified Perils	Table A																										
	1-40	\$500	Up to \$30,000	1-40	\$500	Up to \$30,000																										
	41 – 59	\$1,000	\$30,001 - \$60,000	41 – 59	\$1,000	\$30,001 - \$60,000																										
	60 - 79	\$2,500	\$60,001 - \$80,000	60 - 79	\$2,500	\$60,001 - \$80,000																										
	80 - 89	\$5,000	\$80,001 - \$100,000	80 - 89	\$5,000	\$80,001 - \$100,000																										
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316 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>If the renewal date has passed and the insurance</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 style="padding-left: 20px;">a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</p> <p style="text-align: center;">OR</p> <p style="padding-left: 20px;">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 style="text-align: center;">OR</p> <p style="padding-left: 20px;">c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</p> <p>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</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	Proposed Wording	Change from Current	Premium Impact
	is again required, there must be a new application and a new policy issued.	is again required, there must be a new application and a new policy issued.		
317.E Cancellations, Cancellation Procedures	<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 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</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 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 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>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</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	Proposed Wording	Change from Current	Premium Impact						
	installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:	installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:								
Rule: 338 Endorsements Applicable to POL 1 (Owners Policy)	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">28A</td> <td style="width: 30%;"> Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. The endorsement must be signed annually. </td> <td style="width: 60%;"> Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information. </td> </tr> </table>	28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. The endorsement must be signed annually.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">28A</td> <td style="width: 30%;"> Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. </td> <td style="width: 60%;"> Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information. </td> </tr> </table>	28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.	Removes the requirement to obtain an annual signature	No impact on premium.
28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. The endorsement must be signed annually.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.								
28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.								
RECREATIONAL SECTION										
411.B.4 Off Road Vehicles, Rating & Policy Issuance Notes	<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 the rate group for DCPD and 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 DCPD and physical damage (if purchased) must be established based on list price new. 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</p>	<p>DCPD and 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 the rate group for DCPD and 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 DCPD and 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</p>	Confirms the additional documents required to rate within specified parameters	This does not impact premiums.						

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	Actual Cash Value (plus applicable tax) subject to END 19.	<p>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>		
<p>417</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>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</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) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date. <p>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</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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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>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>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>418.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 418: 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</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> <p>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>5. Cancellation of Renewals in Outlying Areas – No longer applicable</p> <p>6. Flat Cancellation Exceptions</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>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>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: 442</p> <p>Endorsements Applicable to POL 1 (Owners Policy)</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">28A</td> <td style="width: 40%;">Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. The endorsement must be signed annually.</td> <td style="width: 50%;">Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.</td> </tr> </table>	28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. The endorsement must be signed annually.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">28A</td> <td style="width: 40%;">Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement.</td> <td style="width: 50%;">Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.</td> </tr> </table>	28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.	Removes the requirement to obtain an annual signature	No impact on premium.
28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement. The endorsement must be signed annually.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.								
28A	Excluded Driver This endorsement is used to exclude coverage when the person named in the endorsement drives the automobile. Both the excluded person and the Insured must sign the endorsement.	Premium: No charge to add endorsement. Rate vehicle as if excluded driver was not in the household. Upon removal of the END 28A, all accidents and convictions will be considered chargeable. Refer to additional rules within manual for further information.								
GARAGE SECTION										
<p>611</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</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>	Amends the acceptable evidence of renewal refusal for the purposes of	This does not impact premiums.						

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>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>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>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) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</p> <p>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>cancellation.</p>	

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
<p>617</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>5. Flat Cancellation Exceptions 1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</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>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 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> <p>5. Flat Cancellation Exceptions 1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</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>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
<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><i>For example:</i> 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>a</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>
DRIVERS POLICY SECTION				
<p>717</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>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> <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) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</p> <p>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>	<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>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>718.E Cancellations, Cancellation Procedures</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 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</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 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>5. Cancellation of Renewals in Outlying Areas</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>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>– 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>For private passenger type vehicles, the rate per</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> <p>For private passenger type vehicles, the rate per</p>	Amends the rating methodology for END 94.	This will impact premiums charged on Non-Owned Automobile policies with END 94.

FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE SEPTEMBER 1, 2020

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>\$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>\$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>		
<p>816</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>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</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) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date. <p>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</p>	<p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE SEPTEMBER 1, 2020

Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>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>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>817.C Cancellations, Cancellation Procedures</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 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>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 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 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>5. Cancellation of Renewals in Outlying Areas – No longer applicable</p>	<p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
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Rule	Current Wording	Proposed Wording	Change from Current	Premium Impact
	<p>6. 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>6. 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>		



February 2020

**Manual of Rules and Rates
ONTARIO**

**Revised Motorcycle and All-Terrain Vehicle Rates
Effective June 1, 2020 (New Business and Renewals)**

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

- Revised Motorcycle rates. Overall, there is a change of +18.7% for Motorcycle Vehicles. Rates may vary depending upon individual policy circumstances.
- Revised All Terrain rates. Overall, there is a change of +3.5% for All Terrain Vehicles. Rates may vary depending upon individual policy circumstances.

