

June 2024

**Manual of Rules and Rates
ALBERTA**

**Various Rule Changes
Effective October 1, 2024 (New Business and Renewals)**

Effective October 1, 2024 Facility Association is implementing the following updates for new business and renewals in Alberta:

- There are various rule changes in Private Passenger and Recreational sections of the manual.
- A summary of the rule changes are attached to the Manual Bulletin on the Facility Association website.

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

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

**FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED VARIOUS RULE CHANGES EFFECTIVE OCTOBER 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																			
PRIVATE PASSENGER SECTION																																							
Table of Contents	Rule 115: Driving Record Chart.....15	Rule 115: Driving Record Chart Not applicable...15	Driving Record chart and notes will be removed. Driving Record chart and notes will be removed.	This will not impact premium																																			
Rule 113.B Driving Record Entitlement	<p>B. Driving Record Entitlement Driving record is determined by:</p> <ul style="list-style-type: none"> - Years licensed and type of licence - Number of at-fault accidents - Prior insurance - Unacceptable gaps in insurance (Refer to Rule 113 Note 6) - Licence suspensions - Number and type of convictions <p>Refer to Rule 115: Driving Record Chart</p> <p>NOTE: For newly-licensed drivers, the number of years insured does not impact driving record.</p>	<p>B. Driving Record Entitlement Driving record is determined by:</p> <ul style="list-style-type: none"> • Years licensed and type of licence • Number of at-fault accidents • Prior insurance • Unacceptable gaps in insurance (Refer to Rule 113 Note 6) • Licence suspensions • Number and type of convictions <p>Refer to Rule 115: Driving Record Chart</p> <p>NOTE: For newly licensed drivers, the number of years insured does not impact driving record.</p>	Removing reference to Rule 115 as chart will be removed.	This will not impact premiums																																			
Rule 115 Driving Record Chart	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 5%;">Clear Record (Years Licens ed and Accid ent Free)</th> <th style="width: 10%;">Years Licen ced</th> <th style="width: 15%;">Licence Class Regular = Valid Operator s or Level 2 or 3 Credit</th> <th style="width: 10%;">Driver Trainin g</th> <th style="width: 10%;">Oper ator Statu s</th> <th style="width: 10%;">Eligib le Ratin g Class es</th> <th style="width: 10%;">Driving Record</th> </tr> </thead> <tbody> <tr> <td rowspan="3">5</td> <td rowspan="3">5 years or more</td> <td>Regular</td> <td></td> <td></td> <td rowspan="3">All but 08, 10, 11 & 18</td> <td>5</td> </tr> <tr> <td rowspan="2">Learner/Level 1</td> <td></td> <td>Princi pal</td> <td>0</td> </tr> <tr> <td></td> <td>Occas ional</td> <td>Not applicab le</td> </tr> <tr> <td rowspan="3">4</td> <td>More than 4</td> <td>Regular</td> <td></td> <td></td> <td rowspan="3">All but 10</td> <td>4</td> </tr> <tr> <td rowspan="2">4 years</td> <td>Regular</td> <td></td> <td rowspan="2">Princi pal</td> <td rowspan="2">0</td> </tr> <tr> <td>Learner/Level 1</td> <td></td> </tr> </tbody> </table>	Clear Record (Years Licens ed and Accid ent Free)	Years Licen ced	Licence Class Regular = Valid Operator s or Level 2 or 3 Credit	Driver Trainin g	Oper ator Statu s	Eligib le Ratin g Class es	Driving Record	5	5 years or more	Regular			All but 08, 10, 11 & 18	5	Learner/Level 1		Princi pal	0		Occas ional	Not applicab le	4	More than 4	Regular			All but 10	4	4 years	Regular		Princi pal	0	Learner/Level 1		<p>Rule 115: Driving Record Not applicable</p> <p>**REMOVE CHART **</p>	Driving Record chart and notes will be removed. Driving Record Chart is centred on driver's years licensed years	This will not impact premiums
Clear Record (Years Licens ed and Accid ent Free)	Years Licen ced	Licence Class Regular = Valid Operator s or Level 2 or 3 Credit	Driver Trainin g	Oper ator Statu s	Eligib le Ratin g Class es	Driving Record																																	
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FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL

SUMMARY OF APPROVED VARIOUS RULE CHANGES EFFECTIVE OCTOBER 1, 2024

Rule	Current Wording							Approved Wording	Change from Current	Premium impact on existing policies
					Occasional		Not applicable	<p>**REMOVE Notes **</p> <p>NOTES:-</p> <p>1. Drivers will be rated on actual experience in Canada or the U.S.</p> <p>2. Driving experience gained outside Canada or the United States will not be recognized.</p> <p>3. Once the driving record is determined, factor in the impact, in the following order, from gaps in insurance coverage of 1 year due to licence suspension or 2 years or more for any reason, or no previous insurance, licence suspensions and convictions. Where there are at fault accidents, only gaps in insurance coverage occurring all or in part after the most recent at fault accident are factored into the rating.</p>	<p>Note are outlined in various sections of Rule 113</p> <p>Rule 115 Note #1 removed as outlined under Rule 113.B Notes #4</p> <p>Rule 115 Note #2 removed as this note is outlined under Rule 113.B Notes #8</p> <p>Rule 115 Note #3 removed outlined under Rule 113.A Note #4, Rule 113.B and Rule 113.B note #6, #7</p>	
3	More than 3	Regular				All but 01	3			
	3 years	Regular			Principal		0			
Learner/Level 1				Occasional		Not applicable				
2	More than 2	Regular				All but 01	2			
	2 years	Regular	Yes	All	3					
		Regular	No	Principal	3					
		Learner/Level 1		Occasional	0					
1	More than 1	Regular				All but 01	1			
	1 year	Regular	Yes	All	3					
		Regular	No	Principal	2					
		Learner/Level 1		Principal	0					
		Learner/Level 1		Occasional	Not applicable					
0 (due to accident)	Any period	All			All	0				
No accidents	Less than 1 year	Regular	Yes			All but 01	3			
		Regular	No	Principal	1					
		Learner/Level 1		Principal			0			
		Learner/Level 1		Occasional			Not applicable			
NOTES:										

**FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED VARIOUS RULE CHANGES EFFECTIVE OCTOBER 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>1. Drivers will be rated on actual experience in Canada or the U.S.</p> <p>2. Driving experience gained outside Canada or the United States will not be recognized.</p> <p>3. Once the driving record is determined, factor in the impact, in the following order, from gaps in insurance coverage of 1 year due to licence suspension or 2 years or more for any reason, or no previous insurance, licence suspensions and convictions. Where there are at fault accidents, only gaps in insurance coverage occurring all or in part after the most recent at fault accident are factored into the rating.</p>			
<p>Rule 116 Vehicle Rate Group</p>	<p>Rule 116: Vehicle Rate Group</p> <p>For most vehicles the rate group can be found in the Rate Group Table, which lists vehicles by manufacturer, model and year.</p> <p>If a current year make/model is not listed but it was listed in the immediately preceding year, use the rate group for the immediately preceding year. If it was not listed in the immediately preceding year (It is a new model or there is a gap in model years), contact your Servicing Carrier. The Servicing Carrier shall provide you with the rate group assigned by IBC's Vehicle Data Services.</p> <p>The presence of aftermarket equipment may affect the rate group. If the equipment is other than sound or electronic equipment or a lift kit, the Servicing Carrier will require a copy of the bills of sale or, if they are not available, an appraisal to substantiate the value of the aftermarket equipment.</p> <p>Where a lift kit has been added to the vehicle in addition to other aftermarket equipment, the value of the lift kit must be included in the total value of the aftermarket equipment. Where the value of the equipment is \$3,000 or greater, an additional premium shall be charged. For every \$3,000 of equipment, a charge equivalent to a rate group increase of 1 shall be made. If the value of the</p>	<p>Rule 116: Vehicle Rate Group</p> <p>For most vehicles the rate group can be found in the Rate Group Table, which lists vehicles by manufacturer, model and year.</p> <p>If a current year make/model is not listed but it was listed in the immediately preceding year, use the rate group for the immediately preceding year. If it was not listed in the immediately preceding year (It is a new model or there is a gap in model years), contact your Servicing Carrier. The Servicing Carrier shall provide you with the rate group- use rate group assigned by IBC's Vehicle Data Services.</p> <p>For model years prior to the earliest year shown in the Rate Group Tables, use the rate group for the oldest model year shown in the Rate Group Tables.</p> <p>The presence of aftermarket equipment may affect the rate group. If the equipment is other than sound or electronic equipment or a lift kit, the Servicing Carrier will require a copy of the bills of sale or, if they are not available, an appraisal to substantiate the value of the aftermarket equipment.</p> <p>Where a lift kit has been added to the vehicle in addition to other aftermarket equipment, the value of the lift kit must be included in the total value of the aftermarket equipment. Where the value of the</p>	<p>To harmonize the wordings across all jurisdictions.</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>aftermarket equipment is less than \$3,000 no additional premium shall be charged. Where the value of the aftermarket equipment cannot be substantiated, END 19(B) reflecting the vehicle's actual cash value shall be attached to the policy.</p> <p>For model years prior to the earliest year shown in the Rate Group Tables, use the rate group for the oldest model year shown in the Rate Group Tables. For such models, if the Insured wants coverage based on the value of the vehicle, the value must be substantiated by an appraisal from an independent appraiser acceptable to the Servicing Carrier at the Insured's expense and END 19(B) applied.</p>	<p>equipment is \$3,000 or greater, an additional premium shall be charged. For every \$3,000 of equipment, a charge equivalent to a rate group increase of 1 shall be made. If the value of the aftermarket equipment is less than \$3,000 no additional premium shall be charged. Where the value of the aftermarket equipment cannot be substantiated, END 19(B) reflecting the vehicle's actual cash value shall be attached to the policy.</p> <p>For model years prior to the earliest year shown in the Rate Group Tables, use the rate group for the oldest model year shown in the Rate Group Tables. For such models, if the Insured wants coverage based on the value of the vehicle, the value must be substantiated by an appraisal from an independent appraiser acceptable to the Servicing Carrier at the Insured's expense and END 19(B) applied.</p>		
<p>Rule 116 Vehicle Rate Group</p>	<p>END 19(B) and END 40 Where the rate group is shown as A or the estimated value is greater than \$15,000 a completed and signed END 19(B) must be attached to the policy where the policy provides optional physical damage coverage. END 40 must be attached to the policy where there has been a prior fire or total vehicle theft loss within the past 60 months and the policy provides optional physical damage coverage. Where the policy provides only Liability, DCPD and Accident Benefits, attachment of END 19(B) and END 40 is not required.</p>	<p>END 19(B) and END 40 Where the rate group is shown as A, or the estimated value is greater than \$15,000 a completed and signed END 19(B) must be attached to the policy where the policy provides optional physical damage coverage. END 40 must be attached to the policy where there has been a prior fire or total vehicle theft loss within the past 60 months and the policy provides optional physical damage coverage. Where the policy provides only Third Party Liability, DCPD and Accident Benefits, attachment of END 19(B) and END 40 is not required.</p>	<p>To harmonize across all jurisdictions.</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULES AND RATES MANUAL
SUMMARY OF APPROVED VARIOUS RULE CHANGES EFFECTIVE OCTOBER 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 116 Vehicle Rate Group	New	<p>After Market Equipment If the equipment is other than sound or electronic equipment or a lift kit, the Servicing Carrier will require a copy of the bills of sale or, if they are not available, an appraisal to substantiate the value of the aftermarket equipment.</p> <p>Where a lift kit has been added to the vehicle in addition to other aftermarket equipment, the value of the lift kit must be included in the total value of the aftermarket equipment. Where the value of the equipment is \$3,000 or greater, an additional premium shall be charged. For every \$3,000 of equipment, a charge equivalent to a rate group increase of 1 shall be made. If the value of the aftermarket equipment is less than \$3,000 no additional premium shall be charged. Where the value of the aftermarket equipment cannot be substantiated, END 19(B) reflecting the vehicle's actual cash value shall be attached to the policy.</p>	Move and assign a heading for this section to harmonize the wordings across all jurisdictions.	This will not impact premiums
RECREATIONAL SECTION				
Rule 409 Motorcycle & Mopeds C. Rating Notes – Optional Physical Damage	<p>C. Rating Notes – Optional Physical Damage</p> <p>1. Vehicle Rate Group The limit chosen for END 19 (B) must include the value of the vehicle and any additional accessories and customization including sidecars. The vehicle's rate group is established from that amount using the Rating Group Table and the factors found on the Motorcycles and Mopeds rate pages.</p> <p>If the value of the vehicle is less than \$15,000 the rate group for DCPD and optional physical damage (if purchased) will be based on the limit chosen by the Insured.</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 within the 15</p>	<p>C. Rating Notes – DCPD and Optional Physical Damage</p> <p>1. Vehicle Rate Group The limit chosen for END 19 (B) must include the value of the vehicle and any additional accessories and customization including sidecars. The vehicle's rate group is established from that amount using the Rating Group Table and the factors found on the Motorcycles and Mopeds rate pages.</p> <p>If the value of the vehicle is less than \$15,000 the rate group for DCPD and optional physical damage (if purchased) will be based on the limit chosen by the Insured.</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>	To harmonize the wordings across all jurisdictions.	This will not impact premiums

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SUMMARY OF APPROVED VARIOUS RULE CHANGES EFFECTIVE OCTOBER 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>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>a) Where the vehicle is newly acquired from a dealer, a copy of the purchase agreement (dated within the 15 days prior to the effective date of the insurance) must be attached to the application or the change request. The purchase agreement must confirm the vehicle's year, make, model, serial number and purchase price.</p> <p>b) In any other case, the value must be substantiated by a certificate (including photo) from an independent appraiser acceptable to the Servicing Carrier. The certificate must be obtained at the Applicant's expense and must be attached to the application or the change request.</p>		

May 2024

**Manual of Rules and Rates
Alberta**

**2024 Private Passenger CLEAR Rate Group Tables and
2024 Commercial Rate Group Tables
Effective September 1, 2024 (New Business and Renewals)**

Effective September 1, 2024 Facility Association is implementing the following update for new business and renewals in Alberta:

- 2024 Private Passenger CLEAR Rate Group Tables having a range of 1-12 for Accident Benefits rate groups;
- 2024 Commercial Rate Group Tables (Tables I and II).

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

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

March 2024

**Manual of Rules and Rates
ALBERTA**

**Revised Interurban Telematics Discount
Effective August 1, 2024 (New Business and Renewals)**

Effective August 1, 2024 Facility Association is implementing the following updates for new business and renewals in Alberta:

- Video Telematics Discount applicable to Interurban Vehicles, has been updated in commercial section of the manual
- A summary of the rule change is attached to the Manual Bulletin on the Facility Association website.

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

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

**FACILITY ASSOCIATION RULES AND RATES MANUAL
SUMMARY OF APPROVED RULE CHANGE EFFECTIVE AUGUST 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																		
COMMERCIAL SECTION - Alberta																						
Rule 210: Interurban Vehicles with Video Telematics	<p>Where a Interurban Vehicle has an OBD-II Port connected telematics device with video recording and retrieval capability installed in the vehicle from an Approved Provider allowing for the continuous monitoring of driving behavior, is eligible for the following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Tier</th> <th style="text-align: center;">Description</th> <th style="text-align: center;">Discount</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Tier 1</td> <td>Driver/Vehicle Monitoring Services</td> <td style="text-align: center;">3%</td> </tr> <tr> <td style="text-align: center;">Tier 2</td> <td>Driver/Vehicle Monitoring Services and personalized driver coaching</td> <td style="text-align: center;">8%</td> </tr> </tbody> </table>	Tier	Description	Discount	Tier 1	Driver/Vehicle Monitoring Services	3%	Tier 2	Driver/Vehicle Monitoring Services and personalized driver coaching	8%	<p>Where a Interurban Vehicle has an OBD-II Port connected telematics device with video recording and retrieval capability installed in the vehicle from an Approved Provider allowing for the continuous monitoring of driving behavior, is eligible for the following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Tier</th> <th style="text-align: center;">Description</th> <th style="text-align: center;">Discount</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Tier 1</td> <td>Driver/Vehicle Monitoring Services</td> <td style="text-align: center;">7%</td> </tr> <tr> <td style="text-align: center;">Tier 2</td> <td>Driver/Vehicle Monitoring Services and personalized driver coaching</td> <td style="text-align: center;">15%</td> </tr> </tbody> </table>	Tier	Description	Discount	Tier 1	Driver/Vehicle Monitoring Services	7%	Tier 2	Driver/Vehicle Monitoring Services and personalized driver coaching	15%	Increase in discount will encourage Interurban operators in Alberta to sign up for video telematics	This may impact premium
Tier	Description	Discount																				
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March 2024

**Manual of Rules and Rates
ALBERTA**

**Various Rule Changes
Effective June 1, 2024 (New Business and Renewals)**

Effective June 1, 2024 Facility Association is implementing the following updates for new business and renewals in Alberta:

- FA has undertaken a review of the FARM Commercial Rules in an effort to simplify, streamline and harmonize underwriting rules across all jurisdictions. The successful completion of this allows for the ease of use for all users.
- During the review, changes to General, Private Passenger, Public and Recreational sections of the manual where harmonization was required were also identified. These changes are included in this update.
- A summary of the rule changes are attached to the Manual Bulletin on the Facility Association website.

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

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

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
GENERAL SECTION				
General Section	NEW	<p>Policy Term</p> <p>Every policy (New Business or Renewal) shall be issued for a term of either one year or six months.</p> <p>A short-term policy may be issued in the event that the vehicle/item is in transit in or through the jurisdiction, i.e. a single trip from a location within a jurisdiction in which Facility Association operates to another location within a jurisdiction in Canada or the continental U.S.A.</p> <p>In all jurisdictions except Alberta, a short term policy may also be issued for a vehicle being temporarily operated in a jurisdiction in which it is not registered.</p> <p>The Servicing Carrier may accept an application for a short-term policy and issue the policy accordingly or accept an application for a 6 or 12-month term and a cancellation voucher signed to provide coverage for only the shortened term.</p> <p>The premium for the policy shall be calculated using the highest rated territory of the originating jurisdiction and the applicable short-term table in this manual, subject always to the minimum retained policy premium.</p> <p>Fleet and Garage policies are only available on a one year term.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p> <p>This section is being removed from the Commercial section and added to General section</p>	This will not impact premiums
Commission General Section	<p>The commission rates are:</p> <p>Experience Rated Individually Rated</p>	<p>The commission rates are:</p> <p>Experience Rated (Fleet) Individually Rated</p>	Added the word "Fleet" to the title of the Commission section	This will not impact premiums

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies												
PRIVATE PASSENGER SECTION																
Rule 104.G New Policies	<p>G. Other Insurance</p> <p>If there is any other insurance in force in respect of a risk:</p> <p>a) Binding shall not be made effective before the expiry of that other insurance.</p> <p>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.</p>	<p>G. Other Insurance</p> <p>If there is any other insurance in force in respect of a risk:</p> <p>a) Binding shall not be made effective before the expiry of that other insurance.</p> <p>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.</p>	Based on Statutory Condition 8(1), termination does not require a signed cancellation	This will not impact premiums												
Rule 123 Commonly Used Endorsements	<p>A. Loss of Use Coverage</p> <p>END 20 may be added to provide reimbursement for loss of use of the vehicle in the event there is loss or damage that is covered by the policy in excess of the deductible.</p> <p>This endorsement is only available for private passenger vehicles.</p> <p>This endorsement is not available on: fleet vehicles, driver training vehicles, rental vehicles, short term lease vehicles, antique/classic vehicles, police or fire vehicles or private passenger vehicles used for commercial or public purposes whether or not rated in the Private Passenger Section.</p> <p>Amount Payable and Premium The amount payable shall not exceed \$50 per day.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Total Limit per occurrence</th> <th style="text-align: center;">Premium Annual</th> <th style="text-align: center;">Premium six month policy</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$900</td> <td style="text-align: center;">\$50</td> <td style="text-align: center;">\$26</td> </tr> <tr> <td style="text-align: center;">\$1200</td> <td style="text-align: center;">\$65</td> <td style="text-align: center;">\$34</td> </tr> <tr> <td style="text-align: center;">\$1500</td> <td style="text-align: center;">\$75</td> <td style="text-align: center;">\$39</td> </tr> </tbody> </table> <p>B. Legal Liability for Damage to Non-owned Automobile</p> <p>END 27 may be added to cover the Insured's legal liability for loss or damage to non-owned vehicles including trailers. By non-owned we mean vehicles not owned by or licensed in the name of the Insured or any other person residing in the same dwelling premises.</p>	Total Limit per occurrence	Premium Annual	Premium six month policy	\$900	\$50	\$26	\$1200	\$65	\$34	\$1500	\$75	\$39	<p>REMOVE AS THE SAME INFORMATION IS LISTED UNDER</p> <p>RULE 152: ENDORSEMENTS APPLICABLE TO POL 1 (OWNER'S POLICY)</p> <p>This is how it will be labelled in the manual after approval: Rule 123: Not applicable</p>	This section is a duplication as listed in another section of the manual	This will not impact premiums
Total Limit per occurrence	Premium Annual	Premium six month policy														
\$900	\$50	\$26														
\$1200	\$65	\$34														
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**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies												
<p>Rule 123</p> <p>Commonly Used Endorsements</p>	<p>The Insured must specify the type of vehicle that will be in his/her possession. Coverage may only be offered where the Insured carries Collision and Comprehensive on his/her own vehicle insured on the policy.</p> <p>Amount Payable and Premium The coverage provided is Collision and Comprehensive. The limit of coverage provided by the endorsement is subject to a deductible of \$500.</p> <table border="1" data-bbox="317 594 800 727"> <thead> <tr> <th>Total Limit</th> <th>Premium Annual</th> <th>Premium six month policy</th> </tr> </thead> <tbody> <tr> <td>\$40,000</td> <td>\$50</td> <td>\$26</td> </tr> <tr> <td>\$50,000</td> <td>\$65</td> <td>\$34</td> </tr> <tr> <td>\$75,000</td> <td>\$75</td> <td>\$39</td> </tr> </tbody> </table> <p>This is a flat fee per policy term and is not pro rated when the endorsement is added midterm to a policy or deleted from a policy unless the vehicle is deleted or the policy cancelled.</p> <p>C. After Market Sound and Electronic Communication Equipment Where the vehicle is equipped with sound and electronic communication equipment, other than factory installed equipment, application of either END 37 or END 38 is mandatory.</p> <p>END 37 This endorsement limits the amount of coverage on the equipment to \$1,500. Where a vehicle is insured for Comprehensive or Specified Perils, this endorsement must be added if the Insured does not wish to purchase additional coverage.</p> <p>END 38 Where a vehicle is insured for Comprehensive or Specified Perils and the Insured wishes to purchase additional coverage for the equipment, this endorsement may be added. Additional coverage may be purchased for a premium of \$30 per \$1,000 or part thereof of value in excess of \$1,500. Only rate for that portion of the value exceeding \$1,500. Documentation (appraisal or receipts)</p>	Total Limit	Premium Annual	Premium six month policy	\$40,000	\$50	\$26	\$50,000	\$65	\$34	\$75,000	\$75	\$39	<p>REMOVE AS THE SAME INFORMATION IS LISTED UNDER</p> <p>RULE 152: ENDORSEMENTS APPLICABLE TO POL 1 (OWNER'S POLICY)</p> <p>This is how it will be labelled in the manual after approval: Rule 123: Not applicable</p>	<p>This section is a duplication as listed in another section of the manual</p>	<p>This will not impact premiums</p>
Total Limit	Premium Annual	Premium six month policy														
\$40,000	\$50	\$26														
\$50,000	\$65	\$34														
\$75,000	\$75	\$39														

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 123</p> <p>Commonly Used Endorsements</p>	<p>is necessary to support the value stated on the endorsement.</p> <p><i>For example:</i> If END 38 has a limit of \$4,300, the premium shall be \$90.</p> <p>Signature Required Both endorsements require a signature. If a signature cannot be obtained, refer to Rule 122: Endorsement Forms/Wordings.</p> <p>D. Limitation of Glass Coverage The coverage provided under Comprehensive for damage to glass may be amended by means of adding 13(D) to delete coverage for damage to glass except when caused by Specified Perils.</p> <p>The premium charged for the reduced Comprehensive coverage is the Specified Perils premium plus 10% of the Comprehensive premium.</p> <p>Where the deductible is \$1,000 or higher, there is no premium reduction.</p> <p>Signature Required This endorsement requires a signature. If a signature cannot be obtained, refer to Rule 122: Endorsement Forms/Wordings.</p> <p>E. Existing Hail Damage – Deletion of Hail Coverage This endorsement must be applied in every instance where the Servicing Carrier makes a cash settlement for a hail damage claim.</p> <p>Signature Required This endorsement requires a signature. If a signature cannot be obtained, refer to Rule 122: Endorsement Forms/Wordings.</p>	<p>REMOVE AS THE SAME INFORMATION IS LISTED UNDER</p> <p>RULE 152: ENDORSEMENTS APPLICABLE TO POL 1 (OWNER'S POLICY)</p> <p>This is how it will be labelled in the manual after approval: Rule 123: Not applicable</p>	<p>This section is a duplication as listed in another section of the manual</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 129.E.4</p> <p>Cancellations, Procedures</p> <p>Flat Cancellations</p>	<p>Renewal</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p>	<p>Renewal</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p>	<p>Based on Statutory Condition 8(1), termination does not require a written request</p>	<p>This will not impact premiums</p>
<p>Rule 141</p> <p>Suspension and Reinstatement Of Coverages – END 16/17</p>	<p>Liability, DCPD, Accident Benefits and Collision as they relate to the use and operation of the described vehicles, new vehicles or temporary substitute vehicles may be suspended by means of END 16.</p> <p>This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the ownership of the vehicle. This means that END 16 does not suspend coverages related to 'drive other vehicles'; while a pedestrian; or while the vehicle is in storage. This endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.</p> <p>No refund is allowed in respect of Comprehensive and Specified Perils.</p> <p>If Liability, DCPD and Accident Benefits coverages are removed or suspended more than twice a year, then removal of these coverages is not permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while these coverages are removed or suspended.</p>	<p>Liability, DCPD (<i>not available in Northwest Territories, Nunavut and Yukon</i>), Accident Benefits, Uninsured Automobile (<i>not available in Alberta, Northwest Territories, Nunavut and Yukon</i>) and Collision as they relate to the use and operation of the described vehicles, new vehicles or temporary substitute vehicles may be suspended by means of END 16.</p> <p>This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the ownership of the vehicle. This means that END 16 does not suspend coverages related to 'drive other vehicles'; while a pedestrian; or while the vehicle is in storage. This endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.</p> <p>No refund is allowed in respect of Comprehensive and Specified Perils.</p> <p>If Liability, DCPD (<i>not available in Northwest Territories, Nunavut and Yukon</i>) and Accident Benefits coverages are removed or suspended twice in one year, then removal of those coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while coverage is removed or suspended.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																										
<p>Rule 141</p> <p>Suspension and Reinstatement Of Coverages – END 16/17</p>	<p>END 16/17 is not available for the following:</p> <ol style="list-style-type: none"> 1. Vehicles for which proof of insurance is issued or filed. 2. Experience rated risks 3. Recreational vehicles rated in the Recreational Section 4. Vehicles that were never intended to be driven. 5. Vehicles held for sale whether or not on an auto dealer’s lot. <p>Rating The refund for the period of cancellation is calculated according to the short rate table, refer to Rule 131:C.</p> <p>In no event shall a refund be granted for any suspension period of less than forty five (45) consecutive days.</p>	<p>END 16/17 is not available for the following:</p> <ol style="list-style-type: none"> 1. Vehicles for which proof of insurance is issued or filed. 2. Experience rated risks 3. Recreational vehicles rated in the Recreational Vehicle Section 4. Vehicles that were never intended to be driven. 5. Vehicles held for sale whether or not on an auto dealer’s lot. <p>Rating The refund for the period of coverage suspension/cancellation is calculated according to the table below (<i>except Ontario</i>):</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #00a0e3; color: white;"> <th style="text-align: left;">Period of Suspension/Cancellation</th> <th style="text-align: left;">% of Annual Premium</th> </tr> </thead> <tbody> <tr><td>Less than 45 days**</td><td>Nil</td></tr> <tr><td>Less than 2 months</td><td>Nil</td></tr> <tr><td>45 days and less than 2 ½ months**</td><td>15%</td></tr> <tr><td>2 months and less than 2 ½ months</td><td>15%</td></tr> <tr><td>2 ½ months and less than 3 months</td><td>19%</td></tr> <tr><td>3 months and less than 3 ½ months</td><td>22%</td></tr> <tr><td>3 ½ months and less than 4 months</td><td>26%</td></tr> <tr><td>4 months and less than 4 ½ months</td><td>30%</td></tr> <tr><td>4 ½ months and less than 5 months</td><td>34%</td></tr> <tr><td>5 months and less than 5 ½ months</td><td>38%</td></tr> <tr><td>5 ½ months and less than 6 months</td><td>41%</td></tr> <tr><td>6 months or more</td><td>45%</td></tr> </tbody> </table> <p><i>**Applies to Alberta only</i></p> <p>In no event shall a refund be granted for any suspension period of less than forty five (45) consecutive days (<i>Applies to Alberta and Ontario only</i>) or sixty (60) consecutive days.</p>	Period of Suspension/Cancellation	% of Annual Premium	Less than 45 days**	Nil	Less than 2 months	Nil	45 days and less than 2 ½ months**	15%	2 months and less than 2 ½ months	15%	2 ½ months and less than 3 months	19%	3 months and less than 3 ½ months	22%	3 ½ months and less than 4 months	26%	4 months and less than 4 ½ months	30%	4 ½ months and less than 5 months	34%	5 months and less than 5 ½ months	38%	5 ½ months and less than 6 months	41%	6 months or more	45%	<p>Upon review of END 16. FA noticed that not all jurisdictions have the table printed on the forms anymore. Information was verified and a table was created to be added to the manual.</p>	<p>This will not impact premiums</p>
Period of Suspension/Cancellation	% of Annual Premium																													
Less than 45 days**	Nil																													
Less than 2 months	Nil																													
45 days and less than 2 ½ months**	15%																													
2 months and less than 2 ½ months	15%																													
2 ½ months and less than 3 months	19%																													
3 months and less than 3 ½ months	22%																													
3 ½ months and less than 4 months	26%																													
4 months and less than 4 ½ months	30%																													
4 ½ months and less than 5 months	34%																													
5 months and less than 5 ½ months	38%																													
5 ½ months and less than 6 months	41%																													
6 months or more	45%																													
<p>Rule 149.D.7</p> <p>Fleet, New Applications</p>	<p>7. Premium Calculation</p>	<p>7. Premium Calculation</p> <p>Note:</p> <ul style="list-style-type: none"> • Refer to Rule 124 on rating of experience (fleet) rated risk. • For other classes of business, refer to the appropriate section of the manual. 	<p>Refer to Rule 124 on rating of experience (fleet) rated risk.</p>	<p>This will not impact premiums</p>																										

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 149.D.7</p> <p>Fleet, New Applications</p>	<p>These calculations pertain to private passenger vehicles only. For other classes, refer to the appropriate section of the manual. <u>Liability and DCPD</u></p> <p>Where the Applicant requires limits in excess of \$2,000,000 the Agent/Broker must discuss the risk with the Servicing Carrier prior to binding. Many risks will not be eligible for limits in excess of \$2,000,000.</p> <p><i>Note:</i> The application form must indicate the limits or combined limit actually required and the applicable endorsements (END 6(A)/6(B)/6(C)/6(F), 22).</p> <p>Private passenger vehicles Enter the premium applicable to the statutory minimum limit.</p> <p><u>Optional Physical Damage</u> All Perils</p> <p>a) All Perils coverage is no longer available. Vehicles having All Perils coverage on existing Facility Association policies shall be renewed with Collision and Comprehensive coverage subject to a minimum deductible.</p> <p>b) Record All Perils losses according to the peril under which they were paid i.e. Collision losses under Collision and Comprehensive/Specified Perils losses under Comprehensive/Specified Perils.</p> <p>All other coverages Enter premium and deductibles where indicated.</p> <p><u>Premium Totals</u> <u>Liability and DCPD</u></p> <p>a) Total the appropriate premiums and enter the totals under the appropriate tables.</p> <p>b) Apply the increased limit factor for limits up to \$1,000,000.</p> <p>c) Apply the increased limit factor for limits over \$1,000,000 if required.</p> <p>d) Add the final total under each table to the total derived from adding together all other premiums.</p> <p>All Other Coverages Total the premiums in each column.</p>	<p>These calculations pertain to private passenger vehicles only. For other classes, refer to the appropriate section of the manual. <u>Liability and DCPD</u></p> <p>Where the Applicant requires limits in excess of \$2,000,000 the Agent/Broker must discuss the risk with the Servicing Carrier prior to binding. Many risks will not be eligible for limits in excess of \$2,000,000.</p> <p><i>Note:</i> The application form must indicate the limits or combined limit actually required and the applicable endorsements (END 6(A)/6(B)/6(C)/6(F), 22).</p> <p>Private passenger vehicles Enter the premium applicable to the statutory minimum limit.</p> <p><u>Optional Physical Damage</u> All Perils</p> <p>e) All Perils coverage is no longer available. Vehicles having All Perils coverage on existing Facility Association policies shall be renewed with Collision and Comprehensive coverage subject to a minimum deductible.</p> <p>d) Record All Perils losses according to the peril under which they were paid i.e. Collision losses under Collision and Comprehensive/Specified Perils losses under Comprehensive/Specified Perils.</p> <p>All other coverages Enter premium and deductibles where indicated.</p> <p><u>Premium Totals</u> <u>Liability and DCPD</u></p> <p>a) Total the appropriate premiums and enter the totals under the appropriate tables.</p> <p>b) Apply the increased limit factor for limits up to \$1,000,000.</p> <p>c) Apply the increased limit factor for limits over \$1,000,000 if required.</p> <p>d) Add the final total under each table to the total derived from adding together all other premiums.</p> <p>All Other Coverages Total the premiums in each column.</p>	<p>Refer to Rule 124 on rating of experience (fleet) rated risk.</p> <p>As the information is similar under Rule 124 will be removing from this section</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 152</p> <p>Endorsements Applicable to POL 1 (Owner's Policy)</p>	<p>END 37 - Limitation to Automobile Sound and Electronic Communication Equipment.</p> <p>Provides that, in the event of loss or damage by theft or attempted theft, the maximum amount of insurance for the equipment or the actual cash value is \$1,500 in total.</p>	<p>END 37 - Limitation to Automobile Sound and Electronic Communication Equipment.</p> <p>Provides that, in the event of loss or damage by theft or attempted theft, the maximum amount of insurance for the equipment or the actual cash value is \$1,500 in total.</p> <p>Where a vehicle is insured for Comprehensive or Specified Perils, this endorsement must be added if the Insured does not wish to purchase additional coverage.</p> <p>This endorsement must be signed by the Insured.</p>	<p>Information has been moved from section with Commonly Used Endorsements</p>	<p>This will not impact premiums</p>
COMMERCIAL SECTION				
<p>Rule 200</p> <p>Filed Underwriting Rules</p>	<p>A. The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</p> <ol style="list-style-type: none"> 1. The risk does not meet the object of the Facility Association which is to ensure the availability of automobile insurance, as required by law, in those provinces and territories of Canada in which the Association operates, to the owners and licensed drivers of motor vehicles who would otherwise have difficulty obtaining such insurance. 2. The Named Insured does not have an insurable interest in the vehicle. 3. The vehicle is registered in a jurisdiction other than one in which the application for coverage is being completed or the vehicle is not operated at any time in a jurisdiction in which the Association operates. If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction. 4. The driver of a commercial vehicle does not hold a valid operator's licence, based on the class of vehicle insured. 5. The application is incomplete, or has not been signed by the Named Insured or the risk has not been bound by the Agent/Broker. 	<p>A. The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</p> <ol style="list-style-type: none"> 1. The risk does not meet the object of the Facility Association which is to ensure the availability of automobile insurance, as required by law, in those provinces and territories of Canada in which the Association operates, to the owners and licensed drivers of motor vehicles who would otherwise have difficulty obtaining such insurance. 2. The Named Insured does not have an insurable interest in the vehicle. 3. The vehicle is registered in a jurisdiction other than one in which the application for coverage is being completed or the vehicle is not operated at any time in a jurisdiction in which the Association operates. If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction. <p>Exception: See Rule 200:C. Non-Residents and Vehicles Not Registered in Jurisdiction.</p> <ol style="list-style-type: none"> 4. The driver of the a commercial vehicle does not hold a valid operator's licence, based on the class of vehicle insured. 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 200</p> <p>Filed Underwriting Rules</p>	<p>6. Failure or refusal to supply underwriting information as identified under Rule 200.D: Supplementary Underwriting Information, necessary to underwrite the risk or underwriting information is incomplete, or underwriting information received is outside the 'oldest report date permitted', or where indicated, information is not issued by the Federal or Provincial Authority of the jurisdiction of registration.</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: In accordance with the Insurance Act, Private Passenger vehicles, including those vehicles classified for business use (Class 07 or 03) and vehicles used in farming operations with a curb weight less than 4,500kg (Class 33) are not eligible to be declined, terminated or refuse to renew.</p> <p>Certain Endorsements applicable to commercial vehicles require a signature. Where no signature is obtained, the policy may be:</p> <ul style="list-style-type: none"> a) Cancelled, in accordance with the Statutory Conditions; b) Issued without the endorsement c) Removed and policy re-rated accordingly. <p>See Rule 213: Endorsements Forms/Wordings.</p>	<p>5. The application is incomplete, or has not been signed by the Named Insured or the risk has not been bound by the Agent/Broker.</p> <p>6. Failure or refusal to supply underwriting information as identified under Rule 200.D: Supplementary Underwriting Information, necessary to underwrite the risk or underwriting information is incomplete, or underwriting information received is outside the 'oldest report date permitted', or where indicated, information is not issued by the Federal or Provincial Authority of the jurisdiction of registration.</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: In accordance with the Insurance Act, Private Passenger vehicles, including those vehicles classified for business use (Class 07 or 03) and vehicles used in farming operations with a curb weight less than 4,500kg (Class 33) are not eligible to be declined, terminated or refuse to renew. (Applicable to Alberta only)</p> <p>NOTE: Certain Endorsements applicable to commercial vehicles require a signature. Where no signature is obtained, the policy may be:</p> <ul style="list-style-type: none"> a) Cancelled, in accordance with the Statutory Conditions; b) Issued without the endorsement; c) Removed and policy re-rated accordingly. <p>See Rule 213: Endorsements Forms/Wordings.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 200</p> <p>Filed Underwriting Rules</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 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;</p> <p style="text-align: center;">or</p> <p style="padding-left: 40px;">b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;</p> <p>* Misrepresentation means an 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 style="text-align: center;">or</p> <p style="padding-left: 40px;">c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto;</p> <p style="text-align: center;">or</p> <p style="padding-left: 40px;">d) Willfully made a false statement in respect of a claim.</p> <p>Will be subject to the following coverage limitations:</p> <p style="padding-left: 20px;">i) Optional physical damage coverage shall not be provided;</p> <p style="padding-left: 20px;">ii) Completion of U.S. Filings shall not be provided.</p> <p>2. Optional Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p>	<p>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 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;</p> <p style="text-align: center;">or</p> <p style="padding-left: 40px;">b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;</p> <p>* Misrepresentation means an 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 style="text-align: center;">or</p> <p style="padding-left: 40px;">c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto;</p> <p style="text-align: center;">or</p> <p style="padding-left: 40px;">d) Willfully made a false statement in respect of a claim.</p> <p>Will be subject to the following coverage limitations:</p> <p style="padding-left: 20px;">i. Maximum \$1 million Third Party Liability limit (<i>Not applicable in Alberta</i>);</p> <p style="padding-left: 20px;">ii. Optional physical damage coverage shall not be provided;</p> <p style="padding-left: 20px;">iii. Completion of U.S. Filings shall not be provided.</p> <p>2. Optional physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter. (<i>Applicable to Alberta</i>).</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies										
<p>Rule 200 Filed Underwriting Rules</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 the rate group according to Rule 211: Vehicle Rate Group.</p> <p>C. Supplementary Underwriting Documents Applicable to Commercial Vehicles.</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 for a commercial vehicle may result in policy cancellation, in accordance with Rule 200.A.6.</p>	<p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as used for race or speed tests, optional physical damage coverage shall not be provided. For DCPD (<i>Not available in Northwest Territories, Nunavut and Yukon</i>) coverage establish the rate group according to Rule 211: Vehicle Rate Group</p> <p>C. Non-residents and vehicles not registered in jurisdiction.</p> <p>As per the chart below, these vehicles may be operated for certain number of days at which point they must be registered and plated in that jurisdiction. A policy of insurance may be required to cover the vehicle during this period. If necessary FA will issue a short term policy for a period not to exceed the time frame indicated in the chart below to cover the insurance requirement. Upon expiry the policy will lapse and will not be renewed. If the vehicle is registered in that jurisdiction prior to the expiry of the short term policy, the short term policy will be cancelled pro rata and a new POL 1 will be issued for a 6 or 12 month term.</p> <table border="1" data-bbox="974 954 1577 1193"> <thead> <tr> <th>Time frame to Register and Plate Vehicle</th> <th>Jurisdiction</th> </tr> </thead> <tbody> <tr> <td>60 days</td> <td>Ontario and Yukon</td> </tr> <tr> <td>90 days</td> <td>Alberta, Newfoundland & Labrador, Northwest Territories, Nunavut and Nova Scotia</td> </tr> <tr> <td>4 months</td> <td>Prince Edward Island</td> </tr> <tr> <td>6 months</td> <td>New Brunswick</td> </tr> </tbody> </table> <p>D. Supplementary Underwriting Documents Applicable to Commercial Vehicles.</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 for a commercial vehicle may result in policy cancellation, in accordance with Rule 200.A.6.</p>	Time frame to Register and Plate Vehicle	Jurisdiction	60 days	Ontario and Yukon	90 days	Alberta, Newfoundland & Labrador, Northwest Territories, Nunavut and Nova Scotia	4 months	Prince Edward Island	6 months	New Brunswick	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
Time frame to Register and Plate Vehicle	Jurisdiction													
60 days	Ontario and Yukon													
90 days	Alberta, Newfoundland & Labrador, Northwest Territories, Nunavut and Nova Scotia													
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**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording			Approved Wording			Change from Current	Premium impact on existing policies
Rule 200 Filed Underwriting Rules	Document Type	Oldest Report date permitted	Frequenc y required	Document Type	Oldest Report date permitted	Frequenc y required	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
	Articles of Incorporation: Where the Named Insured is an incorporated entity, or is a limited liability company.	Date of last revision	New Business	Articles of Incorporation: Where the Named Insured is an incorporated entity, or is a limited liability company.	Date of last revision	New Business		
	FMCSA SMS "Complete" Carrier Profile (with full documentation), including U.S. DOT and MC Numbers: On all Heavy Commercial Vehicles with a Gross Vehicle Weight exceeding 4,500kg on vehicles traveling into the U.S.	90 days from date report was generated	New Business*, Renewals	FMCSA SMS "Complete" Carrier Profile (with full documentation), including U.S. DOT and MC Numbers: On all Heavy Commercial Vehicles with a Gross Vehicle Weight exceeding 4,500kg on vehicles traveling into the U.S.	90 days from date report was generated	New Business*, Renewals		
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	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			

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
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Rule	Current Wording			Approved Wording			Change from Current	Premium impact on existing policies
Rule 200 Filed Underwriting Rules	<p>NSC Carrier Profile (CVOR 'Level 2' in Ontario or Equivalent with full profile information): On all Heavy Commercial vehicles with a Gross Vehicle Weight exceeding 4,500kg. Documents supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.</p>			<p>NSC Carrier Profile (CVOR 'Level 2' in Ontario or Equivalent with full profile information): On all Heavy Commercial vehicles with a Gross Vehicle Weight exceeding 4,500kg. Documents supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.</p>			FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
	Document Type	Oldest Report date permitted	Frequency required	Document Type	Oldest Report date permitted	Frequency required		
	<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>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>			This reports seems unnecessary due to other reports received that have the same information	

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Rule 200 Filed Underwriting Rules	Safety Fitness Certificate: Required on commercial vehicles or tractor trailer combinations with a registered curb weight exceeding: a) 4,500kg when operating outside of the province of Alberta OR b) 11,794kg when operating within the province of Alberta	365 days from date report was generated	New Business, Vehicle Additions	Safety Fitness Certificate: Required on commercial vehicles or tractor trailer combinations with a registered curb weight exceeding: a) 4,500kg when operating outside of the province of Alberta OR b) 11,794kg when operating within the province of Alberta	365 days from date report was generated	New Business, Vehicle Additions	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
	Vehicle Registration: Complete copy of document 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	Vehicle Registration: Complete copy of document 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		
*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.		*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.		NOTE: <i>In accordance with the Insurance Act, Private Passenger Vehicles, including those vehicles classified for business use (Class 07 or 03) and vehicles used in farming operations with a curb weight less than 4,500kg (Class 33) are not eligible to be declined, terminated or refuse to renew.</i>				