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

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



November 2019

**Manual of Rules and Rates
ONTARIO**

**Revised Fleet 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 Ontario:

- +72.3% rate increase for Commercial fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +32.2% rate increase for Interurban fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +31.2% 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.
- +40.4% rate increase for Private Bus fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +48.4% rate increase for School 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:
 - Private Passenger
 - Motorcycle
 - Snow Vehicle
 - All-Terrain Vehicle
 - Ambulance & Funeral
 - Hotel & Country Club Bus
 - Motorhome
 - Campers & Personal Trailers

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

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



September 2019

**Manual of Rules and Rates
ONTARIO**

**2019 Private Passenger CLEAR Rate Group Tables,
2019 Commercial Rate Group Tables and Various Rule Changes
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 Ontario:

- 2019 Private Passenger CLEAR Rate Group Tables with an amended range of 18 to 42 for Accident Benefits rate groups
- 2019 Commercial Rate Group Tables (Tables I and II(A))
- Various Rule Changes

This information is now available on the Facility Association website www.facilityassociation.com.

With the implementation of the Private Passenger Rate Group Tables 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 ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JANUARY 1, 2020**

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
PRIVATE PASSENGER SECTION				
<p>100.B</p> <p>Rule for Refusing to Provide or Continue a Coverage</p>	<p>B. Rules for refusing to provide or continue a coverage are:</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;">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) Willfully made a false statement in respect of a claim.</p> <p>2.Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy will be written for vehicles branded 'irreparable'.</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. For DCPD coverage, establish rate group according to Rule 116 Vehicle Rate Group and Rule 121 After Market Equipment.</p>	<p>B. Rules for refusing to provide or continue a coverage are:</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) 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.Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy will be written for vehicles branded 'irreparable'.</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>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>The Servicing Carrier shall refer all refusals or non-continuance 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>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. For DCPD coverage, establish rate group according to Rule 116 Vehicle Rate Group and Rule 121 After Market Equipment.</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>
<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</p>	<p>1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.</p> <p>a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.</p> <p>b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on</p>	<p>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines.</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>or filed with a local, provincial, federal or U.S. authority.</p> <p>NOTE: 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>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 Insured on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</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>a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p> <p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</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>	<p>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JANUARY 1, 2020**

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
COMMERCIAL SECTION				
<p>200.B</p> <p>Rule for Refusing to Provide or Continue a Coverage</p>	<p>B. Rules for refusing to provide or continue a coverage are:</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) Willfully made a false statement in respect of a claim.</p> <p>2.Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy will be written for vehicles branded 'irreparable'.</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. For DCPD coverage, establish rate group according to Rule 211 Vehicle Rate Group.</p> <p>The Servicing Carrier shall refer all refusals or non-continuance to the Facility Association prior to declining coverage.</p>	<p>B. Rules for refusing to provide or continue a coverage are:</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) 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.Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy will be written for vehicles branded 'irreparable'.</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. For DCPD coverage, establish rate</p>	<p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage</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> <p>This does not impact premiums.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	* 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.	group according to Rule 211 Vehicle Rate Group.		
207.J Rating Class Table	<p>Logs, Wood Chips, Pulpwood <u>Maximum radius 80 km (50 miles) – Class 41</u> Multiply the Class 41 premium by the factor on the Special Rating factor page</p> <p><u>Radius beyond 80 km (50 miles):</u> Use Class 61 (81-160km) Class 62 (161-400km) Class 63 (401-750km) or Class 64 (over 750km) if the Premium Table II total premium is higher than the Class 41 total premium; otherwise Class 41 rates apply.</p>	<p>Logs, Wood Chips, Pulpwood <u>Maximum radius 80 km (50 miles) – Class 41</u> Multiply the premium that would otherwise apply by the factor on the Special Rating factor page</p> <p><u>Radius beyond 80 km (50 miles):</u> Use Class 61 (81-160km) Class 62 (161-400km) Class 63 (401-750km) or Class 64 (over 750km) if the Premium Table II total premium is higher than the Class 41 total premium; otherwise Class 41 rates apply.</p>	Clarifies method of rating based on existing rating methodology	There is no impact on premium.
227 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 issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.</p> <p>a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.</p> <p>b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally</p>	Allows Agents /Brokers to complete proof of insurance requests within stated guidelines.	This does not impact premiums.