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<p>Rule 201</p> <p>Coverages Available and Minimum Deductibles</p>	<p>A. Liability</p> <p>Not more than \$2,000,000 except:</p> <ul style="list-style-type: none"> When required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required. Where the Named Insured is required to have limits higher than \$2,000,000 but not exceeding \$5,000,000 in order to obtain a contract of work or obtain employment and where failure to do so will result in loss of the contract or employment. The Insured will be required to provide documentation of the contract requirements or employment requirements for limits no higher than \$5,000,000. This documentation is required at the time the higher limit is requested but not for subsequent renewal terms. <p>The Servicing Carrier reserves the right to decline the application of a liability limit over \$2 million.</p> <p>NOTE: At no time may the liability limit shown on any proof of insurance exceed those required by the authority concerned.</p> <p>For Example: If the Liability limit chosen by the Named Insured is \$1,000,000 and proof of insurance is required for \$500,000. The policy will be issued at \$1,000,000 but the proof of insurance shall only show \$500,000.</p> <p>The policy states that an automobile and trailer are held to be one vehicle. A trailer and any attached vehicle must be insured for the same Liability limit. If separate liability coverage is obtained for the trailer. Refer to Rule 212: Trailers, for rating instructions.</p> <p>If it is necessary to provide a Liability limit that falls between two limits for which premiums or limit factors are indicated in this manual, the premium or limit factor applicable to the higher of those two limits shall be used.</p>	<p>A. Liability</p> <p>Not more than \$2,000,000 except:</p> <ul style="list-style-type: none"> When required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required. Where the Named Insured is required to have limits higher than \$2,000,000 but not exceeding \$5,000,000 in order to obtain a contract of work or obtain employment and where failure to do so will result in loss of the contract or employment. The Insured will be required to provide documentation of the contract requirements or employment requirements for limits no higher than \$5,000,000. This documentation is required at the time the higher limit is requested but not for subsequent renewal terms. <p>The Servicing Carrier reserves the right to decline the application of a liability limit over \$2 million.</p> <p>NOTE: At no time may the liability limit shown on any proof of insurance exceed those required by the authority concerned.</p> <p>For Example: If the Liability limit chosen by the Named Insured is \$1,000,000 and proof of insurance is required for \$500,000. The policy will be issued at \$1,000,000 but the proof of insurance shall only show \$500,000.</p> <p>The policy states that an automobile and trailer are held to be one vehicle. A trailer and any attached vehicle must be insured for the same Liability limit. If separate liability coverage is obtained for the trailer. Refer to Rule 212: Trailers, for rating instructions.</p> <p>If it is necessary to provide a Liability limit that falls between two limits for which premiums or limit factors are indicated in this manual, the premium or limit factor applicable to the higher of those two limits shall be used.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 201</p> <p>Coverages Available and Minimum Deductibles</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>B. Accident Benefits</p> <p>As prescribed by statute.</p> <p>C. Optional Physical Damage Coverage and Deductibles</p> <p>All Perils coverage is no longer available. Comprehensive coverage is not available on logging vehicles.</p> <p>No optional physical damage coverage shall be provided or offered for commercial vehicles valued at \$1,000,000 or more.</p> <p>Optional physical damage coverage shall not be provided for off-road commercial vehicles e.g. logging trucks used solely in the bush.</p> <p>Under this coverage, a motor vehicle and one or more trailers are separate automobiles; consequently, different deductibles for trailers and towing vehicles are permitted.</p>	<p>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>B. Accident Benefits</p> <p>As prescribed by statute. Optional increased benefits are available in Ontario only.</p> <p>C. Uninsured Automobile</p> <p>As provided in the policy. Uninsured Automobile Applicable to All Jurisdictions except in Alberta, Northwest Territories, Nunavut, and Yukon where Uninsured Automobile coverage is not available.</p> <p>F-D.-Direct Compensation Property Damage (DCPD)</p> <p>No deductibles are applicable. Deductibles are available in Ontario only.</p> <p>DCPD Applicable to All Jurisdictions except in Northwest Territories, Nunavut and Yukon where DCPD coverage is not available.</p> <p>E. Optional Physical Damage Coverage and Deductibles</p> <p>All Perils coverage is no longer available. Comprehensive coverage is not available on logging vehicles in Alberta, Northwest Territories, Nunavut and Yukon.</p> <p>No optional physical damage coverage shall be provided or offered for commercial vehicles valued at \$1,000,000 or more.</p> <p>Optional physical damage coverage shall not be provided for off-road commercial vehicles e.g. logging trucks used solely in the bush.</p> <p>Under this coverage, a motor vehicle and one or more trailers are separate automobiles; consequently, different deductibles for trailers and towing vehicles are permitted.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 201</p> <p>Coverages Available and Minimum Deductibles</p>	<p>Any higher minimum deductibles provided for in this manual shall override these amounts.</p> <p>Higher deductibles based on claims shall only be imposed when there have been a sufficient number of claims under any given coverage to warrant such application.</p> <p>For example one Collision loss and three Comprehensive losses in the previous 12 months will 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, DCPD, Accident Benefits) are removed or suspended by way of END 16 twice in one year, subsequent requests will not be permitted until the following renewal. It is not necessary to remove the license plate from the vehicle while coverage is removed or suspended.</p> <p>If Statutory coverages are not added to the vehicle by the renewal date, the vehicle shall be renewed once with Comprehensive or Specified Perils Coverages only, then lapsed at the next renewal if there is no other vehicle with Statutory coverage on the policy.</p> <p>Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.</p> <p>D. Family Protection Coverage (END 44)</p> <p>For a brief description refer to Rule 243: Endorsements Applicable to POL 1 (Owner’s Policy). The premium varies with the Liability limit applicable to the vehicle. The coverage limit provided by this endorsement is the same as the Liability limit applicable to the vehicle.</p> <p><i>For example:</i> If the vehicle is insured with a Liability of \$2,000,000 the END 44 will also have a limit of \$2,000,000.</p>	<p>Any higher minimum deductibles provided for in this manual shall override these amounts.</p> <p>Higher deductibles based on claims shall only be imposed when there have been a sufficient number of claims under any given coverage to warrant such application.</p> <p>For example one Collision loss and three Comprehensive losses in the previous 12 months will 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, DCPD, Accident Benefits and 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>NOTE: Uninsured Automobile is applicable in all jurisdictions except in Alberta, Northwest Territories, Nunavut, and Yukon. DCPD is available in all jurisdiction except in Northwest Territories, Nunavut and Yukon.</p> <p>If Statutory coverages are not added to the vehicle by the renewal date, the vehicle shall be renewed once with Comprehensive or Specified Perils Coverages only, then lapsed at the next renewal if there is no other vehicle with Statutory coverage on the policy.</p> <p>Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.</p> <p>D. F. Family Protection Coverage END 44 / END 44R (Ontario only)</p> <p>For a brief description refer to Rule 243: Endorsements Applicable to POL 1 (Owner’s Policy). The premium varies with the Liability limit applicable to the vehicle. The coverage</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 201</p> <p>Coverages Available and Minimum Deductibles</p>	<p>END 44 is not available for vehicles that are subject to the Public Section of this manual.</p> <p>E: Minimum Coverage</p> <p>Individually rated commercial policies are required to provide at least the statutory minimum coverage applicable to the jurisdiction in which the vehicle is registered except when an automobile is temporarily out of use and in storage.</p> <p>Coverage other than Comprehensive or Specified Perils may be suspended by means of END 16 for those vehicles that are temporarily laid up. This endorsement does not suspend coverages that relate to 'driving other vehicles'.</p> <p>The endorsement may be used in respect of most private passenger and commercial-type vehicles. In no event shall a refund be granted for any suspension of less than forty-five (45) consecutive days.</p> <p>Suspended coverages are reinstated by means of END 17.</p> <p>Note: END 44 may remain on a policy only where 'moving' coverages have been suspended by means of END 16. END 16/17 is not available on experience rated risks.</p> <p>For Light Commercial vehicles only, in the case of an existing policy that includes Comprehensive or Specified Perils coverage, coverages other than Comprehensive or Specified Perils coverage may be deleted for a maximum of 90 consecutive days. <i>Refer to Rule 201.C.d: Vehicles Insured for Comprehensive or Specified Perils Only, for conditions.</i></p> <p>Note: If all coverages except Comprehensive or Specified Perils are deleted entirely, END 44 must be deleted as well.</p> <p>Statutory Minimum coverage is to be maintained at all times on policies where the following conditions exist:</p> <ul style="list-style-type: none"> • Vehicles for which proof of insurance is issued or filed; 	<p>limit provided by this endorsement is the same as the Liability limit applicable to the vehicle.</p> <p>For example: If the vehicle is insured with a Liability limit of \$2,000,000, the END 44/END 44R will also have a limit of \$2,000,000.</p> <p>END 44 is not available for vehicles that are subject to the Public Section of this manual.</p> <p>E: G. Minimum Coverage</p> <p>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 in Alberta and Ontario; sixty (60) consecutive days in New Brunswick, Newfoundland, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island and Yukon.</p> <p>Suspended coverages are reinstated by means of END 17.</p> <p>Note: END 44/44R (<i>Ontario only</i>) 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 coverage may be deleted for a maximum of 90 consecutive days. Refer to Rule 201.C.d: Vehicles Insured for Comprehensive or Specified Perils Only, for conditions.</p> <p>Note: If all coverages except Comprehensive or Specified</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 201</p> <p>Coverages Available and Minimum Deductibles</p>	<ul style="list-style-type: none"> • Recreational vehicles to which the Recreational Section applies; • Vehicles that were never intended to be driven (e.g. Vehicles registered as Antique under the Traffic Safety Act); • Vehicles for sale whether or not on an auto dealer’s lot; • Experience rated risks. <p>Definitions: Temporarily: May be defined as ‘a limited time only, as distinguished from that which is perpetual or indefinite in duration’. There is an anticipated end point to the vehicle being out of use. Agent/Broker must indicate on the application or policy change request what the anticipated end date is, whether that is 3, 8 or 36 months from the date of the request.</p> <p>Out of use: The vehicle will not be driven either by the Insured or by garage personnel or potential purchasers.</p> <p>In storage: The vehicle is not readily available for use e.g. the plates have been removed, the battery has been removed etc. The Agent/Broker must confirm on the application or policy change request that the vehicle is out of use and in storage.</p> <p>F. Direct Compensation – Property Damage (DCPD)</p> <p>No deductible are applicable</p>	<p>Perils are deleted entirely, END 44/ 44R (<i>Ontario only</i>) must be deleted as well. Statutory Minimum coverage is to be maintained at all times on policies (including all listed vehicles) 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 registered as Antique under the Traffic Safety Act); • Vehicles for sale whether or not on an auto dealer’s lot; • Experience rated risks. <p>Definitions: Temporarily: May be defined as ‘a limited time only, as distinguished from that which is perpetual or indefinite in duration’. There is an anticipated end point to the vehicle being out of use. Agent/Broker must indicate on the application or policy change request what the anticipated end date is, whether that is 3, 8 or 36 months from the date of the request.</p> <p>Out of use: The vehicle will not be driven either by the Insured or by garage personnel or potential purchasers.</p> <p>In storage: The vehicle is not readily available for use e.g. the plates have been removed, the battery has been removed etc. The Agent/Broker must confirm on the application or policy change request that the vehicle is out of use and in storage.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 203</p> <p>Binding Coverage – 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 Named Insured(s) of the vehicle(s) detailing all information on the risk. 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>A. Requirements/Procedures for binding new policies</p> <p>1) The Agent/Broker must have a fully completed application signed by the Named Insured(s) of the vehicle(s) detailing all information on the risk. 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>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 203</p> <p>Binding Coverage – New Policies</p>	<p>Refer to Rule 204: New Policies for additional information as to who may enter into a contract of Insurance.</p> <p>2) Before binding coverage the Agent/Broker must either</p> <p>a) Collect or assume responsibility for the full indicated premium (experience rated risks at Driving Record 0 or, if established, the promulgated fleet rating)</p> <p>Or</p> <p>b) Obtain a fully completed premium finance contract together with the full down payment required and promptly send that contract to the finance company office.</p> <p>3) The insurance shall take effect as of the time and date the coverage is bound as evidenced by the Application signed by the Insured. However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day the date coverage was bound. The premium rates to be applied are those in effect on the binding.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 1. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p> <p>4) If the application form cannot be sent to the Servicing Carrier on the date on which coverage was effected, it must be sent the next working day.</p> <p>5) The Servicing Carrier shall normally issue the policy within 30 days of the effective date. If the Agent/Broker does not receive the policy and the full term liability card within that time, a further temporary liability card must be issued by the Agent/Broker and the Servicing Carrier must be</p>	<p>Refer to Rule 204: New Policies for additional information as to who may enter into a contract of Insurance.</p> <p>2) Before binding coverage the Agent/Broker must either:</p> <p>a) Collect or assume responsibility for the full indicated premium (experience rated risks at Driving Record 0 or, if established, the promulgated fleet rating)</p> <p>or</p> <p>b) Obtain a fully completed premium finance contract together with the full down payment required and promptly send that contract to the finance company office.</p> <p>3) The insurance shall take effect as of the time and date the coverage is bound as evidenced by the Application signed by the Insured. However, except when the binding time is 12:01 a.m. of a future date, the policy shall be shown as effective at 12:01 a.m. on the day the date coverage was bound. The premium rates to be applied are those in effect on the binding date.</p> <p><i>For example:</i></p> <p>a) Coverage is bound at 1:00 p.m. on June 1. The application is signed on June 1. The policy will be issued showing an effective date of 12:01 a.m. June 1. However, the coverage is in effect as of 1:00 p.m. on June 1.</p> <p>b) Coverage is bound as of 12:01 a.m. June 1. The application was signed on May 29. The policy will be issued showing an effective date of 12:01 a.m. June 1.</p> <p>4) If the application form cannot be sent to the Servicing Carrier on the date on which coverage was effected, it must be sent the next working day.</p> <p>5) The Servicing Carrier shall normally issue the policy within 30 days of the received date. If the Agent/Broker does not receive the policy and the full term liability card within that time, a further temporary liability card must be issued by the Agent/Broker and the Servicing Carrier must be contacted immediately to determine the status of the policy.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 203</p> <p>Binding Coverage – New Policies</p>	<p>contacted immediately to determine the status of the policy.</p> <p>6) Optional physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>B. Term of binding new policies</p> <p>The term of binding and of the temporary liability card is 30 days. The temporary liability card may not be amended to indicate a longer period. If a short term policy is to be issued, the temporary liability card shall be amended to indicate a shorter period.</p>	<p>6) Optional physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter. <i>(Applicable to Alberta only).</i></p> <p>B. Term of binding new policies</p> <p>The term of binding and of the temporary liability card is 30 days. The temporary liability card may not be amended to indicate a longer period. If a short term policy is to be issued, the temporary liability card shall be amended to indicate a shorter period.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 204</p> <p>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): OR d) Non-governmental organization (incorporated or unincorporated).</p> <p>Insurance contracts must be made with individuals who have the capacity to enter into a contract and have the authority to enter into a contract on behalf of a Partnership, Joint Venture or Limited Liability Company. Upon the Servicing Carriers request, Articles of Incorporation will be required to confirm insurable interest.</p> <p>The Name of Insured must reflect the full name, including all “operating as” and/or “Trade” names of the individual or the business as registered with the appropriate municipal, provincial or federal authority and must be the same as the name on the vehicle registration.</p> <p>Two or More Names as Named Insured:</p> <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</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): OR d) Non-governmental organization (incorporated or unincorporated). <i>(Applicable to Alberta only).</i></p> <p>Insurance contracts must be made with individuals who have the capacity to enter into a contract and have the authority to enter into a contract on behalf of a Partnership, Joint Venture or Limited Liability Company. Upon the Servicing Carriers request, Articles of Incorporation will be required to confirm insurable interest.</p> <p>The Name of Insured must reflect the full name, including all “operating as” and/or “Trade” names of the individual or the business as registered with the appropriate municipal, provincial or federal authority and must be the same as the name on the vehicle registration.</p> <p>Two or More Names as Named Insured:</p> <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</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 204 New Policies</p>	<p>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. 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 subject to a long-term lease (leased over 30 days). The Lessee must be the same individual or entity as the registered owner of any owned vehicles. Refer to Rule 237: Long Term Leases-Specified Lessees - Leases Exceeding 30 Days.</p> <p>Where it is discovered in the middle of the policy term, that a single policy has been issued with two (or more) unrelated individuals or limited liability entities, both signatures shall be required on any subsequent request for cancellation of the policy or deletion of a vehicle or coverage. Separate policies must be issued at the time of next renewal.</p> <p>B. Application Form</p> <p>Every application for insurance must be made on a current approved Standard Application Form and must be fully completed and signed by the Named Insured(s) where required. See also Rule 204:E. Computer Generated Application Forms.</p> <p>Commercial, garage, public, experience rated and some specially rated risks will require completion of supplementary questionnaires.</p>	<p>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. 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 subject to a long-term lease (leased over 30 days). The Lessee must be the same individual or entity as the registered owner of any owned vehicles. Refer to Rule 237: Long Term Leases-Specified Lessees - Leases Exceeding 30 Days.</p> <p>Where it is discovered in the middle of the policy term, that a single policy has been issued with two (or more) unrelated individuals or limited liability entities, both signatures shall be required on any subsequent request for cancellation of the policy or deletion of a vehicle or coverage. Separate policies must be issued at the time of next renewal.</p> <p>B. Application Form</p> <p>Every application for insurance must be made on a current approved Facility Association or Standard Application Form and must be fully completed and signed by 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>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 204</p> <p>New Policies</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>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</p> <p>Fully completed and signed current approved Standard Application Forms submitted by fax are acceptable in lieu of original applications. Where required, these applications must be accompanied by the appropriate questionnaires or supplements. Where the original application has been submitted without signature, a signed and faxed copy of the application is acceptable to complete the signature requirement.</p> <p>E. Computer Generated Application Forms</p> <p>These application forms are acceptable but must be in the standard format approved by the applicable regulatory authority and must include all information that is required to be provided on the current approved Standard Application Form.</p> <p>The computerized application must be signed and dated by the Named Insured(s).</p>	<p>On the current standard approved application form (<i>Applicable New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island</i>) under the Commercial Rated Vehicles section, if vehicle weight is over 4500kg and/or operating radius is greater than 40 kms, a completed Commercial Vehicle Supplement must be submitted with the application.</p> <p>For all other jurisdictions, a completed Commercial Vehicle Supplement must always be submitted with the application.</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>Only a current approved Facility Association or Standard Application Form (APP 1) may be used. The Agent/Broker must indicate the time and date that coverage is bound.</p> <p>D. Faxed Applications</p> <p>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</p> <p>These application forms are acceptable but must be in the standard format approved by the applicable regulatory authority and must include all information that is required to be provided on the current approved Standard Application Form.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p> <p>This part will be removed as faxed application do not seem to apply anymore</p>	<p>This will not impact premiums</p>

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<p>Rule 204</p> <p>New Policies</p>	<p>F. Named Insured(s) Signature</p> <p>The Named Insured (s) signature shall be provided on the current approved Standard Application Form or the computerized application form at the time of binding whenever possible.</p> <p>If the Named Insured (s) signature cannot be obtained at the time of binding, the Servicing Carrier shall allow the Agent/Broker 30 days to obtain a signature on the original application provided the Agent/Broker assumes responsibility for the full indicated premium. In the meantime, the Agent/Broker must send a copy of the completed but unsigned application to the Servicing Carrier.</p> <p>If a signed copy of the application is not received by the Servicing Carrier within the 30 day time period, the Servicing Carrier shall immediately cancel the policy by registered letter. The Agent/Broker shall be responsible for the full indicated earned premium for the time on risk.</p> <p>G. No Prior Insurance with Out of Province including U.S. Exposure</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-</p>	<p>The computerized application must be signed and dated by the Named Insured(s), as well as the Agent/Broker where required.</p> <p>E. Named Insured(s) Signature</p> <p>The Named Insured (s) signature shall be provided on the current approved Standard Application Form or the computerized application form at the time of binding whenever possible.</p> <p>If the Named Insured (s) signature cannot be obtained at the time of binding, the Servicing Carrier shall allow the Agent/Broker 30 days to obtain a signature on the original application provided the Agent/Broker assumes responsibility for the full indicated premium. In the meantime, the Agent/Broker must send a copy of the completed but unsigned application to the Servicing Carrier.</p> <p>If a signed copy of the application is not received by the Servicing Carrier within the 30 day time period, the Servicing Carrier shall immediately cancel the policy by registered letter. The Agent/Broker shall be responsible for the full indicated earned premium for the time on risk.</p> <p>F. 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>When binding a new risk with no prior insurance or where the Named Insured has not previously traveled outside of the Province/Territory and/or U.S.; the vehicle(s) will be treated as if they are traveling outside of the Province/Territory and/or U.S. 75% of the time. Refer to Rule 228 to determine the applicable out of Province and/or U.S. surcharge.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 204 New Policies	<p>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>H. Other Insurance</p> <p>If there is any other insurance in force in respect of a risk:</p> <p>a) Binding shall not be made effective before the expiry of that other insurance.</p> <p>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.</p> <p>I. Variation in Coverage</p> <p>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 the 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</p> <p>In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium:</p> <p>a) Driver record abstract obtained from the appropriate government department in each Canadian and/or U.S. jurisdiction in which the driver has been licensed in the previous three years. The report date of the Driver Abstract shall not exceed 90 days prior to the effective date of the policy.</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>G. Other Insurance</p> <p>If there is any other insurance in force in respect of a risk:</p> <p>a) Binding shall not be made effective before the expiry of that other insurance.</p> <p>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</p> <p>H. Variation in Coverage</p> <p>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 the 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>I. Verification of Driving History</p> <p>In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium:</p> <p>a) Driver record abstract obtained from the appropriate government department in each Canadian and/or U.S. jurisdiction in which the driver has been licensed in the previous three years. The report date of the Driver</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>




**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 204 New Policies</p>	<p>b) All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Named Insured (s) claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> <p>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or Named Insured (s) with only an international licence. See special instructions under Fleets and the Garage section.</p> <p>See special instructions under Rule 239: Fleets.</p>	<p>Abstract shall not exceed 90 days prior to the effective date of the policy.</p> <p>b) All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Named Insured (s) claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> <p>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or Named Insured (s) with only an International licence. See special instructions under Fleets and the Garage section.</p> <p>See special instructions under Rule 239: Fleets.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 205 Definitions</p>	<p>A. Commercial Vehicle</p> <p>A motor vehicle used primarily to transport materials, goods, tools or equipment in connection with the Applicant’s occupation, and includes a police department truck, a fire department truck, driver training truck, a vehicle designed specifically for construction or maintenance purposes, a vehicle designed to perform a function by means of motive power which is both separate from and additional to the function of transportation and travel, or a trailer intended for use with a commercial vehicle.</p> <p>Commercial vehicle does not include vehicles:</p> <p>a) Used primarily for the transportation of persons. Refer to the Private Passenger or Public Section.</p>	<p>A. Commercial Vehicle</p> <p>A motor vehicle used primarily to transport materials, goods, tools or equipment in connection with the Applicant’s occupation, and includes a police department truck, a fire department truck, driver training truck, a vehicle designed specifically for construction or maintenance purposes, a vehicle designed to perform a function by means of motive power which is both separate from and additional to the function of transportation and travel, or a trailer intended for use with a commercial vehicle.</p> <p>Commercial vehicle does not include vehicles:</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>