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<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., Insureds must be asked 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 Insured on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p>	<p>issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p> <p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</p>	<p>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	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.	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.		
PUBLIC SECTION				
300.B Rule for Refusing to Provide or Continue a Coverage	<p>B. Rules for refusing to provide or continue a coverage are:</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;">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) Willfully made a false statement in respect of a claim.</p> <p>2. Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy will be written for vehicles branded 'irreparable'.</p>	<p>B. Rules for refusing to provide or continue a coverage are:</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) 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. Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a</p>	<p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage.</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> <p>This does not impact premiums.</p>

**FACILITY ASSOCIATION ONTARIO RULES AND RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<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. For DCPD coverage, establish rate group according to Rule 310 Vehicle Rate Group.</p> <p>The Servicing Carrier shall refer all refusals or non-continuance 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>valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy will be written for vehicles branded 'irreparable'.</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. For DCPD coverage, establish rate group according to Rule 310 Vehicle Rate Group.</p>		
<p>324</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>1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.</p> <p>a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.</p> <p>b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation</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	Approved Wording	Change from Current	Premium Impact
	<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., Insureds must be asked 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 Insured on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. Should the Servicing</p>	<p>period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p> <p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. Should the Servicing Carrier have any concern with the coverages or limits being</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	Approved Wording	Change from Current	Premium Impact
	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.	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.		
RECREATIONAL SECTION				
400.B Rule for Refusing to Provide or Continue a Coverage	<p>B. Rules for refusing to provide or continue a coverage are:</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;">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.Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>3.Where a vehicle is licensed for road use or for off road use and is used as well for race or speed tests, optional physical damage coverage shall not be provided. For DCPD coverage, establish rate group according to Rule 409 Motorcycle and Moped or Rule 411 Off Road Vehicles.</p>	<p>B. Rules for refusing to provide or continue a coverage are:</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.Optional physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p>	<p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage</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> <p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
	<p>The Servicing Carrier shall refer all refusals or non-continuance 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>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. For DCPD coverage, establish rate group according to Rule 409 Motorcycle and Moped or Rule 411 Off Road Vehicles.</p>		
<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>1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.</p> <p>a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.</p> <p>b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</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	Approved Wording	Change from Current	Premium Impact
	<p>NOTE: 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>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 Insured on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</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>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</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>	<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	Approved Wording	Change from Current	Premium Impact
GARAGE SECTION				
600.B Underwriting Rules	<p>Facility Association’s rules for refusing to provide or continue a coverage on a POL 4 (Garage Automobile Policy) contract:</p> <ul style="list-style-type: none"> • Owned automobiles are branded as ‘salvage’ or are in pieces. • Within the preceding thirty six months, the Applicant, owner or proprietor: <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>Facility Association’s rules for refusing to provide or continue a coverage on a POL 4 (Garage Automobile Policy) contract:</p> <ol style="list-style-type: none"> 1.Owned automobiles are branded as ‘salvage’ or are in pieces. 2.Within the preceding thirty six months, the Applicant, owner or proprietor: <ol 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 Information	1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.	1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier’s standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days. a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.	Allows Agents /Brokers to complete proof of insurance requests within stated guidelines	This does not impact premiums.

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Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
608.A (Continued)	<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>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</p>	<p>b) Certificates must be issued only on a Described Automobiles and/or Described Location basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p> <p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' and/or 'Described Location' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without</p>	Allows Agents /Brokers to complete proof of insurance requests within stated guidelines	This does not impact premiums.

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	<p>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>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 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. 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>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines</p>	<p>This does not impact premiums.</p>
DRIVERS POLICY SECTION				
<p>701.B</p> <p>Rule for Refusing to Provide or Continue a Coverage</p>	<p>B. Rules for refusing to provide or continue a coverage are:</p> <p>1. Optional 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</p>	<p>B. Rules for refusing to provide or continue a coverage are:</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</p>	<p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage</p> <p>Removes the requirement for Servicing Carrier to</p>	<p>This does not impact premiums.</p> <p>This does not impact premiums.</p>

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	<p>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 used 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. Where a non-owned vehicle is licensed for road use and is used on roads as well as used for race or speed tests, optional physical damage coverage shall not be provided.</p>	<p>refer these type of risk to FA prior to declining coverage</p>	
<p>725 Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<ol style="list-style-type: none"> 1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so. 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. 3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for his/her records. 4. The certificate showing proof of insurance guarantees that the driver is insured. This is the full extent of the guarantee. 	<ol style="list-style-type: none"> 1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so. 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>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> <ol style="list-style-type: none"> 3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records. 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>Creates consistent wording across all jurisdictions.</p> <p>Creates consistent wording across all</p>	<p>No impact on premiums.</p> <p>No impact on premiums.</p>