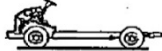

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 205 Definitions</p>	<p>b) Held for sale, demonstration and/or testing. Refer to the Garage Section.</p> <p>B. Vehicle For the purposes of this section of the manual, the unqualified word 'vehicle' shall include 'trailer' unless otherwise indicated.</p> <p>C. Trailer A unit not equipped with its own motive power designed to be towed by a motor vehicle and intended to be used with a commercial vehicle.</p> <p>D. Owned/Leased The expression 'owned by' (as in a vehicle owned by the Applicant) includes 'leased to' if the Applicant is/was responsible for obtaining the Liability insurance for the leased vehicle/item concerned. A similar interpretation applies to 'owns, ownership', etc.</p> <p>E. Rating Information If indicated on the current standard approved application form as a requirement for certain types of commercial risks, a completed Commercial Vehicle Supplement must be submitted with the application.</p> <p>The information in the application and the Commercial Vehicle Supplement (where required and/or provided) is used to determine classification and rating territory.</p> <p>When a commercial vehicle is operated within a certain radius from different bases where required by different contracts, the territory shall be that of the highest rated location and the radius shall be the road distance of operation from that base.</p> <p><i>For Example:</i> An Alberta construction company's gravel truck is used throughout the province at various construction sites as required by various contracts. The work involves hauling from a pit to a nearby construction site but hauling no further than an 80 km radius.</p>	<p>a) Used primarily for the transportation of persons. Refer to the Private Passenger or Public Section.</p> <p>b) Held for sale, demonstration and/or testing. Refer to the Garage Section.</p> <p>B. Vehicle For the purposes of this section of the manual, the unqualified word 'vehicle' shall include 'trailer' unless otherwise indicated.</p> <p>C. Trailer A unit not equipped with its own motive power designed to be towed by a motor vehicle and intended to be used with a commercial vehicle.</p> <p>D. Owned/Leased The expression 'owned by' (as in a vehicle owned by the Applicant) includes 'leased to' if the Applicant is/was responsible for obtaining the Liability insurance for the leased vehicle/item concerned. A similar interpretation applies to 'owns, ownership', etc.</p> <p>E. Rating Information If indicated on the current standard approved application form as a requirement for certain types of commercial risks, a completed Commercial Vehicle Supplement must be submitted with the application.</p> <p>The information in the application and the Commercial Vehicle Supplement (where required and/or provided) is used to determine classification and rating territory.</p> <p>When a commercial vehicle is operated from different locations where required by different contracts, the territory shall be that of the highest rated location and the radius shall be determined from that location.</p> <p><i>For Example:</i> A Alberta construction company's gravel truck is used throughout the province at various construction sites as required by various contracts. The work involves hauling from</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>


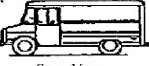

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 205 Definitions</p>	<p>The territory will be the highest rated where work is done and the class is Class 42 (hauling within an 80 km radius).</p> <p>F. Types of Commercial Vehicles</p> <p>Standard Production The following truck types are generally light and, if standard production models are rated from Rate Group Table I.</p> <p>Pickup - A truck with an open box behind the vehicle cab (identified by Body Code 0 in Rate Group Table I). The cab may be extended to accommodate additional seating behind the regular driving seat – may be referred to as crew, extended, or super cabs.</p> <div style="text-align: center;">  <p>Standard Pickup</p>  <p>Extended, Crew or Super Cab</p> </div> <p>Utility - A 'jeep' like truck which may be completely open, have a cab similar to a pickup or have a canvas or full top (identified by Body Code M in Rate Group Table 1).</p> <div style="text-align: center;">  <p>Multi-purpose Vehicle</p> </div> <p>Van - A truck with a box like design (identified by Body Code 1 in Rate Group Table 1). Formerly known as panel trucks. Vans have the driver's compartment and the cargo area within the body.</p>	<p>a pit to a nearby construction site. The territory will be the highest rated where work is done and the class is Class 42 (hauling within an 80 km radius).</p> <p>The territory will be the highest rated where work is done and the class is Class 42 (hauling within an 80 km radius).</p> <p>F. Types of Commercial Vehicles</p> <p>Standard Production The following truck types are generally light and, if standard production models are rated from Rate Group Table I.</p> <p>Pickup - A truck with an open box behind the vehicle cab (identified by Body Code 0 in Rate Group Table I). The cab may be extended to accommodate additional seating behind the regular driving seat – may be referred to as crew, extended, or super cabs.</p> <p>Utility - A 'jeep' like truck which may be completely open, have a cab similar to a pickup or have a canvas or full top (identified by Body Code M in Rate Group Table 1).</p> <p>Van - A truck with a box like design (identified by Body Code 1 in Rate Group Table 1). Formerly known as panel trucks. Vans have the driver's compartment and the cargo area within the body.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 205</p> <p>Definitions</p>	<div style="text-align: center;">  Van </div> <div style="text-align: center;">  Window Van </div> <p>Wagon - A truck built from a van or pickup chassis with seating for passengers (identified by Body Code W in Rate Group Table 1).</p> <div style="text-align: center;">  Van </div> <div style="text-align: center;">  Window Van </div> <p>Non Standard Production Other truck types that are built from a chassis (the basic frame of a vehicle, including the engine, wheels, and other mechanical parts but not the body) or chassis and cab (a chassis equipped with a driver's compartment) by the addition of a body to carry goods or for specialized uses. Because these vehicles vary greatly even within a particular body style, Rate Group Table II must be used to establish a rate group.</p> <div style="text-align: center;">  Chassis </div> <div style="text-align: center;">  Chassis & Cab </div> <p>The 'body' may be flat platform (platform or flat deck) or with racks (stake). Stake trucks often have canvas tops. With the addition of a fully enclosed box the vehicle is known as a van. Some have the cargo area open to the driver's compartment (Step Van); others have rear or side doors for access to the cargo.</p>	<p>Wagon - A truck built from a van or pickup chassis with seating for passengers (identified by Body Code W in Rate Group Table 1).</p> <p>Non Standard Production Other truck types that are built from a chassis (the basic frame of a vehicle, including the engine, wheels, and other mechanical parts but not the body) or chassis and cab (a chassis equipped with a driver's compartment) by the addition of a body to carry goods or for specialized uses. Because these vehicles vary greatly even within a particular body style, Rate Group Table II must be used to establish a rate group.</p> <p>The 'body' may be flat platform (platform or flat deck) or with racks (stake). Stake trucks often have canvas tops. With the addition of a fully enclosed box the vehicle is known as a van. Some have the cargo area open to the driver's compartment (Step Van); others have rear or side doors for access to the cargo.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 205</p> <p>Definitions</p>	<div style="text-align: center;">  Van  Step Van </div> <p>Road Tractor - is a motor vehicle with a fifth wheel coupling device for attaching semi-trailers. A fifth wheel is a coupling device mounted on a road tractor and used to connect a semi trailer. It acts as a hinge point to assist longer vehicles in turning corners.</p> <div style="text-align: center;">  Road Tractor </div> <p>In addition, a commercial vehicle using Rate Group Table II:</p> <ul style="list-style-type: none"> a) may be of the private passenger or station wagon body type, in other words, a vehicle built on a private passenger chassis. b) is a snow vehicle with a GVW in excess of 1 tonne (2,200 lbs.), or a snow groomer regardless of weight. c) may be another specialized vehicle such as road machinery (e.g. graders). d) is a motorcycle designed and used for commercial purposes. <p>G. Gross Vehicle Weight (GVW)</p> <p>The Gross Vehicle Weight is the curb weight of the vehicle plus the maximum load capacity. Generally the vehicle permit (licence) will show the Gross Vehicle Weight. The gross vehicle weight is shown in manufacturer's specification and all truck data books. The GVW is not to be confused with load capacity such as a 3 ton van or 1/2 ton pickup – the GVW for 1/2 ton pickup will range from 3000 to about 6600 pounds (1.4 to 3.5 metric tonnes).</p> <p>H. Machinery or Apparatus</p> <p>Commercial vehicles are often equipped with machinery or apparatus. There are two types:</p>	<p>Road Tractor - is a motor vehicle with a fifth wheel coupling device for attaching semi-trailers. A fifth wheel is a coupling device mounted on a road tractor and used to connect a semi trailer. It acts as a hinge point to assist longer vehicles in turning corners.</p> <p>In addition, a commercial vehicle using Rate Group Table II:</p> <ul style="list-style-type: none"> a) may be of the private passenger or station wagon body type, in other words, a vehicle built on a private passenger chassis. b) is a snow vehicle with a GVW in excess of 1000 KG, or a snow groomer regardless of weight. c) may be another specialized vehicle such as road machinery (e.g. graders). d) is a motorcycle designed and used for commercial purposes. <p>G. Gross Vehicle Weight (GVW)</p> <p>The Gross Vehicle Weight is the curb weight of the vehicle plus the maximum load capacity. Generally the vehicle registration (permit) will show the Gross Vehicle Weight. The gross vehicle weight is shown in manufacturer's specification and all truck data books. The GVW is not to be confused with load capacity such as a 3000 KG (3 ton) van or 500 KG (1/2 ton) pickup – the GVW for 500 KG (1/2 ton) pickup will range from 1400 to about 3000 KG (1.4 to 3.5 metric tonnes).</p> <p>H. Machinery or Apparatus</p> <p>Commercial vehicles are often equipped with machinery or apparatus. There are two types:</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 205</p> <p>Definitions</p>	<p>1. The equipment is designed to perform a function by means of motive power. This function is both additional to and separate from the functions of transportation and travel (e.g. welding, spraying, excavating, well drilling, cooking equipment). Insurance must be made subject to END 30(B) which excludes coverage under Liability, DCPD and Accident Benefits while at the site of the work (operation of the machinery or apparatus). Refer to Rule 243: Endorsements Applicable to POL 1 (Owner’s Policy).</p> <p>2. Some equipment is permanently attached to and used for the loading/unloading operations of the vehicle (e.g., fuel oil delivery pumping equipment, or, small hoisting equipment normally found on brick trucks) or the equipment requires the vehicle to be in motion on a public road in order for it to do the work (e.g. snow plows, street sweepers). END 30 (B) is not used in these situations.</p> <p>Some equipment owned by others may be attached to the vehicle e.g. the Applicant owns the truck but uses a tank body and pumping equipment owned by another. The coverage may be extended by attaching END 31 (Non-owned Equipment). The physical damage coverage may only be the same as that provided on the vehicle. END 30 and 31 cannot be attached to the vehicle at the same time. In circumstances where coverage for attached machinery is excluded by endorsement from the commercial vehicle, coverage may be purchased on a commercial property/general liability policy.</p>	<p>1. The equipment is designed to perform a function by means of motive power. This function is both additional to and separate from the functions of transportation and travel (e.g. welding, spraying, excavating, well drilling, cooking equipment). Insurance must be made subject to END 30(B) which excludes coverage under Liability and Accident Benefits while at the site of the work (operation of the machinery or apparatus). Refer to Rule 243: Endorsements Applicable to POL 1 (Owner’s Policy).</p> <p>2. Some equipment is permanently attached to and used for the loading/unloading operations of the vehicle (e.g., fuel oil delivery pumping equipment, or, small hoisting equipment normally found on brick trucks) or the equipment requires the vehicle to be in motion on a public road in order for it to do the work (e.g. snow plows, street sweepers). END 30(B) is not used in these situations.</p> <p>Some equipment owned by others may be attached to the vehicle E.g. the Applicant owns the truck but uses a tank body and pumping equipment owned by another. The coverage may be extended by attaching END 31 (Non-Owned Equipment). The optional physical damage coverage may only be the same as that provided on the vehicle.</p> <p>END 30(B) and 31 cannot be attached to the vehicle at the same time. In circumstances where coverage for attached machinery is excluded by endorsement from the commercial vehicle, coverage may be purchased on a commercial property/general liability policy.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 206</p> <p>Rating Territory</p>	<p>The rating territories are described in Rule 244: Territories.</p> <p>If a filing is required for a higher rated territory, the rate for that higher rated territory must be used regardless of the number of trips to that higher rated territory.</p> <p>The applicable rating territory is that in which the vehicle ‘is and will be chiefly used’. If however, the vehicle is operated regularly i.e. more than 12 trips per year to or through other territories, the highest rated of those</p>	<p>The rating territories are described in the Territory section of this manual.</p> <p>If a filing is required for a higher rated territory, the rate for that higher rated territory must be used regardless of the number of trips to that higher rated territory.</p> <p>The applicable rating territory is that in which the vehicle ‘is and will be chiefly used’. If however, the vehicle is operated regularly i.e. more than 12 trips per year to or through other territories, the highest rated of those territories is to be used.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																												
Rule 206 Rating Territory	territories is to be used. This applies to all classes in the Commercial Section including Truckmen. <i>For example:</i> The Insured's grocery store is in Calgary, Alberta and deliveries are made to Cochrane, Alberta. The vehicle must be rated using the territory with the higher rates. For vehicles used in jurisdictions other than Alberta, refer to Rules 228 and 234. Outside Alberta exposure surcharge and currency differential surcharge are to be applied where required.	This applies to all classes in the Commercial Section including Truckmen. <i>For example:</i> The Insured's grocery store is in Calgary, Alberta and deliveries are made to Cochrane, Alberta. The vehicle must be rated using the territory with the higher rates. For vehicles used in other jurisdictions, refer to Rules 228: Outside Province Exposure and 234: Vehicles Used Outside Jurisdiction of Registration. Surcharge and U.S currency differential surcharge are to be applied where required.	FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums																												
Rule 207 Rating Class	<p>A. Load Classification</p> <table border="1"> <tr> <td>Vehicles with a Gross Vehicle Weight not in excess of 4,500kg (10,000 lbs)</td> <td>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> <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>Notes:</p> <p>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> <table> <tr> <td>Radius 81-160 km (100 miles)</td> <td>Class 61</td> </tr> <tr> <td>Radius 161- 400km</td> <td>Class 62</td> </tr> <tr> <td>Radius 401-750km</td> <td>Class 63</td> </tr> <tr> <td>Radius over 750km</td> <td>Class 64</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)	Radius 81-160 km (100 miles)	Class 61	Radius 161- 400km	Class 62	Radius 401-750km	Class 63	Radius over 750km	Class 64	<p>A. Load Classification</p> <table border="1"> <tr> <td>Vehicles with a Gross Vehicle Weight not in excess of 4,500kg (10,000 lbs)</td> <td>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> <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:</p> <p>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> <table> <tr> <td>Radius 81-160 km (100 miles)</td> <td>Class 61</td> </tr> <tr> <td>Radius 161- 400km</td> <td>Class 62</td> </tr> <tr> <td>Radius 401-750km</td> <td>Class 63</td> </tr> <tr> <td>Radius over 750km</td> <td>Class 64</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)	Radius 81-160 km (100 miles)	Class 61	Radius 161- 400km	Class 62	Radius 401-750km	Class 63	Radius over 750km	Class 64	FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 207 Rating Class</p>	<p>Special Increased Limits (for Chemical Products, Explosives, Petroleum Products, Radioactive Materials) classifications to be used if the vehicle is transporting Dangerous Goods. Refer to Interurban Rate Pages for classification and rates.</p> <p><i>For example:</i> 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>C. Exclusive Contract</p> <p>A truckman’s vehicles that are operated under contract exclusively for one party (other than for mail or milk transportation) may be classified as if owned and operated by that party if the vehicles are used within a radius of 40 km (25 miles). If used beyond a 40 km radius, rate as Truckmen.</p> <p><i>For example:</i> Acme Trucking has some trucks which are used solely for the delivery of Superior Drug Wholesalers’ products to their customer drug stores within a 40 km radius. Superior Drug Wholesales’ do not have their own trucks. Rate the Acme trucks that are used solely for this purpose as Drug Manufacturer & Wholesalers.</p> <p>D. Road Tractor Without Trailer</p> <p>When a road tractor not used in connection with a farm is insured, it is presumed that it will be used with one or</p>	<p>Special Increased Limits (for Chemical Products, Explosives, Petroleum Products, Radioactive Materials) classifications to be used if the vehicle is transporting Dangerous Goods. Refer to Interurban Rate Pages for classification and rates.</p> <p><i>For example:</i> 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>C. Exclusive Contract</p> <p>A truckman’s vehicles that are operated under contract exclusively for one party (other than for mail or milk transportation) may be classified as if owned and operated by that party if the vehicles are used within a radius of 40 km (25 miles). If used beyond a 40 km radius, rate as Truckmen.</p> <p><i>For example:</i> Acme Trucking has some trucks which are used solely for the delivery of Superior Drug Wholesaler’s products to their customer drug stores within a 40 km radius. Superior Drug Wholesales’ do not have their own trucks. Rate the Acme trucks that are used solely for this purpose as Drug Manufacturer & Wholesalers.</p> <p>D. Road Tractor Without Trailer</p> <p>When a road tractor insured, it is presumed that it will be used with one or more trailers.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 207 Rating Class	<p>more trailers. Refer to Rule 212: Rating of Trailers for rating instructions.</p> <p>For tractors used in connections with a Farm, refer to Rule 207.H: Farm Trucks.</p> <p>E. Vehicles in Transit</p> <p>A vehicle that is in transit through the jurisdiction and not used to transport goods or for the special purpose for which it was manufactured is treated as a vehicle 'not specifically classified'.</p> <p><i>For example:</i> The Insured lives in Alberta and purchases a road tractor in Ontario. The tractor is now being driven back to Alberta to be registered in that jurisdiction. The vehicle is in transit and not being used for the purpose for which it was designed. It shall be rated Class 44 (heavy vehicle not specifically classified).</p> <p>F. Electrically Powered Vehicles</p> <p>– No longer available</p> <p>G. Commercial Vehicles and Underage Operators</p> <p>A light commercial vehicle principally operated by a driver under 25 is to be rated as a commercial vehicle i.e. the age of the driver does not change the rating class. Use shall determine the rating class.</p> <p>H. Farm Trucks</p> <p>The truck of a farmer who has no other gainful occupation and is residing on the farm may be rated as a farm truck. Vehicles owned by farm managers, farm labourers,</p>	<p>Note: The semi-trailer Liability premium must be charged even if no specific trailer is described. (See Rule 212: Rating of Trailers).</p> <p>For tractors used in connections with a Farm, refer to Rule 207.H: Farm Trucks.</p> <p>E. Vehicles in Transit</p> <p>A vehicle that is in transit through the jurisdiction and not used to transport goods or for the special purpose for which it was manufactured is treated as a vehicle 'not specifically classified'.</p> <p><i>For example:</i> The Insured lives in one jurisdiction and purchases a road tractor in a different jurisdiction. The tractor is now being driven back to Alberta to be registered in the jurisdiction that the Insured resides in. The vehicle is in transit and not being used for the purpose for which it was designed. It shall be rated Class 44 (heavy vehicle not specifically classified).</p> <p>F. Electrically Powered Vehicles</p> <p>Discount is no longer available in Alberta, New Brunswick, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Yukon.</p> <p>The Liability and DCPD premiums for electrically powered vehicles are subject to a reduction of 50%. (<i>Applicable in Newfoundland & Labrador only</i>).</p> <p>G. Commercial Vehicles and Underage Operators</p> <p>A light commercial vehicle principally operated by a driver under 25 years old is to be rated as a commercial vehicle i.e. the age of the driver does not change the rating class. Use of the vehicle shall determine the rating class. (<i>Applicable to Alberta</i>).</p> <p>H. Farm Trucks</p> <p>The truck of a farmer who has no other gainful occupation and is residing on the farm may be rated as a farm truck. Vehicles owned by farm managers, farm labourers, transient</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 207 Rating Class</p>	<p>transient harvesters and part-time workers may not be rated as farm trucks.</p> <p>Class 33 is permissible only when the Applicant owns both a commercial and private passenger vehicle and is a listed driver rated on both. If the private passenger vehicle is not insured for mandatory coverage with the Servicing Carrier, the Agent/Broker must confirm in writing to the Servicing Carrier at each renewal that the Applicant owns and insures a private passenger vehicle; otherwise, the commercial vehicle is to be rated as a commercial vehicle not specifically classified.</p> <p>Class 33 or 34 is not permissible if the vehicle is used for any retail/wholesale delivery or any use not considered part of the day-to-day operation of a farm. For Class 34, a maximum 11,000 kg GVW is eligible. No extra heavy vehicles e.g. tractor trailers may be rated as farm vehicles.</p> <p>Maximum annual mileage of any vehicle rated Class 33 or Class 34 may not exceed 10,000 km.</p> <p>I. Artisan Class 35</p> <p>This class is permissible only for those vehicles that are largely immobile i.e. parked during business hours of the Applicant, at or near the place of employment. A vehicle used to go to more than two jobs in a day is not to be rated Class 35. Wholesale or retail delivery is not permitted. The Applicant or spouse also must have a private passenger vehicle insured for mandatory coverage.</p>	<p>harvesters and part-time workers may not be rated as farm trucks.</p> <p>Class 33 is permissible only when the Applicant owns both a commercial and private passenger vehicle and is a listed driver rated on both. If the private passenger vehicle is not insured for mandatory coverage with the Servicing Carrier, the Agent/Broker must confirm in writing to the Servicing Carrier at each renewal that the Applicant owns and insures a private passenger vehicle; otherwise, the commercial vehicle is to be rated as a commercial vehicle not specifically classified.</p> <p>Class 33 or 34 is not permissible if the vehicle is used for any retail/wholesale delivery or any use not considered part of the day-to-day operation of a farm. For Class 34, a maximum 11,000 kg GVW is eligible. No extra heavy vehicles e.g. tractor trailers may be rated as farm vehicles.</p> <p>Maximum annual mileage of any vehicle rated Class 33 or Class 34 may not exceed 10,000 km.</p> <p>I. Artisan Class 35</p> <p>This class is permissible only for those vehicles that are largely immobile i.e. parked during business hours of the Applicant, at or near the place of employment. A vehicle used to go to more than two jobs in a day is not to be rated Class 35. Wholesale or retail delivery is not permitted. The Applicant or spouse also must have a private passenger vehicle insured for mandatory coverage.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 208</p> <p>Rating for More Than One Use</p>	<p>If a vehicle is used for more than one commercial purpose, the highest rated class (based on premium) must be used regardless of the percentage of exposure.</p> <p>Since private passenger Classes 01, 02, 03 and 07 exclude commercial use, vehicles used for both private passenger and commercial use must be rated commercially.</p> <p>Examples</p> <p>a) The insured has a mini van used for courier purposes and for pleasure. Rate the vehicle for courier delivery.</p> <p>b) The insured has a light pickup truck. During the day he makes business calls to clients of the company he works for as a salesman. During the night he works for another company delivering pizza. Rate the vehicle for pizza delivery.</p> <p>c) The Insured owns and operates a courier business with one Straight Truck currently rated for courier services. The Insured successfully bids on a contract to transport radioactive medical isotopes to local hospitals one day per month. Rate the vehicle for the transportation of dangerous goods.</p> <p>Slip Tanks <u>not</u> carrying petroleum products are to be rated based on commodity hauled, Class 48 (Dangerous Goods) must not be used.</p> <p>Refer to Rule 236 for instructions on how to rate Driver Training Vehicles. Refer to Rule 238 for instructions on how to rate Short Term Leases.</p>	<p>If a vehicle is used for more than one commercial purpose, the highest rated class (based on premium) must be used regardless of the percentage of exposure.</p> <p>Since private passenger Classes 01, 02, 03 and 07 exclude commercial use, vehicles used for both private passenger and commercial use must be rated commercially.</p> <p>Example 1: The Insured has a mini van used for courier purposes and for pleasure. Rate the vehicle for courier delivery.</p> <p>Example 2: The Insured has a light pickup truck. During the day, the Insured makes business calls to clients of the company he works s-for as a salesman. During the night the Insured works for another company delivering pizza. Rate the vehicle for pizza delivery.</p> <p>Example 3: The Insured owns and operates a courier business with one Straight Truck currently rated for courier services. The Insured successfully bids on a contract to transport radioactive medical isotopes to local hospitals one day per month. Rate the vehicle for the transportation of dangerous goods.</p> <p>Slip Tanks <u>not</u> carrying petroleum products are to be rated based on commodity hauled, Class 48 (Dangerous Goods) must not be used.</p> <p>Refer to Rule 236 for instructions on how to rate Driver Training Vehicles. Refer to Rule 238 for instructions on how to rate Short Term Leases.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 209</p> <p>Driving Record</p>	<p>Driving record for individually rated policies are the number of years of verified 'Clear Record'. This rule does not apply to coverages that are fleet rated.</p> <p>See special instructions under Rule 239: Fleets.</p> <p>All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing</p>	<p>Driving record for individually rated policies are the number of years of verified 'Clear Record'. This rule does not apply to coverages that are experience (fleet) rated.</p> <p>See special instructions under Rule 239: Fleets.</p> <p>All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																				
<p>Rule 209 Driving Record</p>	<p>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 details to the satisfaction of the Servicing Carrier, the re-rating shall then be backdated appropriately.</p> <p>A. Clear Record</p> <p>Throughout the period concerned:</p> <ol style="list-style-type: none"> 1. There has been no accident involving the described vehicle or one for which it has been substituted; <p>and</p> <ol style="list-style-type: none"> 2. The Named Insured (s) has owned the described vehicle or one of a similar type for which it has been substituted. <p>Ownership is established from the date on which the Applicant takes possession of the vehicle.</p> <p>There is no requirement that drivers are accident free on other vehicles – the rating is determined from the vehicle history not the driver’s history.</p> <p>B. Driving Record Entitlement</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <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</p> <ol style="list-style-type: none"> 1. A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages. 	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>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 details to the satisfaction of the Servicing Carrier, the re-rating shall then be backdated appropriately.</p> <p>A. Clear Record</p> <p>Throughout the period concerned:</p> <ol style="list-style-type: none"> 1. There has been no accident involving the described vehicle or one for which it has been substituted; <p>and</p> <ol style="list-style-type: none"> 2. The Named Insured (s) has owned the described vehicle or one of a similar type for which it has been substituted. <p>Ownership is established from the date on which the Applicant takes possession of the vehicle.</p> <p>There is no requirement that drivers are accident free on other vehicles. The rating is determined from the vehicle history not the driver’s history.</p> <p>B. Driving Record Entitlement</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <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</p> <ol style="list-style-type: none"> 1. The driving record established applies to all coverages for which driving record is a factor. There is no split rating. A chargeable accident will affect the rating of the Liability, DCPD (<i>Not available in Northwest Territories, Nunavut and Yukon</i>) and Collision coverages. 	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>the wordings across all jurisdictions</p>	<p>This will not impact premiums</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																							
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																							

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 209 Driving Record</p>	<p>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 a remaining vehicle with the best rated driving record.</p> <p><i>For example:</i> There are three vehicles on the policy all rated Class 36. Vehicle 1 is rated Driving Record 0 (due to an accident), Vehicle 2 is rated Driving Record 1 and Vehicle 3 is rated Driving Record 3. Vehicle 1 is deleted from the policy. The accident will be transferred to Vehicle 3 and the rating will be amended to Driving Record 0.</p> <p>3. Where a vehicle replaces another it acquires the driving record of the replaced vehicle.</p> <p>4. Gaps in insurance within the 3 years immediately preceding the effective date of the insurance shall have the following effect on the assignment of the driving record:</p> <ul style="list-style-type: none"> • If the gap in insurance coverage is 12 consecutive months or more as a result of a driver's licence suspension, the driving record will be reduced by 1 for each year's gap in coverage. • If the gap in insurance coverage is 24 consecutive months or more for any reason, the driving record will be reduced by 1 for each year's gap in coverage. <p><i>For example:</i> The Applicant has proof of accident free insurance from January 1, 2003 to February 8, 2005. Effective date of FA</p>	<p>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 a remaining vehicle with the best rated driving record.</p> <p><i>For example:</i> There are three vehicles on the policy all rated Class 36. Vehicle 1 is rated Driving Record 0 (due to an accident), Vehicle 2 is rated Driving Record 1 and Vehicle 3 is rated Driving Record 3. Vehicle 1 is deleted from the policy. The accident will be transferred to Vehicle 3 and the rating will be amended to Driving Record 0.</p> <p>3. Where a vehicle replaces another it acquires the driving record of the replaced vehicle.</p> <p>4. A loss history report or letter from the prior carrier is required to confirm claims-free experience for all driving records on individually-rated vehicles. Where a loss history report or letter from the previous Insurer verifying claims free experience in Canada or the U.S. is not provided, the Insured shall be eligible for a maximum of Driving Record 0.</p> <p>5. Rateable gaps in insurance coverage within the 3 years immediately preceding the effective date of the insurance shall have the following impact on the assignment of the driving record:</p> <ul style="list-style-type: none"> a) If the gap in insurance coverage is 12 consecutive months or more as a result of a driver's licence suspension, the driving record will be reduced by 1 for each year's gap in coverage. b) If the gap in insurance coverage is 24 consecutive months or more for any reason, the driving record will be reduced by 1 for each year's gap in coverage. <p><i>For example:</i></p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 209 Driving Record</p>	<p>policy is April 2, 2007. Since the gap is 2 years within the past 3 years, the risk is eligible for Driving Record 1. A loss history report or letter from the prior carrier is required to confirm claims free experience for all driving records on individually-rated vehicles. Where a loss history report or letter from the previous Insurer verifying claims-free experience in Canada or the U.S. is not available, the Insured shall be eligible for a maximum of Driving Record 0.</p> <p>C. Seasonal Use</p> <p>Some commercial vehicles, such as those used for road construction, farming, lumbering and fishing may only be used seasonally. In these cases, the Applicant may not be able to furnish proof of the accident free period if the previous insurance policy did not retain Comprehensive or Specified Perils. Where this situation occurs and 'Seasonal Use' is confirmed from past insurance records, Facility Association shall require only proof of the accident free operation during the previous seasons.</p> <p>If proof of ownership and accident free use in previous seasons is obtained, then the driving record shall not be affected. The risk shall retain the existing driving record or the driving record shall be allowed to progress in the same manner as vehicles that are used year round.</p>	<p>The Applicant has proof of accident free insurance from January 1, 2003 to February 8, 2005. Effective date of FA policy is April 2, 2007. Since the gap is 2 years within the past 3 years, the risk is eligible for Driving Record 1. A loss history report or letter from the prior carrier is required to confirm claims free experience for all driving records on individually rated vehicles. Where a loss history report or letter from the previous Insurer verifying claims free experience in Canada or the U.S. is not available, the Insured shall be eligible for a maximum of Driving Record 0.</p> <p>C. Seasonal Use</p> <p>Some commercial vehicles, such as those used for road construction, farming, lumbering and fishing may only be used seasonally. In these cases, the Applicant may not be able to furnish proof of the accident free period if the previous insurance policy did not retain Comprehensive or Specified Perils. Where this situation occurs and 'Seasonal Use' is confirmed from past insurance records, Facility Association shall require only proof of the accident free operation during the previous seasons.</p> <p>If proof of ownership and accident free use in previous seasons is obtained, then the driving record shall not be affected. The risk shall retain the existing driving record or the driving record shall be allowed to progress in the same manner as vehicles that are used year round.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 211 Rate Group</p>	<p>The rate group is determined from Rate Group Table I or Rate Group Table II.</p> <p>A. Rate Group Table I</p> <p>This table lists by manufacturer, model and series, standard production pick-up, utility, van (panel or sedan delivery) or wagon types, having Gross Vehicle Weights not exceeding 10,000 pounds (4.5 metric tons).</p> <p>If a current year make/model is not listed but was listed in the immediately preceding year, use the rate group for the immediately preceding year.</p> <p>If it was not listed in the immediately preceding year (It is a new model or there is a gap in model years.), the</p>	<p>The rate group is determined from using Rate Group Table I or Rate Group Table II.</p> <p>A. Rate Group Table I</p> <p>This table lists by manufacturer, model and series, standard production pick-up, utility, van (panel or sedan delivery) or wagon types, having Gross Vehicle Weights not exceeding 4,500kg. 10,000 pounds (4.5 metric tons).</p> <p>If a current year make/model is not listed but was listed in the immediately preceding year, use the rate group for the immediately preceding year.</p> <p>If # the year make/model was not listed in the immediately preceding year (It is a new model or there is a gap in model</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

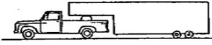
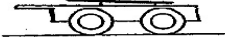
**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 211 Rate Group	<p>Servicing Carrier shall provide the rate group assigned by IAO.</p> <p>For vehicles equipped with attached machinery (e.g. tow trucks, pickups with snow plow blades) or those that have been customized (e.g. special paint job) where the value of the equipment or customization is \$3,000 or greater, an additional premium will be charged. For every \$3,000 of equipment value or customization, a rate group increase of 1 shall be made. If the value of the equipment is less than \$3,000 no additional premium shall be charged. The Servicing Carrier will require a copy of the bills of sale or if they are not available, an appraisal to substantiate the value of the attached equipment or customization.</p> <p>Rate Group Table I is not to be used for models and series not specifically listed.</p> <p>B. Rate Group Table II</p> <p>The model year and List Price New are used to determine the rate group. Rate Group Table II is to be used for:</p> <ul style="list-style-type: none"> Commercial vehicles of types and Gross Vehicle Weights not specified in Rate Group Table I. Any commercial vehicle not listed in Table I equipped with attached machinery (e.g. towing hoist on a pickup) or commercial vehicles that have been customized (e.g. special paint jobs). Commercial vehicles designated II in Rate Group Table I. Private Passenger vehicles being rated in the Commercial Section of the manual that are not listed in Rate Group Table I (e.g. car being used for courier purposes). Motorcycles designed and used for commercial purposes (e.g. a three wheel motorcycle with a box built in between the rear wheels that permits the carriage of small packages for delivery purposes). Vehicles classed as or rated as Interurban. 	<p>years.), the contact your Servicing Carrier. shall provide the rate group assigned by IAO.</p> <p>For vehicles equipped with attached machinery (e.g. tow trucks, pickups with snowplow blades) or those that have been customized (e.g. special paint job) where the value of the equipment or customization is valued \$3,000 or greater, use Rate Group Table II. an additional premium will be charged. For every \$3,000 of equipment value or customization, a rate group increase of 1 shall be made. If the value of the equipment is less than \$3,000 no additional premium shall be charged. The Servicing Carrier will require a copy of the bills of sale or if they are not available, an appraisal to substantiate the value of the attached equipment or customization.</p> <p>Rate Group Table I is not to be used for models and series not specifically listed.</p> <p>C. B. List Price New</p> <p>The Manufacturer's Suggested Retail Price (MSRP) new (plus taxes) of the vehicle, including the value of the body, all permanently attached equipment and any customizing features.</p> <p>B. C. Rate Group Table II</p> <p>The model year and List Price New are used to determine the rate group.</p> <p>Rate Group Table II is to be used for:</p> <ul style="list-style-type: none"> Commercial vehicles of types and Gross Vehicle Weights not specified in Rate Group Table I. Any commercial vehicle not listed in Table I equipped with attached machinery (e.g. towing hoist on a pickup) or commercial vehicles that have been customized (e.g. special paint jobs). Commercial vehicles designated II in Rate Group Table I. Private Passenger vehicles being rated in the Commercial Section of the manual that are not listed in Rate Group Table I (e.g. car being used for courier purposes). 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 211 Rate Group	<p>C. List Price New The Manufacturer’s Suggested Retail Price (MSRP) new (plus taxes) of the vehicle, including the value of the body, all permanently attached equipment and any customizing features.</p> <p>D. Rating Group Table III For logging vehicles, the replacement value of the vehicle/trailer (including customizing features, permanently-attached equipment and taxes) as selected by the Applicant is used to determine the rate group.</p> <p>A completed END 19(B) must be attached to the policy.</p>	<ul style="list-style-type: none"> • Any vehicles equipped with attached machinery (e.g. tow trucks, pickups with snowplow blades) or with customization (e.g. special paint job, shelving) valued \$3,000 or greater. • Motorcycles designed and used for commercial purposes (e.g. a three wheel motorcycle with a box built in between the rear wheels that permits the carriage of small packages for delivery purposes. • Vehicles classed as or rated as Interurban. <p>D. Rating Group Table III (<i>Applicable in Alberta only</i>) For logging vehicles, the replacement value of the vehicle/trailer (including customizing features, permanently attached equipment and taxes) as selected by the Applicant is used to determine the rate group.</p> <p>A completed END 19(B) must be attached to the policy.</p>	FA is reviewing rules in the Commercial Section. Aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums
Rule 212 Trailers	<p>A. Types and Uses of Trailers</p> <p>Non-Cargo Trailer A trailer that does not supplement the load-carrying capacity of the towing vehicle. Such a trailer has a special function (e.g. compressor, tarpot, welding unit, canteen carts) and the insurance must be subject to END 30(B) described in Rule 205: Machinery or Apparatus. Also refer to Rule 243: Endorsements Applicable to POL 1 (Owner’s Policy).</p> <p>Cargo Trailer A trailer that does supplement the load-carrying capacity of the towing vehicle i.e. it is used for carrying removable cargo.</p> <p>Common Trailer A trailer attached to a straight truck by a tongue.</p> <p>Semi-trailer A trailer equipped with a ‘fifth wheel’ or ‘kingpin’ coupling device for use with a road tractor. Includes ‘bogies’ used to convert containers into semi-trailers.</p> <p>Pup Trailer A second trailer attached to a lead trailer, either by means of a tongue or trailer converter dolly.</p>	<p>A. Types and Uses of Trailers</p> <p>Non-Cargo Trailer A trailer that does not supplement the load-carrying capacity of the towing vehicle. Such a trailer has a special function (e.g. compressor, tarpot, welding unit, canteen carts) and the insurance must be subject to END 30(B) described in Rule 205: H Machinery or Apparatus. Also refer to Rule 243: Endorsements Applicable to POL 1 (Owner’s Policy).</p> <p>Cargo Trailer A trailer that does supplement the load-carrying capacity of the towing vehicle i.e. it is used for carrying removable cargo.</p> <p>Common Trailer A trailer attached to a straight truck by a tongue.</p> <p>Semi-trailer A trailer equipped with a ‘fifth wheel’ or ‘kingpin’ coupling device for use with a road tractor. Includes ‘bogies’ used to convert containers into semi-trailers.</p> <p>Pup Trailer A second trailer attached to a lead trailer, either by means of a tongue or trailer converter dolly.</p>	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums


**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 212</p> <p>Trailers</p>	<p>Low-bed Float Trailer A trailer designed with a low center of gravity and used to haul very heavy loads (e.g. road graders and transformers).</p> <p>Gooseneck Trailer</p>  <p>A large trailer with a light cargo most commonly pulled by a pickup truck. Attachment to the pickup is by means of a small fifth wheel mounted on the bed of the pickup box.</p> <p>Trailer Converter Dolly A dual wheel axle with a fifth wheel mounted and a tongue for attachment to a lead trailer or straight truck.</p>  <p>Tractor-trailer-train or Tandem Rig Road tractor with two or more trailers attached, or two or more trailers used with a truck.</p> <p>Notes: Except as provided above, trailers are classified in the same way as motor vehicles e.g. a trailer used for grocery delivery is classified in the same manner as a road tractor used for grocery delivery.</p> <p>For trailers designed or used for passenger carrying, demonstration, sales or office purposes, submit full details to the Servicing Carrier.</p> <p>B. Rating of Trailers</p> <p>1. Owned Trailer</p> <p>Liability Liability coverage applicable to owned trailers is available to add on a policy. Refer to Rule 201.A, for conditions regarding limits available. Premiums are charged on a per-trailer basis.</p>	<p>Low-bed Float Trailer A trailer designed with a low center of gravity and used to haul very heavy loads (e.g. road graders and transformers).</p> <p>Gooseneck Trailer</p> <p>A large trailer with a light cargo most commonly pulled by a pickup truck. Attachment to the pickup is by means of a small fifth wheel mounted on the bed of the pickup box.</p> <p>Trailer Converter Dolly A dual wheel axle with a fifth wheel mounted and a tongue for attachment to a lead trailer or straight truck.</p> <p>Tractor-trailer-train or Tandem Rig Road tractor with two or more trailers attached, or two or more trailers used with a truck.</p> <p>Notes: Except as provided above, trailers are classified in the same way as motor vehicles E.g. a trailer used for grocery delivery is classified in the same manner as a road tractor used for grocery delivery.</p> <p>For trailers designed or used for passenger carrying, demonstration, sales or office purposes, submit full details to the Servicing Carrier.</p> <p>B. Rating of Trailers</p> <p>1. Owned Trailer</p> <p>Liability and DCPD Liability coverage applicable to owned trailers is available to add on a policy. Refer to Rule 201.A, for conditions regarding limits available. Premiums are charged on a per-trailer basis. <i>(Applicable to Alberta Only).</i></p>	<p>Pictures will be removed as they are outdated</p> <p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																								
Rule 212 Trailers	<p>To add liability coverage, charge the indicated percentage of the premium applicable to the highest rated vehicle with which the trailer may be towed:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Trailer Converter Dolly: Non Cargo</td> <td style="text-align: center;">Nil</td> </tr> <tr> <td style="text-align: center;">Cargo</td> <td style="text-align: center;">25%</td> </tr> <tr> <td>Non-Cargo Trailer</td> <td style="text-align: center;">10%</td> </tr> <tr> <td>Low-bed Float Trailer</td> <td style="text-align: center;">25%</td> </tr> <tr> <td>Cargo Trailer</td> <td></td> </tr> <tr> <td style="text-align: center;">Semi-trailer</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">Other</td> <td style="text-align: center;">25%</td> </tr> <tr> <td>Pulling Modular Homes and the like</td> <td style="text-align: center;">25%</td> </tr> </table> <p>Direct Compensation – Property Damage Rating Charge 10% of the DCPD premium applicable to the highest rated vehicle with which the trailer may be towed.</p> <p>Notes applicable to Liability and DCPD: Pulling Modular Homes and the like 25%</p> <p>If tractor-trailer-trains or tandem rigs are operated, every trailer that may be used is to be rated as a 'Cargo Trailer-Other'.</p> <p>If the number of trailers insured by a policy exceeds the number that could be used at any one time (including with any vehicles insured by other policies/Insurers), the premium under Liability for the 'excess' trailers is reduced by 50%. If all trailers do not produce the same premium, the trailer(s) that would otherwise produce the lowest premium shall be considered excess.</p>	Trailer Converter Dolly: Non Cargo	Nil	Cargo	25%	Non-Cargo Trailer	10%	Low-bed Float Trailer	25%	Cargo Trailer		Semi-trailer	10%	Other	25%	Pulling Modular Homes and the like	25%	<p>To add liability coverage, Charge the indicated percentage of the premium applicable to the highest rated vehicle with which the trailer may be towed. The percentage applied to the towing vehicle premium includes any surcharges:</p> <p>For DCPD only, establish the rate group for the trailer according to Rate Group Table II.</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #0070C0; color: white;"> <th>Trailer Type</th> <th>Liability</th> <th>DCPD</th> </tr> </thead> <tbody> <tr> <td>Converter Dolly (Non Cargo)</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Converter Dolly (Cargo)</td> <td>25%</td> <td>25%</td> </tr> <tr> <td>Non-Cargo Trailer</td> <td>10%</td> <td>10%</td> </tr> <tr> <td>Low Bed Floater Trailer</td> <td>25%</td> <td>25%</td> </tr> <tr> <td>Cargo Semi Trailer</td> <td>10%</td> <td>10%</td> </tr> <tr> <td>Cargo Other Trailer</td> <td>25%</td> <td>25%</td> </tr> <tr> <td>Pulling Modular Homes and the like</td> <td>25%</td> <td>25%</td> </tr> </tbody> </table> <p>Direct Compensation – Property Damage Rating Charge 10% of the DCPD premium applicable to the highest rated vehicle with which the trailer may be towed.</p> <p>Notes applicable to Liability and DCPD: Pulling Modular Homes and the like 25%</p> <p>Notes: If tractor-trailer-trains or tandem rigs are operated, every trailer that may be used is to be rated as a 'Cargo Trailer-Other'.</p> <p>If the number of trailers insured by a policy exceeds the number that could be used at any one time (including with any vehicles insured by other policies/Insurers), the premium under Liability for the 'excess' trailers is reduced by 50%. If all trailers do not produce the same premium, the trailer(s) that would otherwise produce the lowest premium shall be considered excess.</p> <p><i>For example:</i> There are two tractors and four trailers. Two of the trailers produce premiums of \$500 each. The other two</p>	Trailer Type	Liability	DCPD	Converter Dolly (Non Cargo)	Nil	Nil	Converter Dolly (Cargo)	25%	25%	Non-Cargo Trailer	10%	10%	Low Bed Floater Trailer	25%	25%	Cargo Semi Trailer	10%	10%	Cargo Other Trailer	25%	25%	Pulling Modular Homes and the like	25%	25%	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 212</p> <p>Trailers</p>	<p><i>For example:</i> There are two tractors and four trailers. Two of the trailers produce premiums of \$500 each. The other two trailers produce premiums of \$700 each. The trailers that produce premiums of \$500 each will be considered excess and the Liability premiums for each of those trailers will be reduced by 50%.</p> <p>The driving record for rating a trailer's Liability insurance is the same as the vehicle on which the trailer's premium is based.</p> <p>Conviction surcharges are not applied to a trailer unless the trailer is the only vehicle on the policy in which case they apply to all coverages for which a premium has been charged other than Comprehensive/Specified Perils.</p> <p>A shipping container mounted on a frame is classified according to the frame upon which it is mounted. e.g. If mounted on a semi-trailer chassis then classify as a semi-trailer.</p> <p>If the towing vehicle is rated with an Outside Alberta exposure surcharge and/or conviction/accident surcharge, the percentage applies to the towing vehicle premium including that surcharge.</p> <p>Here are Rating Examples:</p>  <p>Accident Benefits No charge.</p> <p>Optional Physical Damage Coverage Each trailer is rated as if it were a separate vehicle. Rate Group Table II is used to determine the rate group.</p> <p>Each trailer and the vehicle by which it may be pulled use the same Collision driving record. Chargeable accidents</p>	<p>trailers produce premiums of \$700 each. The trailers that produce premiums of \$500 each will be considered excess and the Liability premiums for each of those trailers will be reduced by 50%.</p> <p>The driving record for rating a trailer's Liability and DCPD insurance is the same as the vehicle on which the trailer's premium is based.</p> <p>Conviction surcharges are not applied to a trailer unless the trailer is the only vehicle on the policy in which case they apply to all coverages for which a premium has been charged other than Comprehensive/Specified Perils.</p> <p>A shipping container mounted on a frame is classified according to the frame upon which it is mounted. E.g. If mounted on a semi-trailer chassis then classify as a semi-trailer.</p> <p>If the towing vehicle is rated with an Outside Alberta exposure surcharge and/or conviction/accident surcharge, the percentage applies to the towing vehicle premium including that surcharge.</p> <p>Here are Rating Examples:</p> <p>Accident Benefits No charge.</p> <p>Optional Physical Damage Coverage Each trailer is rated as if it were a separate vehicle. Rate Group Table II is used to determine the rate group.</p> <p>Each trailer and the vehicle by which it may be pulled use the same Collision driving record. Chargeable accidents will apply to the rating of both the trailer and the pulling vehicle. U.S. exposure surcharge and accident surcharge will apply if required.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p> <p>Pictures will be removed as they are outdated</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 212 Trailers</p>	<p>will apply to the rating of both the trailer and the pulling vehicle. U.S. exposure surcharge and accident surcharge will apply if required. Apply Outside Alberta exposure surcharge and accident surcharge if required.</p> <p>2. Non Owned Trailers Liability When a road tractor is insured, it is presumed that it will be used with one or more trailers. Liability coverage applicable to non-owned trailers is available to add on a policy. Refer to Rule 201.A, for conditions regarding limits available. Premiums are charged on a per-trailer basis, and are applicable to all non-owned trailers that will be attached to insured road tractors.</p> <p>For example, liability coverage is requested on six (6) non-owned trailers that will be attached as a B-train. There are three (3) road tractors insured on the policy. Liability premiums will apply to six (6) non-owned trailers.</p> <p>To add liability coverage, use the Semi-Trailer Liability premium that is applicable to an owned trailer per the</p>	<p>Apply Outside Province/Territory exposure surcharge and accident surcharge if required.</p> <p>Conviction surcharges are not applied to a trailer unless the trailer is the only vehicle on the policy in which case they apply to all coverages for which a premium has been charged other than Comprehensive/Specified Perils.</p> <p>2. Excess Trailers If the number of trailers insured by a policy exceeds the number that could be used at any one time (including with any vehicles insured by other policies/Insurers), the premium under Liability for the 'excess' trailers is reduced by 50%. If all trailers do not produce the same premium, the trailer(s) that would otherwise produce the lowest premium shall be considered excess.</p> <p><i>For example:</i> There are two tractors and four trailers. Two of the trailers produce premiums of \$500 each. The other two trailers produce premiums of \$700 each. The trailers that produce premiums of \$500 each will be considered excess and the Liability premiums for each of those trailers will be reduced by 50%.</p> <p>3. Non Owned Trailers Liability When a road tractor is insured, it is presumed that it will be used with one or more trailers. Liability coverage applicable to non-owned trailers is available to add on a policy. Refer to Rule 201.A, for conditions regarding limits available. Premiums are charged on a per-trailer basis, and are applicable to all non-owned trailers that will be attached to insured road tractors. <i>(Applicable to Alberta only).</i></p> <p>For example, liability coverage is requested on six (6) non-owned trailers that will be attached as a B-train. There are three (3) road tractors insured on the policy. Liability premiums will apply to six (6) non-owned trailers.</p> <p>To add liability coverage, use the Semi-Trailer Liability premium that is applicable to an owned trailer per the table</p>	<p>The Excess trailer information is being removed from within above and created it's own section</p>	<p>This will not impact premiums</p>

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<p>Rule 212 Trailers</p>	<p>table under Rule 212.B.1. Apply any outside Alberta exposure surcharge to the total Liability premium.</p> <p>Accident Benefits No charge.</p> <p>Optional Physical Damage Charge the premium applicable for these coverages on each trailer as though each trailer was owned. Establish the rate group and premium for the non-owned trailer that has the highest value; model year is assumed to be the current year. Apply outside Alberta exposure surcharge if required.</p> <p>If optional physical damage coverage to non-owned trailers is extended via the END 27, establish the rate group and premium as outlined above, and multiply that premium by the number of non-owned trailers that may be in the Applicant's care, custody and control. This premium is the total premium charged under the END 27.</p> <p>The limit shown on END 27 will be the amount on which the rate group is based. The trailer type and the Insured's business must be shown under point 2 of the END 27. Apply outside Alberta exposure surcharge if required.</p>	<p>under Rule 212.B.1. Apply any outside Alberta exposure surcharge to the total Liability premium.</p> <p>Accordingly, the semi-trailer Liability premium must be charged. Charge the premium applicable to an owned trailer.</p> <p>Direct Compensation – Property Damage If the non-owned trailer includes assumed liability, establish the rate group according to the trailer value; model year is assumed to be the current year. Charge the full DCPD premium based on that rate group and the class/driving record of the highest rated vehicle with which the trailer may be towed. If the non-owned trailer excludes assumed liability, there is no charge for DCPD because there is no DCPD coverage under the policy. Apply outside Province/Territory exposure surcharge if required.</p> <p>Accident Benefits No charge, unless the trailer is used for purposes like living/dwelling, show room, office, demonstration or changing rooms. In these cases, charge 100% of the premium applicable to the towing vehicle.</p> <p>Optional Physical Damage Charge the premium applicable for these coverages on each trailer as though each trailer was owned. Establish the rate group and premium for the non-owned trailer that has the highest value; model year is assumed to be the current year. Apply outside Province/Territory exposure surcharge if required.</p> <p>If optional physical damage coverage to non-owned trailers is extended via the END 27, establish the rate group and premium as outlined above, and multiply that premium by the number of non-owned trailers that may be in the Applicant's care, custody and control. This premium is the total premium charged under the END 27.</p> <p>The limit shown on END 27 will be the amount on which the rate group is based. The trailer type and the Insured's business must be shown under point 2 of the END 27. Apply outside Alberta exposure surcharge if required.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 212</p> <p>Trailers</p>	<p>NOTE: Since END 27 is a policy level endorsement, the premium charged for on a per policy basis.</p> <p>3. Policy Covers Trailers Only</p> <p>Liability If it is not known how the trailer is being used, charge 25% of Class 64, Driving Record 0. If the purpose for which the trailer is being used is known (e.g. local haulage) charge 10% of the appropriate class (e.g. Class 49) at Driving Record 0. Apply surcharge for Outside Alberta exposure, accidents and convictions if required.</p> <p>If the trailer is being used with a tractor insured under another FA policy with the same Servicing Carrier, the non-owned charge on that other FA policy can be eliminated, whether or not the same Insured owns both the tractor and trailer.</p> <p>Accident Benefits No charge.</p> <p>Direct Compensation – Property Damage Rating Charge 10% of the DCPD premium applicable to the appropriate class (or class 64 if the use is not known), Driving Record 0.</p> <p>Optional Physical Damage Establish the rate group and rate accordingly. If required, apply surcharges for Outside Alberta exposure to all optional physical damage coverage and accidents and convictions to Collision coverage.</p>	<p>NOTE: Since END 27 is a policy level endorsement, the premium charged for on a per policy basis.</p> <p>NOTE: If multiple Non-Owned trailers are scheduled on the policy, each must carry the same policy limits and optional physical damage deductibles (if coverage is applied).</p> <p>4. Policy Covers Trailers Only</p> <p>Liability If it is not known how the trailer is being used, charge 25% of Class 64, Driving Record 0. If the purpose for which the trailer is being used is known (e.g. local haulage) charge 10% of the appropriate class (e.g. Class 49) at Driving Record 0. Apply surcharge for Outside Province/Territory exposure, accidents and convictions if required.</p> <p>If the trailer is being used with a tractor insured under another FA policy with the same Servicing Carrier, the non-owned charge on that other FA policy can be eliminated, whether or not the same Insured owns both the tractor and trailer.</p> <p>Direct Compensation – Property Damage Rating Establish the rate group according to the trailer value and charge 10% of the DCPD premium based on that rate group and the class/driving record established under Liability coverage. Apply surcharges for Outside Province/Territory exposure and convictions if required.</p> <p>Accident Benefits No charge, unless the trailer is used for purposes like living/dwelling, show room, office, demonstration or changing rooms. In these cases, charge 100% of the premium applicable to the towing vehicle.</p> <p>Optional Physical Damage Establish the rate group according to the trailer value. Charge the applicable optional physical damage premiums based on that rate group and the class/driving record established under Liability coverage. Apply surcharges, if required.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 212 Trailers	<p>4. Livestock Trailers Where the trailer is used for transporting livestock (including horses) as part of the Insured’s business, the trailer is to be rated as a commercial cargo trailer, either ‘semi’ or ‘cargo other’ depending on the type of trailer. Where the trailer is used for transporting livestock for pleasure purposes, the trailer is to be rated as a utility trailer in the Recreational Section.</p>	<p>5. Livestock Trailers Where the trailer is used for transporting livestock (including horses) as part of the Insured’s business, the trailer is to be rated as a commercial cargo trailer, either ‘semi’ or ‘cargo other’ depending on the type of trailer. Where the trailer is used for transporting livestock for pleasure purposes, the trailer is to be rated as a utility trailer in the Recreational Section.</p>	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
Rule 213 Endorsement (Policy Change) Forms and Wordings	<p>Changes to standard approved forms are not permitted. Rule 243: Endorsements Applicable to Pol 1 (Owner’s Policy) provides certain details and rating instructions for approved endorsement forms. The descriptions are brief and reference must be made to the actual wordings of these forms to ascertain the full provisions and restrictions.</p> <p>Provided the endorsement form does not indicate the expiry date of the policy and continues to refer to a particular vehicle (policy vehicle item number did not change), once an endorsement form has been signed, it need not be signed again on subsequent policy renewal terms.</p>	<p>Changes to standard approved forms are not permitted. Rule 243: Endorsements Applicable to Pol 1 (Owner’s Policy) provides certain details and rating instructions for approved endorsement forms. The descriptions are brief and reference must be made to the actual wordings of these forms to ascertain the full provisions and restrictions.</p> <p>Provided the endorsement form does not indicate the expiry date of the policy and continues to refer to a particular vehicle on the Certificate of Automobile Insurance/Declaration page to which the endorsement is attached. Once an endorsement form has been signed, it need not be signed again on subsequent policy renewal terms.</p>	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
Rule 214 Commonly Used Endorsements	<p>END 13D – Limitation of Glass Coverage The coverage provided under Comprehensive for damage to glass may be amended by attaching 13D. This endorsement is only applicable to vehicles listed in Rate Group Table I and private passenger type vehicles.</p> <p>The premium charged for the reduced Comprehensive coverage is the Specified Perils premium plus 10% of the Comprehensive premium.</p> <p>Where the deductible is \$1,000 or higher, there is no premium reduction.</p> <p>END 20 – Loss of Use Facility Association does not provide this coverage for vehicles that are used or rated commercially.</p>	<p>REMOVE AS THE SAME INFORMATION IS LISTED UNDER</p> <p>Rule 243: ENDORSEMENTS APPLICABLE TO POL 1 (OWNER’S POLICY)</p> <p>This is how it will be labelled in the manual after approval: Rule 214: Not applicable</p>	FA is reviewing rules in the Commercial Section. This section is a duplication	This will not impact premiums

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<p>Rule 214</p> <p>Commonly Used Endorsements</p>	<p>END 27 – Legal Liability for Damage to Non-Owned Automobile</p> <p>Not offered except as indicated for commercial non-owned trailers.</p> <p>The Applicant must specify the types of trailer(s) that may be in the Applicant’s care, custody and control, and provide the required limit per occurrence. The trailer type and the Insured’s business must be shown under point 2 of the END 27.</p> <p>The premiums to be charged are those applicable to the highest rated trailer that may be in the Applicant’s care, custody and control as though the vehicle was an owned.</p> <p>Refer to Rule 212.B.2 for premium computation process.</p> <p>Non-Owned Trailers</p> <p>Optional Physical Damage Charge the premium applicable for these coverages on each trailer as though each trailer was owned. Establish the rate group and premium for the non-owned trailer that has the highest value and multiply that premium by the number of non-owned trailers that may be towed.</p> <p>The limit shown on END 27 will be the amount on which the rate group is based. Apply outside Alberta exposure surcharge if required.</p> <p>After Market Sound and Electronic Communication Equipment Where the vehicle is equipped with sound or electronic communication equipment, other than factory installed equipment, application of either the END 37 or END 38 is mandatory.</p> <p>Machinery or Equipment Endorsements 30(B) and 31(B) END 30(B) The description of the machinery or apparatus shall read: ‘all or any machinery or apparatus designed to perform a function additional to and separate from the function of</p>	<p>REMOVE AS THE SAME INFORMATION IS LISTED UNDER Rule 243: ENDORSEMENTS APPLICABLE TO POL 1 (OWNER’S POLICY)</p> <p>This is how it will be labelled in the manual after approval: Rule 214: Not applicable</p>	<p>FA is reviewing rules in the Commercial Section.</p> <p>This section is a duplication</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 214</p> <p>Commonly Used Endorsements</p>	<p>travel'. Where the equipment is used on a public road and the vehicle is subject to compulsory automobile insurance, the END 30(B) must exclude only non road use of the equipment by adding 'while the vehicle is not being used upon a public highway'.</p> <p>END 31 – Non-owned Equipment Use of this endorsement is not permitted in respect of a vehicle to which END 30(B) applies.</p> <p>The optional physical damage coverages may only be the same as those provided in respect of the vehicle. The required limit must be specified. The rate group is based on Rate Group Table II using the list price new of the vehicle and the non-owned equipment.</p> <p>END 37 – Limitation to Automobile Electronic Accessories and Electronic Equipment This endorsement limits the amount of coverage on the equipment to \$1,500. Where a vehicle is insured for Comprehensive or Specified Perils, this endorsement must be added if the Insured does not wish to purchase additional coverage.</p> <p>END 38 – Specified Limit(s) – Automobile Electric Accessories and Electronic Equipment Where a vehicle is insured for Comprehensive or Specified Perils and the Insured wishes to purchase additional coverage for the equipment, this endorsement may be added. Additional coverage may be purchased for a premium of \$30 per \$1,000 or part thereof of value in excess of \$1,500. Only rate for that portion of the value exceeding \$1,500. Documentation (appraisal or receipts) is necessary to support the value stated on the endorsement. <i>For example:</i> If END 38 has a limit of \$4,300 the premium shall be \$90.</p>	<p>REMOVE AS THE SAME INFORMATION IS LISTED UNDER</p> <p>Rule 243: ENDORSEMENTS APPLICABLE TO POL 1 (OWNER'S POLICY)</p> <p>This is how it will be labelled in the manual after approval: Rule 214: Not applicable</p>	<p>FA is reviewing rules in the Commercial Section.</p> <p>This section is a duplication</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 215 Premiums</p>	<p>A. Premium Quotations</p> <p>The Agent/Broker is responsible for calculating premiums in accordance with this manual, including the 'base' premiums applicable to experience (fleet) rated risks. Experience rated risk premiums are calculated at Driving Record 0.</p> <p>Where there is any doubt on the matter, the Servicing Carrier will be pleased to assist in establishing risk classifications, but the Servicing Carrier shall not make premium quotations except where the manual does not provide for the particular coverage required.</p> <p>The Servicing Carrier shall require clarification from the Agent/Broker if the information on the application contradicts the quoted premium.</p> <p>B. Manual Rates</p> <p>The rates published in this manual are for annual policy terms. For commercial six month policies, charge 52% of the annual premium.</p> <p>Fleets as defined in Rule 239 are not eligible for six month policies.</p> <p>C. Premium Rounding</p> <p>The premium for each coverage shall be rounded to the nearest whole dollar. A premium that includes 50 cents or more shall be rounded up to the next whole dollar. (\$46.56 will be rounded up to \$47.00 and \$46.44 will be rounded down to \$46.00.) This applies to all premium transactions, including refunds except where the policy is cancelled by registered letter at the request of the Agent/Broker or by the Servicing Carrier. In that event, the return premium shall always be rounded up to the next whole dollar (\$45.10 will be rounded up to \$46.00).</p> <p>D. Minimum Premium/Minimum Retained Premium</p> <p>The minimum premium for any commercial automobile policy or renewal and, the minimum retained premium in</p>	<p>A. Premium Quotations</p> <p>The Agent/Broker is responsible for calculating premiums in accordance with this manual, including the 'base' premiums applicable to experience (fleet) rated risks. Experience rated risk premiums are calculated at Driving Record 0.</p> <p>Where there is any doubt on the matter, the Servicing Carrier will be pleased to assist in establishing risk classifications, but the Servicing Carrier shall not make premium quotations except where the manual does not provide for the particular coverage required.</p> <p>The Servicing Carrier shall require clarification from the Agent/Broker if the information on the application contradicts the quoted premium.</p> <p>B. Manual Rates</p> <p>The rates published in this manual are for annual policy terms. For commercial six month policies, charge 52% of the annual premium.</p> <p>Fleets as defined in Rule 239 are not eligible for six month policies.</p> <p>C. Premium Rounding</p> <p>The premium for each coverage shall be rounded to the nearest whole dollar. A premium that includes 50 cents or more shall be rounded up to the next whole dollar. (\$46.56 will be rounded up to \$47.00 and \$46.44 will be rounded down to \$46.00.) This applies to all premium transactions, including refunds except where the policy is cancelled by registered letter at the request of the Agent/Broker or by the Servicing Carrier. In that event, the return premium shall always be rounded up to the next whole dollar (\$45.10 will be rounded up to \$46.00).</p> <p>D. Minimum Premium/Minimum Retained Premium</p> <p>The minimum premium for any commercial automobile policy or renewal and, the minimum retained premium in the event of cancellation of the policy, is \$25, regardless of the term of</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 215 Premiums</p>	<p>the event of cancellation of the policy, is \$25, regardless of the term of insurance. The minimum retained premium must be stated on the declaration page of the policy.</p> <p>E. Premium Determination</p> <p>a. Calculating Premium with No Outside Alberta Exposure:</p> <p>Steps</p> <ol style="list-style-type: none"> 1. Ensure that the vehicle qualifies as a commercial vehicle (Refer to Rule 205:A Definitions). 2. Establish the rating territory (Refer to Rule 206: Rating Territory). 3. Establish the rating class (Refer to Rule 207: Rating Class). 4. For Liability, DCPD and Collision coverages, establish the driving record. (Refer to Rule 209: Driving Record). 5. For optional physical damage, establish the rate group and the minimum deductible. (Refer to Rule 201: Minimum Deductibles and Rule 211: Vehicle Rate Group). 6. Establish what, if any, special rating factors apply. 7. Refer to the Schedule of Rates in this section and establish the 'manual' premium for each coverage. 8. Where a premium for a rate group or deductible is not shown on the rate page, first calculate the rate group premium by multiplying the base premium by the rate group factor, then multiply the rate group premium by the deductible Factor. For trailers, also see Trailers in this section. 9. Apply any special use factor. 10 Apply fleet rating or accident/conviction surcharges if required. <p>b. Calculating Premium with Outside Alberta Exposure</p> <p><u>Towing Vehicles</u> Calculate the 'manual' premium for the required coverages and deductibles using steps outlined in Rule 215:E.</p>	<p>insurance. The minimum retained premium must be stated on the declaration page of the policy.</p> <p>E. Premium Determination</p> <p>1. Calculating Premium with No Outside Province/Territory Exposure:</p> <p>Steps</p> <ol style="list-style-type: none"> 1. Ensure that the vehicle qualifies as a commercial vehicle (See Rule 205:A-Definitions). 2. Establish the rating territory (See Rule 206:Rating Territory). 3. Establish the rating class (See Rule 207:Rating Class). 4a. For Liability and Collision coverages, establish the driving record. (See Rule 209.) <i>(Applicable to Northwest Territories, Nunavut and Yukon)</i> 4b. For Liability, DCPD and Collision coverages, establish the driving record. (See Rule 209:Driving Record). <i>(Applicable to Alberta, New Brunswick, Newfoundland & Labrador, Nova Scotia, Ontario and Prince Edward Island)</i> 5a. For optional physical damage, establish the rate group and the minimum deductible. (See Rule 211 and Rule 201). <i>(Applicable to Northwest Territories, Nunavut and Yukon)</i> 5b. For DCPD establish the rate group and for optional physical damage, establish the rate group and the minimum deductible. (See Rule 211 and Rule 201) <i>(Applicable to Alberta, New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island)</i>(See Rule 201: Minimum Deductibles and Rule 211: Vehicle Rate Group). 5c. For DCPD and optional physical damage, establish the rate group and the minimum deductible. (See Rule 211 and Rule 201). <i>(Applicable in Ontario only)</i> 6. Establish what, if any, special rating factors apply. 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies								
Rule 215 Premiums	<p>Liability – Calculate the Outside Alberta exposure surcharge for Liability and add to that the currency differential surcharge. Apply to the premium. Then apply any accident/conviction surcharge to the resulting premium.</p> <p>Accident Benefits – Apply the Outside Alberta exposure surcharge for Liability to the premium.</p> <p>Direct Compensation Property Damage (DCPD) – Calculate the Outside Alberta exposure surcharge for DCPD. Apply the premium. Then apply any accident/conviction surcharge to the resulting premium.</p> <p>Collision – Calculate the Outside Alberta exposure surcharge for optional physical damage and apply to the premium. Then apply any accident/conviction surcharge to the resulting premium.</p> <p>Comprehensive/Specified Perils – Apply the Outside Alberta exposure surcharge for optional physical damage to the premium.</p> <p>END 44 – Apply the Outside Alberta exposure for Liability to the premium.</p> <p>Trailers Liability - Determine the premium for the towing vehicle in accordance with Rule 215:E. steps 1 – 9 plus any fleet rating surcharge or discount. Apply the appropriate trailer percentage charge to obtain the premium. If the towing vehicle is rated with an Outside Alberta exposure surcharge and/or conviction/accident surcharge, the appropriate percentage for the trailer applies to the towing vehicle premium including that surcharge. If the trailer is the only vehicle on the policy, apply the accident/conviction surcharge.</p> <p>Accident Benefits No charge</p> <p>Direct Compensation Property Damage (DCPD) -</p>	<p>7. Refer to the Rate Pages in this section and establish the 'manual' premium for each coverage.</p> <p>8. Where a premium for a rate group or deductible is not shown on the rate page, first calculate the rate group premium by multiplying the base premium by the rate group factor, then multiply the rate group premium by the deductible factor. For trailers, also see Trailers in this section.</p> <p>9. Apply any special use factor.</p> <p>10 Apply fleet rating or accident/conviction surcharges if required.</p> <p>2. Calculating Premium with Outside Province/Territory Exposure: Towing Vehicles Calculate the 'manual' premium for the required coverages and deductibles using steps outlined in Rule 215:E.1.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #0070C0; color: white;"> <th colspan="2" style="text-align: center;">Towing Vehicles</th> </tr> <tr style="background-color: #D3D3D3;"> <th style="text-align: center;">Coverage</th> <th style="text-align: center;">Description</th> </tr> </thead> <tbody> <tr> <td style="width: 30%;">Liability</td> <td>Calculate the Outside Province/Territory exposure surcharge for Liability and add to that the currency differential surcharge. Apply to the premium. Then apply any accident/conviction surcharge to the resulting premium.</td> </tr> <tr> <td>Direct Compensation Property Damage (DCPD) <i>(Not available in Northwest Territories, Nunavut and Yukon)</i></td> <td>Calculate the Outside Province/Territory exposure surcharge for DCPD. Apply the premium. Then apply any accident/conviction surcharge to the resulting premium.</td> </tr> </tbody> </table>	Towing Vehicles		Coverage	Description	Liability	Calculate the Outside Province/Territory exposure surcharge for Liability and add to that the currency differential surcharge. Apply to the premium. Then apply any accident/conviction surcharge to the resulting premium.	Direct Compensation Property Damage (DCPD) <i>(Not available in Northwest Territories, Nunavut and Yukon)</i>	Calculate the Outside Province/Territory exposure surcharge for DCPD. Apply the premium. Then apply any accident/conviction surcharge to the resulting premium.	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
Towing Vehicles												
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Direct Compensation Property Damage (DCPD) <i>(Not available in Northwest Territories, Nunavut and Yukon)</i>	Calculate the Outside Province/Territory exposure surcharge for DCPD. Apply the premium. Then apply any accident/conviction surcharge to the resulting premium.											

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Rule	Current Wording	Approved Wording		Change from Current	Premium impact on existing policies
Rule 215 Premiums	<p>Determine the premium for the towing vehicle in accordance with Rule 215:E steps 1 to 9 plus any fleet rating surcharge or discount. Apply the appropriate trailer percentage charge to obtain the premium. If the towing vehicle is rated with Outside Alberta exposure surcharge and/or conviction/accident surcharge, the appropriate percentage for the trailer applies to the towing vehicle premium including that surcharge. If the trailer is the only vehicle on the policy charge 10% of the DCPD premium applicable to the highest rated vehicle with which the trailer may be towed.</p> <p>Collision - Calculate the premium for the required deductible in accordance with Rule 215:E steps 1 - 9, plus any fleet rating surcharge or discount. Calculate Outside Alberta exposure surcharge and accident surcharge and apply to the premium. Do not apply a conviction surcharge unless the trailer is the only vehicle on the policy.</p> <p>Comprehensive/Specified Perils - Calculate the premium for the required coverages and deductibles in accordance with Rule 215: E steps 1 - 9, plus any fleet rating surcharge or discount. Calculate the Outside Alberta exposure</p>	Accident Benefits/(Uninsured Automobile <i>(Not available in Alberta, Northwest Territories, Nunavut and Yukon)</i>	Apply the Outside Province/Territory exposure surcharge for Liability to the premium.	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
		Collision	Calculate the Outside Province/Territory exposure surcharge for optional physical damage and apply to the premium. Then apply any accident/conviction surcharge to the resulting premium.		
		Comprehensive/Specified Perils	Apply the Outside Province/Territory exposure surcharge for optional physical damage to the premium.		
		END 44/44R	Apply the Outside Province/Territory exposure for Liability to the premium.		
		Trailers			
Coverage	Description				
Liability	Determine the premium for the towing vehicle in accordance with Rule 215:E.1 (steps 1 - 9) plus any fleet rating surcharge or discount. Apply the appropriate trailer percentage charge to obtain the premium. If the towing vehicle is rated with an Outside Province/Territory exposure surcharge and/or conviction/accident surcharge, the appropriate percentage for the trailer applies to the towing vehicle premium including that surcharge. If the trailer is the only vehicle on the policy, apply the accident/conviction surcharge.				

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies	
Rule 215 Premiums		Direct Compensation Property Damage (DCPD) <i>(Not available in Northwest Territories, Nunavut and Yukon)</i>	Determine the premium for the towing vehicle in accordance with Rule 215:E.1 (steps 1 to 9) plus any fleet rating surcharge or discount. Apply the appropriate trailer percentage charge to obtain the premium. If the towing vehicle is rated with Outside Province/Territory exposure surcharge and/or conviction/accident surcharge, the appropriate percentage for the trailer applies to the towing vehicle premium including that surcharge. If the trailer is the only vehicle on the policy charge 10% of the DCPD premium applicable to the highest rated vehicle with which the trailer may be towed.	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
		Accident Benefits / Uninsured Automobile <i>(Not available in Alberta, Northwest Territories, Nunavut and Yukon)</i>	No charge		
		Collision	Calculate the premium for the required deductible in accordance with Rule 215:E.1 (steps 1 – 9) plus any fleet rating surcharge or discount. Calculate Outside Province/Territory exposure surcharge and accident surcharge and apply to the premium. Do not apply a conviction surcharge unless the trailer is the only vehicle on the policy.		
		Comprehensive/ Specified Perils	Calculate the premium for the required coverages and deductibles in accordance with Rule 215: E.1 (steps 1 – 9) plus any fleet rating surcharge or discount. Calculate the Outside Province/Territory exposure surcharge and apply to premium.		

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 216</p> <p>Policy Term</p>	<p>Every policy or renewal shall be issued for a term of either one year or six months.</p> <p>A short term policy may be issued in the event that the vehicle/item is in transit in or through the jurisdiction i.e. a single trip from a location within a jurisdiction in which Facility Association operates to another location within a jurisdiction in Canada or the continental U.S.A. The Servicing Carrier may accept an application for a short term policy and issue the policy accordingly or accept an application for a 6 or 12 month term and a cancellation voucher signed to provide coverage for only the shortened term.</p> <p>The premium for the policy shall be calculated using the highest rated territory of the originating jurisdiction and the applicable short term table in this manual, subject always to the minimum retained policy premium.</p> <p>See also Rule 235: Purchasing Vehicles in Jurisdictions Where FA Does Not Operate.</p> <p>Policies subject to Rule 239: Fleets cannot be issued for a term of 6 months.</p>	<p>Not Applicable</p>	<p>This section has been moved to the General Section</p>	<p>This will not impact premiums</p>
<p>Rule 217</p> <p>Policy Changes</p>	<p>A. A change to a policy shall not be processed if:</p> <p>a) The change is substantial e.g. the Insured is covered under POL 1 and now requires POL 4 or 6 instead. A new policy may be necessary. If in doubt, the Agent/Broker should contact the Servicing Carrier for direction. If a new policy is required, a new application must be submitted. The existing policy shall be cancelled pro rata.</p> <p>b) There is a change of the jurisdiction in which a vehicle is registered and the vehicle must be registered in the new jurisdiction. The insurance on the vehicle must be cancelled. Upon receipt of a copy of the replacing policy application or temporary liability card from the new jurisdiction, the refund shall be calculated on a pro rata basis, subject to the minimum retained premium.</p>	<p>A. A change to a policy shall not be processed if:</p> <p>a) The change is substantial e.g. the Insured is covered under POL 1 and now requires POL 4 or 6 instead. A new policy may be necessary. If in doubt, the Agent/Broker should contact the Servicing Carrier for direction. If a new policy is required, a new application must be submitted. The existing policy shall be cancelled pro rata.</p> <p>b) There is a change of the jurisdiction in which a vehicle is registered and the vehicle must be registered in the new jurisdiction. The insurance on the vehicle must be cancelled. Upon receipt of a copy of the replacing policy application or temporary liability card from the new jurisdiction, the refund shall be calculated on a pro rata basis, subject to the minimum retained premium.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 217</p> <p>Policy Changes</p>	<p>B. Name of Insured When Adding or Deleting Vehicles</p> <p>Leased Vehicles</p> <ul style="list-style-type: none"> • Where the Insured has a leased vehicle and is returning the vehicle to the lessor and replacing it with an owned vehicle, provided there is no change in the name of the Insured (the person who actually applied for the insurance), the change to remove the lessor’s name from the policy and the vehicle substitution may be made by endorsement. A release of the lessor’s interest must be obtained or comparable notification of the change must be sent to the lessor by registered mail. • Where an Insured has an owned vehicle, and is now obtaining a leased vehicle and disposing of the owned vehicle, the change to the vehicle and name of Insured may be made by endorsement, provided there is no change in the name of the Applicant, other than to add the lessor’s name to the policy. • In situations where the Insured has an owned vehicle and a leased vehicle, separate policies may not be necessary for each vehicle. • Where an Insured has two or more vehicles leased from different leasing companies, a separate application is required for each vehicle. <p>Owned Vehicles</p> <p>Two or More Names as Registered Owner of the Vehicle:</p> <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>B. Name of Insured When Adding or Deleting Vehicles Leased Vehicles</p> <ul style="list-style-type: none"> • Where the Insured has a leased vehicle and is returning the vehicle to the lessor and replacing it with an owned vehicle, provided there is no change in the name of the Insured (the person who actually applied for the insurance), the change to remove the lessor’s name from the policy and the vehicle substitution may be made by endorsement. A release of the lessor’s interest must be obtained or comparable notification of the change must be sent to the lessor by registered mail. • Where an Insured has an owned vehicle, and is now obtaining a leased vehicle and disposing of the owned vehicle, the change to the vehicle and name of Insured may be made by endorsement, provided there is no change in the name of the Applicant, other than to add the lessor’s name to the policy. • In situations where the Insured has an owned vehicle and a leased vehicle, separate policies may not be necessary for each vehicle. • In situations where an Insured has two or more vehicles leased from different leasing companies, a separate policies may not be necessary for each vehicle. <p>Owned Vehicles</p> <p>Two or More Names as Registered Owner of the Vehicle:</p> <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>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 217</p> <p>Policy Changes</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 father's name and one in son's name, separate policies must be maintained. Separate applications must be submitted for each policy.</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>C. Amending or Deleting Coverage on Vehicles with Lessees or Lienholders</p> <p>Where optional physical damage coverage is being amended or deleted on a leased vehicle or a vehicle on which there is a lienholder, the Servicing Carrier must send a notice to the lessor or lienholder to advise of the coverage being amended or deleted and the effective date of the transaction.</p> <p>D. Binding Coverage - Policy Changes</p> <p>If the change involves a vehicle for which proof of insurance has been filed or is required, refer to Rule 227: Proof of Insurance. Before binding coverage the Agent/Broker must collect or assume responsibility for any indicated additional premium.</p> <p>Procedure of notification</p> <ol style="list-style-type: none"> 1) The Agent's/Broker's procedure for reporting changes to the Servicing Carrier must be acceptable to the Carrier. The request for change must be made in writing and specify the effective date and the effective time. 2) Faxed or mailed policy change requests are acceptable. 3) If the policy change request cannot be sent to the Servicing Carrier on the date the Insured makes the request, it must be sent to the Servicing Carrier on the next working day. 	<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 father's name and one in son's name, separate policies must be maintained. Separate applications must be submitted for each policy.</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>C. Amending or Deleting Coverage on Vehicles with Lessees or Lienholders</p> <p>Where optional physical damage coverage is being amended or deleted on a leased vehicle or a vehicle on which there is a lienholder, the Servicing Carrier must send a notice to the lessor or lienholder to advise of the coverage being amended or deleted and the effective date of the transaction.</p> <p>D. Binding Coverage - Policy Changes</p> <p>If the change involves a vehicle for which proof of insurance has been filed or is required (Refer to Rule 227): Proof of Insurance. Before binding coverage the Agent/Broker must collect or assume responsibility for any indicated additional premium.</p> <p>Procedure of notification</p> <ol style="list-style-type: none"> 1) The Agent's/Broker's procedure for reporting changes to the Servicing Carrier must be acceptable to the Carrier. The request for change must be made in writing and specify the effective date and the effective time. 2) Faxed or mailed policy change requests are acceptable. 3) If the policy change request cannot be sent to the Servicing Carrier on the date the Insured makes the request, it must be sent to the Servicing Carrier on the next working day. 	<p>This paragraph is being removed as the same comment is above under Leased Vehicles</p>	<p>This will not impact premiums</p>

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Rule 217 Policy Changes	<p>4) The Servicing Carrier shall normally issue any required endorsement, updated Certificate of Insurance (if required) and permanent liability card (if required) within 30 days of the effective date of the change.</p> <p>5) Coverage may not be shown as effective prior to the date and time that the request was received by the Agent/Broker from the Insured, except when contractual coverage exists automatically under the policy and notice is given within the time permitted. A permissible policy change is in effect as of the time and date requested.</p> <p>6) Where a vehicle is being added or substituted, a copy of the valid vehicle registration will be required with the request for the policy change. If the registration cannot be submitted with the request for policy change, a copy of the registration must be submitted within 30 days of binding coverage.</p> <p>7) Optional physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p>Where a copy of the registration is not provided the following shall apply:</p> <ul style="list-style-type: none"> • The vehicle(s) shall be added or substituted at the correct premium. • If any registration is not provided within 30 days of the date requested by the Servicing Carrier, the policy shall be cancelled by registered letter. • If the missing registration(s) is provided before the cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for vehicles meeting the registration requirement. 	<p>4) The Servicing Carrier shall normally issue any required endorsement, updated Certificate of Insurance (if required) and permanent liability card (if required) within 30 days of the effective date of the change.</p> <p>5) Coverage may not be shown as effective prior to the date and time that the request was received by the Agent/Broker from the Insured, except when contractual coverage exists automatically under the policy and notice is given within the time permitted. A permissible policy change is in effect as of the time and date requested.</p> <p>6) Optional physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter. <i>(Applicable to Alberta only).</i></p> <p>7) Where a vehicle is being added or substituted, a copy of the valid vehicle registration will be required with the request for the policy change. If the registration cannot be submitted with the request for policy change, a copy of the registration must be submitted within 30 days of binding coverage.</p> <p>Where a copy of the registration is not provided the following shall apply:</p> <ul style="list-style-type: none"> • The vehicle(s) shall be added or substituted at the correct premium. • If any registration is not provided within 30 days of the date requested by the Servicing Carrier, the policy shall be cancelled by registered letter. • If the missing registration(s) is provided before the cancellation takes effect, the policy may be reinstated. • Agent/Broker may submit a new application for vehicles meeting the registration requirement. 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
	E. Deletions of Vehicles and Coverages	E. Deletions of Vehicles and Coverages		

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 217 Policy Changes</p>	<p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01a.m. the following day.</p> <p><i>For example:</i> The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from Insured) more than 30 days after the date the deletion was requested to be effected, the deletion shall take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from Insured).</p> <p><i>For example:</i> The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>NOTE for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing</p>	<p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01a.m. the following day.</p> <p><i>For example:</i> The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from Insured) more than 30 days after the date the deletion was requested to be effected, the deletion shall take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from Insured).</p> <p><i>For example:</i> The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>NOTE for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>c) In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 217 Policy Changes</p>	<p>Carrier is produced, the vehicle shall be deleted the day after the vehicle is sold.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the Insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p> <p>d) In the event that a vehicle has been written off in a claim, deletion shall not be effected prior to the day after the loss occurred. If the request for vehicle deletion is received more than 30 days after the date of loss, the deletion shall be effected:</p> <p>i) The day after the salvage is signed over to the Insurer;</p> <p>or</p> <p>ii) The date the policy is no longer under the temporary substitute auto provision, if that date is later than the date salvage was signed over.</p> <p><i>For example:</i> The vehicle has been written off in a claim June 1. On September 1 the Servicing Carrier receives a request to delete the vehicle effective June 1. Upon checking with the claims department, the Servicing Carrier ascertains that salvage was signed over to the claims department on June 15. However, the Insured had a rental vehicle covered under the policy's temporary substitute auto coverage until June 20. The Servicing Carrier will delete the vehicle effective 12:01 a.m. June 21.</p> <p>e) In the event the Insured has placed coverage through the voluntary market, upon receipt of a copy of the replacing policy application for the deleted vehicle or temporary liability card, the Servicing Carrier shall delete effective the date that the replacement coverage took effect.</p>	<p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to delete until September 5. If the Insured can produce a satisfactory bill of sale, the Servicing Carrier will delete the vehicle effective 12:01 a.m. June 6.</p> <p>d) In the event that a vehicle has been written off in a claim, deletion shall not be effected prior to the day after the loss occurred. If the request for vehicle deletion is received more than 30 days after the date of loss, the deletion shall be effected:</p> <p>i) The day after the salvage is signed over to the Insurer;</p> <p style="text-align: center;">or</p> <p>ii) The date the policy is no longer under the temporary substitute auto provision, if that date is later than the date salvage was signed over.</p> <p><i>For example:</i> The vehicle has been written off in a claim June 1. On September 1 the Servicing Carrier receives a request to delete the vehicle effective June 1. Upon checking with the claims department, the Servicing Carrier ascertains that salvage was signed over to the claims department on June 15. However, the Insured had a rental vehicle covered under the policy's temporary substitute auto coverage until June 20. The Servicing Carrier will delete the vehicle effective 12:01 a.m. June 21.</p> <p>e) In the event the Insured has placed coverage through the voluntary market, upon receipt of a copy of the replacing policy application for the deleted vehicle or temporary liability card, the Servicing Carrier shall delete effective the date that the replacement coverage took effect.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
	<p>Servicing Carriers shall proceed with deletion as outlined in a) or b) unless the Servicing Carrier is aware or is made</p>	<p>Servicing Carriers shall proceed with deletion as outlined in a) or b) unless the Servicing Carrier is aware or is made aware, that the circumstances outlined in points c), d) or e) exist.</p>		

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 217 Policy Changes	<p>aware, that the circumstances outlined in points c), d) or e) exist.</p> <p>F. New or Replacement Driver</p> <p>If the change includes an additional or replacement driver, the Servicing Carrier shall be required to verify the driving history by ordering:</p> <p>a) Driver record abstract obtained from the appropriate government department in each Canadian and/or U.S. jurisdiction in which the new or replacement driver has been licensed in the previous three years.</p> <p>On experience (fleet) rated risks, the abstract is not required.</p> <p>Since Facility Association recognizes driving experience gained in the U.S., part of that experience includes convictions obtained there. To properly rate drivers with U.S. experience, the confirmed conviction record provided through a U.S. abstract is needed. If the U.S. abstract is not provided, experience gained in the U.S. is not recognized.</p> <p>b) Since the rating is determined from the vehicle history not the driver’s history, there is no requirement that drivers are accident free on other vehicles and, consequently, previous insurance history on the additional or replacement driver(s) is not required.</p> <p>If the information is different from that reported, to the extent that the premium or coverage requires amendment, the Servicing Carrier shall promptly issue a correcting endorsement.</p> <p>G. Midterm Policy Change Premium Calculation</p> <p>In regard to the period licensed, period of ownership, the period since the date of an accident, the period since the date of a conviction, the rating is always based on the position as at the effective date of the policy period, (or, in the case of a subsequent addition/substitution of a</p>	<p>F. New or Replacement Driver</p> <p>If the change includes an additional or replacement driver, the Servicing Carrier shall be required to verify the driving history by ordering:</p> <p>a) Driver Record Abstract obtained from the appropriate government department in each Canadian and/or U.S. jurisdiction in which the new or replacement driver has been licensed in the previous three years.</p> <p>Driver Record Abstracts are not to be obtained on experience (fleet) rated risks.</p> <p>Since Facility Association recognizes driving experience gained in the U.S., part of that experience includes convictions obtained there. To properly rate drivers with U.S. experience, the confirmed conviction record provided through a U.S. abstract is needed. If the U.S. abstract is not provided, experience gained in the U.S. is not recognized.</p> <p>b) Since the rating is determined from the vehicle history not the driver’s history, there is no requirement that drivers are accident free on other vehicles and, consequently, previous insurance history on the additional or replacement driver(s) is not required.</p> <p>If the information is different from that reported, to the extent that the premium or coverage requires amendment, the Servicing Carrier shall promptly issue a correcting endorsement.</p> <p>G. Midterm Policy Change Premium Calculation</p> <p>In regard to the period licensed, period of ownership, the period since the date of an accident, the period since the date of a conviction, the rating is always based on the position as at the effective date of the policy period, (or, in the case of a subsequent addition/substitution of a driver or addition of a vehicle as at the addition/substitution date).</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 217</p> <p>Policy Changes</p>	<p>driver or addition of a vehicle as at the addition/substitution date). Midterm rerating is NOT permissible in respect of changes that occur in regard to those matters during the period of insurance merely because of the lapse of time.</p> <p>Rates to be used</p> <p>Addition of a vehicle: Rates in effect at the effective date of the transaction.</p> <p>Addition of a coverage or other midterm transactions: Rates in effect at the start of the policy period.</p> <p>Method of premium calculation: Premiums for midterm commercial policy changes are calculated pro rata by using the Day Table.</p> <p>Minimum premiums for midterm changes: A minimum additional premium of \$5 shall be charged for any transaction that includes one or more of the following, regardless of the period of insurance:</p> <ul style="list-style-type: none"> • addition of a vehicle or a coverage • increase of a Liability limit • decrease of a deductible <p>Note 1: Any additional premium of less than \$5 may be waived by the Servicing Carrier unless mentioned above. Return premiums may not be waived</p>	<p>Midterm rerating is NOT permissible in respect of changes that occur in regard to those matters during the period of insurance merely because of the lapse of time.</p> <p>Rates to be used</p> <p>Addition of a vehicle: Rates in effect at the effective date of the transaction.</p> <p>Addition of a coverage or other midterm transactions: Rates in effect at the start of the policy period.</p> <p>Method of premium calculation: Premiums for midterm commercial automobile policy changes are calculated pro rata by using the Day Table.</p> <p>Minimum premiums for midterm changes: A minimum additional premium of \$5 shall be charged for any transaction that includes one or more of the following, regardless of the period of insurance:</p> <ul style="list-style-type: none"> • addition of a vehicle or a coverage • increase of a Liability limit • decrease of a deductible <p>Note 1: Any additional premium of less than \$5 may be waived by the Servicing Carrier unless mentioned above. Return premiums may not be waived</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 218</p> <p>Renewals</p>	<p>A. Before issuing a Renewal: If the renewal involves a vehicle for which proof of insurance has been filed or is required, see Rule 227 Proof of Insurance.</p> <p>Commercial risks may require the Agent/Broker to determine whether the information on record and/or coverage needs revision or updating.</p> <p>A driver record abstract must be obtained for those risks where eligibility or rating is dependent upon driving</p>	<p>A. Before issuing a Renewal: If the renewal involves a vehicle for which proof of insurance has been filed or is required, see Rule 227 Proof of Insurance.</p> <p>Individually rated or experience rated commercial risks may require the Agent/Broker to determine whether the information on record and/or coverages needs revision or updating.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 218 Renewals</p>	<p>history. These must be ordered on all drivers prior to every renewal (for six month policies every other renewal).</p> <p>Renewals shall only be offered on policies for annual or six month terms.</p> <p>NOTE:</p> <p>a) Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p> <p>b) Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.</p> <p>B. Accidents Occurring Between Renewal Process Date & Effective Date</p> <p>Once a renewal or offer to renew has been processed, and the Servicing Carrier receives notice of an at fault loss that occurred prior to the renewal's effective date, the Servicing Carrier shall amend the renewal rating accordingly.</p> <p>C. Renewal Processing</p> <p>1. Other than Direct Billing</p> <p>Servicing Carrier Responsibilities</p> <p>The renewal documents shall be issued by the Servicing Carrier and must reach the Agent's/Broker's address no later than 30 days prior to the policy's current expiry date.</p> <p>Agent/Broker Responsibilities</p> <p>Before releasing any renewal documents, the Agent/Broker must collect or assume responsibility for the full renewal premium. In the case of experience (fleet) rated risks, where renewals may be late due to missing</p>	<p>A driver record abstract must be obtained for those risks where eligibility or rating is dependent upon driving history. These must be ordered on all drivers prior to every renewal (for six month policies every other renewal). <i>(Applicable to Alberta, New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island).</i></p> <p>Renewals shall only be offered on policies for annual or six month terms.</p> <p>NOTE:</p> <p>a) Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p> <p>b) Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew. <i>(Applicable to Alberta only)</i></p> <p>B. Accidents Occurring Between Renewal Process Date & Effective Date</p> <p>Once a renewal or offer to renew has been processed, and the Servicing Carrier receives notice of an at fault loss that occurred prior to the renewal's effective date, the Servicing Carrier shall amend the renewal rating accordingly.</p> <p>C. Renewal Processing</p> <p>1. Other than Direct Billing</p> <p>Servicing Carrier Responsibilities</p> <p>The renewal documents shall be issued by the Servicing Carrier and must reach the Agent's/Broker's address no later than 30 days prior to the policy's current expiry date.</p> <p>Agent/Broker Responsibilities</p> <p>Before releasing any renewal documents, the Agent/Broker must collect or assume responsibility for the full renewal</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 218 Renewals</p>	<p>information, the Agent/Broker is responsible for the premium calculated at Driving Record 0. For other than experience rated risks, if the Servicing Carrier is unable to issue renewals in the required time period, the Agent/Broker must issue a temporary liability card to the Insured and collect a downpayment based on the estimated annual premium for the upcoming renewal term.</p> <p style="text-align: center;">or</p> <p>Obtain a fully completed premium finance contract together with the full downpayment required and promptly send that contract to the premium finance company.</p> <p>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:</p> <ul style="list-style-type: none"> a) Return all renewal documents (including liability cards) to the Servicing Carrier; OR b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office; OR c) Written confirmation that the insured has rejected the renewal contract. <p>Where an Insured has received renewal documents prior to the effective date of the renewal, if 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</p>	<p>premium. In the case of experience (fleet) rated risks, where renewals may be late due to missing information, the Agent/Broker is responsible for the premium calculated at Driving Record 0. For other than experience rated risks, if the Servicing Carrier is unable to issue renewals in the required time period, the Agent/Broker must issue a temporary liability card to the Insured and collect a downpayment based on the estimated annual premium for the upcoming renewal term.</p> <p style="text-align: center;">Or</p> <p>Obtain a fully completed premium finance contract together with the full downpayment required and promptly send that contract to the premium finance company.</p> <p>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:</p> <ul style="list-style-type: none"> a) Return all renewal documents (including liability cards) to the Servicing Carrier; OR b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office; OR c) Written confirmation that the insured has rejected the renewal contract. <i>(Applicable to Alberta only)</i> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, if 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. <i>(Applicable to Alberta only)</i></p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p> <p>Deleted these two paragraphs as already remarked on Part A.</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 218 Renewals</p>	<p>be reissued unless the Servicing Carrier receives instructions no later than the renewal’s effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p> <p>NOTE: a. Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p> <p>b. Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.</p> <p>2. Direct Billing Renewals Servicing Carrier Responsibilities a) For each policy an offer to renew shall be issued by the Servicing Carrier. The offer to renew must reach the Insured’s last known address no later than 30 days prior to the policy’s current expiry date.</p> <p>b) The payment due date must be clearly indicated on the offer to renew and must be the same as the policy’s current expiry date.</p> <p>c) If the required premium is received by the Servicing Carrier no later than 15 days after the payment due</p>	<p>reissued unless the Servicing Carrier receives instructions no later than the renewal’s effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured. <i>(Applicable to Alberta only)</i></p> <p>NOTE: a. Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p> <p>b. Private Passenger vehicles, which include business use even when listed on a commercial/fleet policy, and vehicles used in farming operations that weigh less than 4,500kg are not eligible to be declined, terminated or refuse to renew.</p> <p>2. Direct Billing Renewals Servicing Carrier Responsibilities a) For each policy an offer to renew shall be issued by the Servicing Carrier. The offer to renew must reach the Insured’s last known address no later than 30 days prior to the policy’s current expiry date.</p> <p>b) The payment due date must be clearly indicated on the offer to renew and must be the same as the policy’s current expiry date.</p> <p>c) If the required premium is received by the Servicing Carrier no later than 15 days after the payment due date, the Servicing Carrier shall promptly issue the</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 218 Renewals</p>	<p>date, the Servicing Carrier shall promptly issue the appropriate renewal documents to the Insured.</p> <p>d) The renewal documents must not be released by the Servicing Carrier until the full premium is received or the required first payment is received on time by the Servicing Carrier (by first payment due date if a deferred premium payment plan is available). If this rule is followed, neither the Carrier nor the Agent/Broker incurs any responsibility for the premium. If the Servicing Carrier follows any other unauthorized procedure, the Servicing Carrier will be responsible for the earned premium for the time on risk calculated on a pro rata basis and will be required to stop offering a Direct Bill option.</p> <p>Payment Not Received If the required payment is not received by the Servicing Carrier within 15 days of the payment due date, the policy shall be treated as though it has expired and the Servicing Carrier shall advise the Agent/Broker accordingly within the following 10 days.</p>	<p>appropriate renewal documents to the Insured.</p> <p>d) The renewal documents must not be released by the Servicing Carrier until the full premium is received or the required first payment is received on time by the Servicing Carrier (by first payment due date if a deferred premium payment plan is available). If this rule is followed, neither the Carrier nor the Agent/Broker incurs any responsibility for the premium. If the Servicing Carrier follows any other unauthorized procedure, the Servicing Carrier will be responsible for the earned premium for the time on risk calculated on a pro rata basis and will be required to stop offering a Direct Bill option.</p> <p>Payment Not Received If the required payment is not received by the Servicing Carrier within 15 days of the payment due date, the policy shall be treated as though it has expired and the Servicing Carrier shall advise the Agent/Broker accordingly within the following 10 days.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 219 Cancellations</p>	<p>A. Midterm Cancellation - Effective Date 1. Received by Agent/Broker or Servicing Carrier within 30 days If the request for a midterm cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the cancellation is to be effected, and no effective time is requested, the cancellation shall take effect at 12:01 a.m. on the date it was requested to be effective. In the event that the cancellation was specifically requested to be effective at a time other than 12:01 a.m., the cancellation shall be effected at 12:01 a.m. the following day.</p> <p><i>For example:</i> The Insured requests a midterm cancellation of the policy to be effective August 5. The cancellation request is received by the Agent/Broker on August 20. The Servicing Carrier shall cancel the policy effective 12:01 a.m. August 5. If the Insured requested cancellation to be effective at 3:40 p.m. on August 5, the</p>	<p>A. Midterm Cancellation - Effective Date 1. Received by Agent/Broker or Servicing Carrier within 30 days If the request for a midterm cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the cancellation is to be effected, and no effective time is requested, the cancellation shall take effect at 12:01 a.m. on the date it was requested to be effective. In the event that the cancellation was specifically requested to be effective at a time other than 12:01 a.m., the cancellation shall be effected at 12:01 a.m. the following day.</p> <p><i>For example:</i> The Insured requests a midterm cancellation of the policy to be effective August 5. The cancellation request is received by the Agent/Broker on August 20. The Servicing Carrier shall cancel the policy effective 12:01 a.m. August 5. If the Insured requested cancellation to be effective at 3:40 p.m. on August 5, the Servicing Carrier shall cancel the policy effective 12:01 a.m. on August 6.</p>	<p>Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 219 Cancellations</p>	<p>Servicing Carrier shall cancel the policy effective 12:01 a.m. on August 6.</p> <p>NOTE: For flat cancellations of renewals, refer to Rule 219:E.4.</p> <p>2. Received by Agent/Broker or Servicing Carrier after 30 days If the request for cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) more than 30 days after the date the cancellation was requested to be effected, the cancellation shall take effect at 12:01 a.m. on the date that the cancellation request is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured).</p> <p><i>For example:</i> The Insured requests cancellation of the policy to be effective September 5. The cancellation request is received by the Agent/Broker on October 10. The Servicing Carrier shall cancel the policy effective 12:01 a.m. October 10.</p> <p>NOTE for 1. and 2. If the date the request was received by the Agent/Broker is not evident, the Agent/Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>3. Received by Servicing Carrier after 30 days and vehicle sold In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the policy shall be cancelled the day after the vehicle is sold regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to cancel until September 5. If the Insured can produce a satisfactory bill of sale, the Servicing Carrier will cancel the policy effective 12:01 a.m. June 6.</p>	<p>NOTE: For flat cancellations of renewals, refer to Rule 219:E.4.</p> <p>2. Received by Agent/Broker or Servicing Carrier after 30 days If the request for cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) more than 30 days after the date the cancellation was requested to be effected, the cancellation shall take effect at 12:01 a.m. on the date that the cancellation request is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured).</p> <p><i>For example:</i> The Insured requests cancellation of the policy to be effective September 5. The cancellation request is received by the Agent/Broker on October 10. The Servicing Carrier shall cancel the policy effective 12:01 a.m. October 10.</p> <p>NOTE for 1 and 2 If the date the request was received by the Agent/Broker is not evident, the Agent/Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p> <p>3. Received by Servicing Carrier after 30 days and vehicle sold In the event that the vehicle has been sold, and a copy of the bill of sale satisfactory to the Servicing Carrier is produced, the policy shall be cancelled the day after the vehicle is sold regardless of what that date might be.</p> <p><i>For example:</i> The vehicle was sold June 5. The Servicing Carrier does not receive the request to cancel until September 5. If the Insured can produce a satisfactory bill of sale, the Servicing Carrier will cancel the policy effective 12:01 a.m. June 6.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 219 Cancellations	<p>4. In the event of a total loss In the event that a vehicle has been written off in a claim, cancellation shall be effected: a) The day after the salvage is signed over to the Insurer, or b) The date the policy is no longer providing coverage on a rental vehicle under the temporary substitute auto provision, if that date is later than the date salvage was signed over.</p> <p><i>For example:</i> The vehicle has been written off in a claim June 1. On September 1, the Servicing Carrier receives a request to cancel the policy effective June 1. Upon checking with the claims department, the Servicing Carrier ascertains that salvage was signed over to the claims department on June 15. However, the Insured had a rental vehicle covered under the policy's temporary substitute auto coverage until June 20. The Servicing Carrier will cancel the policy effective 12:01 a.m. June 21.</p> <p>5. Coverage placed in Voluntary Market In the event the Insured has placed coverage through the voluntary market, upon receipt of a copy of the replacing policy application, or temporary liability card, the Servicing Carrier shall cancel the policy effective the date that the replacement coverage took effect.</p>	<p>4. In the event of a total loss In the event that a vehicle has been written off in a claim, cancellation shall be effected: a) The day after the salvage is signed over to the Insurer, or b) The date the policy is no longer providing coverage on a rental vehicle under the temporary substitute auto provision, if that date is later than the date salvage was signed over.</p> <p><i>For example:</i> The vehicle has been written off in a claim June 1. On September 1, the Servicing Carrier receives a request to cancel the policy effective June 1. Upon checking with the claims department, the Servicing Carrier ascertains that salvage was signed over to the claims department on June 15. However, the Insured had a rental vehicle covered under the policy's temporary substitute auto coverage until June 20. The Servicing Carrier will cancel the policy effective 12:01 a.m. June 21.</p> <p>5. Coverage placed in Voluntary Market In the event the Insured has placed coverage through the voluntary market, upon receipt of a copy of the replacing policy application, or temporary liability card, the Servicing Carrier shall cancel the policy effective the date that the replacement coverage took effect.</p>	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
	<p>Servicing Carriers shall proceed with cancellation as outlined in points 1 or 2 unless the Servicing Carrier is aware or is made aware, that the circumstances outlined in points 3, 4 or 5 exist.</p>	<p>Servicing Carriers shall proceed with cancellation as outlined in points 1 or 2 unless the Servicing Carrier is aware or is made aware, that the circumstances outlined in points 3, 4 or 5 exist.</p>		
	<p>B. Policies with Lessors or Lienholders If the policy is being cancelled at the Insured's request, a release of interest must be obtained from the lessor or the lienholder. In the event the Servicing Carrier does not receive a release of interest from the lessor, a notice is to be sent to the lessor by registered mail to advise that the policy is being cancelled and the effective date of cancellation. If no release is received from the lienholder, a notice is to be sent to the lienholder (registered mail is not required) to advise that the policy is being cancelled and the effective date of cancellation.</p>	<p>B. Policies with Lessors or Lienholders If the policy is being cancelled at the Insured's request, a release of interest must be obtained from the lessor or the lienholder. In the event the Servicing Carrier does not receive a release of interest from the lessor, a notice is to be sent to the lessor by registered mail to advise that the policy is being cancelled and the effective date of cancellation. If no release is received from the lienholder, a notice is to be sent to the lienholder (registered mail is not required) to advise that the policy is being cancelled and the effective date of cancellation.</p>		

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 219 Cancellations</p>	<p>If the policy is being cancelled at the Agent’s/Broker’s request or Servicing Carrier’s initiative by registered letter, a copy of the registered letter must be sent to the lessor or lienholder by registered mail.</p> <p>C. Where Proof of Insurance Has Been Filed</p> <p>If proof of insurance has been filed, the notice period required by the authority must expire before cancellation can be effected, and therefore the Servicing Carrier shall cancel the policy effective the date the notice period expires. Refer to Rule 227: Proof of Insurance.</p> <p>D. Policy is Financed Through a Premium Finance Company</p> <p>If a return premium is payable on a policy financed with a premium finance company, the gross refund is to be sent directly to the premium finance company regardless of the reason for cancellation.</p> <p>The Agent’s/Broker’s account shall be debited with the amount of the premium refund sent to the premium finance company.</p> <p>E. Cancellation – Procedures</p> <p>1. Cancellation at the request of the Insured or the Premium Finance Company – Broker Bill & Direct Bill</p> <p>Cancellation requested by the Insured or the premium finance company under power of attorney must be made in writing in a format suitable to the Servicing Carrier. Facility Association shall accept faxed signed and dated cancellation requests.</p> <p>The return premium shall be calculated as follows: For commercial vehicles being placed in the voluntary market calculate on a pro rata basis using the Day Table subject to any applicable minimum retained premium.</p>	<p>If the policy is being cancelled at the Agent’s/Broker’s request or Servicing Carrier’s initiative by registered letter, a copy of the registered letter must be sent to the lessor or lienholder by registered mail.</p> <p>C. Where Proof of Insurance Has Been Filed</p> <p>If proof of insurance has been filed, the notice period required by the authority must expire before cancellation can be effected, and therefore the Servicing Carrier shall cancel the policy effective the date the notice period expires. Refer to Rule 227: Proof of Insurance.</p> <p>D. Policy is Financed Through a Premium Finance Company</p> <p>If a return premium is payable on a policy financed with a premium finance company, the gross refund is to be sent directly to the Agent/Broker regardless of the reason for cancellation. The Agent/Broker must return the applicable refund premium to the premium finance company.</p> <p>The Agent’s/Broker’s account shall be debited with the amount of the premium refund sent to the premium finance company.</p> <p>E. Cancellation – Procedures</p> <p>1. Cancellation at the request of the Insured or the Premium Finance Company – Broker Bill & Direct Bill</p> <p>Cancellation requested by the Insured or the premium finance company under power of attorney must be made in writing in a format suitable to the Servicing Carrier. Facility Association shall accept faxed signed and dated cancellation requests.</p> <p>The return premium shall be calculated as follows: For commercial vehicles being placed in the voluntary market calculate on a pro rata basis using the Day Table subject to any applicable minimum retained premium.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 219 Cancellations</p>	<p>For commercial vehicles not being placed in the voluntary market use Short Term Table No. 1 or No. 2 subject to any applicable minimum retained premium.</p> <p>If the policy is on Broker Bill, the Servicing Carrier shall credit the Agent's/Broker's account with the unearned premium refundable unless the premium is financed through a premium finance company.</p> <p>2. Cancellation at the request of the Agent/Broker – Broker Bill</p> <p>When additional premium cannot be collected on original quote</p> <p>If the Agent/Broker cannot collect the additional premium arising from an increase to the premium originally quoted for new business:</p> <p>a) The Agent/Broker must advise the Servicing Carrier of the amount of premium collected and request that a notice of cancellation be issued to the Insured, or b) The Agent/Broker must have the policy signed off. Facility Association shall accept faxed signed cancellation requests.</p> <p>If the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of those increases, the earned premium for cancellation shall be calculated pro rata on the Agent's/Broker's originally quoted premium. Otherwise, the earned premium shall be calculated pro rata on the revised premium. If a subsequent application is submitted by the same Agent/Broker to the same Servicing Carrier for substantially the same risk within 30 days of the effective date of cancellation of the first policy and, the Agent/Broker reports non-payment of additional premium, the earned premium shall be calculated pro rata on the revised premium.</p> <p>Note: For policies for which premium is paid direct to the Servicing Carrier and the Carrier initiates cancellation, the words 'Agent/Broker' will be read to mean Servicing Carrier.</p>	<p>For commercial vehicles, not being placed in the voluntary market use Short Term Table No. 1 or No. 2 subject to any applicable minimum retained premium.</p> <p>Note: For Recreational vehicles used for commercial purposes, refer to the Recreational Vehicle section of the manual.</p> <p>If the policy is on Broker Bill, the Servicing Carrier shall credit the Agent's/Broker's account with the unearned premium refundable unless the premium is financed through a premium finance company.</p> <p>2. Cancellation at the request of the Agent/Broker – Broker Bill</p> <p>When additional premium cannot be collected on original quote</p> <p>If the Agent/Broker cannot collect the additional premium arising from an increase to the premium originally quoted for new business:</p> <p>a) The Agent/Broker must advise the Servicing Carrier of the amount of premium collected and request that a notice of cancellation be issued to the Insured, or b) The Agent/Broker must have the policy signed off. Facility Association shall accept faxed signed cancellation requests.</p> <p>If the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of those increases, the earned premium for cancellation shall be calculated pro rata on the Agent's/Broker's originally quoted premium. Otherwise, the earned premium shall be calculated pro rata on the revised premium. If a subsequent application is submitted by the same Agent/Broker to the same Servicing Carrier for substantially the same risk within 30 days of the effective date of cancellation of the first policy and, the Agent/Broker reports non-payment of additional premium, the earned premium shall be calculated pro rata on the revised premium.</p> <p>Note: For policies for which premium is paid direct to the Servicing Carrier and the Carrier initiates cancellation, the words 'Agent/Broker' will be read to mean Servicing Carrier.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 219 Cancellations</p>	<p>When outstanding premium cannot be collected in all other cases</p> <p>Agent/Broker Responsibilities If cancellation of a policy is requested by the Agent/Broker due to inability to collect the full policy/renewal premium or a subsequent additional premium, the Agent/Broker will be responsible for the time on risk charge which will be pro rata of the full premium.</p> <p>The Agent/Broker must advise the Servicing Carrier of the amount of premium collected and request that a notice of cancellation be issued to the Insured.</p> <p>Servicing Carrier Responsibilities The Servicing Carrier shall promptly issue a registered notice of cancellation in accordance with the Statutory Conditions. The earned premium for cancellation shall be calculated pro rata on the full term premium at the time of cancellation.</p> <p>When the Servicing Carrier issues a registered letter of cancellation, any unearned premium shall be refunded directly to the Insured (unless the policy is financed through a premium finance company) and the Agent's/Broker's account shall be debited for the amount of the refund and credited for the unearned premium.</p> <p>3. Cancellation of Late Issued Renewals If the Servicing Carrier is unable to issue renewals in the required time period, the Agent/Broker must issue a temporary liability card to the Insured and collect a downpayment based on the estimated annual premium (or the estimated semi-annual premium for 6 month policies) for the upcoming renewal term. Once the renewal is issued, if the Insured does not accept the renewal premium, the Agent/Broker shall advise the Servicing Carrier of the amount of premium collected and request that notice of cancellation be issued to the Insured or shall have the Insured sign off the policy.</p> <p>The Servicing Carrier shall then issue a registered letter of cancellation in accordance with the Statutory Conditions or issue the necessary cancellation documents. The earned premium shall be calculated pro rata based on the previous term premium.</p>	<p>When outstanding premium cannot be collected in all other cases</p> <p>Agent/Broker Responsibilities If cancellation of a policy is requested by the Agent/Broker due to inability to collect the full policy/renewal premium or a subsequent additional premium, the Agent/Broker will be responsible for the time on risk charge which will be pro rata of the full premium.</p> <p>The Agent/Broker must advise the Servicing Carrier of the amount of premium collected and request that a notice of cancellation be issued to the Insured.</p> <p>Servicing Carrier Responsibilities The Servicing Carrier shall promptly issue a registered notice of cancellation in accordance with the Statutory Conditions. The earned premium for cancellation shall be calculated pro rata on the full term premium at the time of cancellation.</p> <p>When the Servicing Carrier issues a registered letter of cancellation, any unearned premium shall be refunded directly to the Insured (unless the policy is financed through a premium finance company) and the Agent's/Broker's account shall be debited for the amount of the refund and credited for the unearned premium.</p> <p>3. Cancellation of Late Issued Renewals If the Servicing Carrier is unable to issue renewals in the required time period, the Agent/Broker must issue a temporary liability card to the Insured and collect a downpayment based on the estimated annual premium (or the estimated semi-annual premium for 6 month policies) for the upcoming renewal term. Once the renewal is issued, if the Insured does not accept the renewal premium, the Agent/Broker shall advise the Servicing Carrier of the amount of premium collected and request that notice of cancellation be issued to the Insured or shall have the Insured sign off the policy.</p> <p>The Servicing Carrier shall then issue a registered letter of cancellation in accordance with the Statutory Conditions or issue the necessary cancellation documents. The earned premium shall be calculated pro rata based on the previous term premium.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 219 Cancellations</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 219.E.6 Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 218) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on time shall be charged to the insured.</p> <p>5. Cancellation of Renewals in Outlying Areas - No longer applicable</p> <p>6. Flat Cancellation Exceptions 1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat. 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</p>	<p>4. Flat Cancellation New Policy Flat cancellation of a new policy is not allowed except as provided under Rule 219:E.6 Flat Cancellation Exceptions.</p> <p>Additional Premium Policy Change Flat cancellation of an additional premium policy change is not allowed.</p> <p>Renewal Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 218) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal. <i>(Applicable to Alberta only)</i></p> <p>Where an Insured has received renewal documents on or after the effective date of the renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on time shall be charged to the insured. <i>(Applicable to Alberta only)</i></p> <p>5. Cancellation of Renewals in Outlying Areas — No longer applicable</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. 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</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 219 Cancellations</p>	<p>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>a) The cheque was dated and issued on or before the effective date of the policy period concerned or the electronic payment was made on or before the effective date of the policy period concerned; and</p> <p>b) The cheque was immediately deposited; and</p> <p>c) In the case of a first installment, the amount of the cheque or electronic payment was sufficient to meet the Servicing Carrier’s requirement or if financed under a contract with a premium finance company the full down payment required under the terms of the contract; and</p> <p>d) The return of the cheque by the financial institution or dishonour of the electronic payment is promptly reported to the Servicing Carrier. A copy of the cheque (front and back) or copy of the dishonour notice must be provided to the Servicing Carrier.</p> <p>However, on the registered letter of cancellation to the Insured, the Servicing Carrier shall request payment of the full pro rata time on risk charge.</p> <p>7. Cancellation initiated by the Servicing Carrier Non-Payment – Direct Bill If premiums are paid directly to the Servicing Carrier, the Servicing Carrier may cancel an insurance policy for non-payment of premium. The earned premium shall be calculated pro rata.</p> <p>Other Circumstances</p>	<p>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>a) The cheque was dated and issued on or before the effective date of the policy period concerned or the electronic payment was made on or before the effective date of the policy period concerned; and</p> <p>b) The cheque was immediately deposited; and</p> <p>c) In the case of a first installment, the amount of the cheque or electronic payment was sufficient to meet the Servicing Carrier’s requirement or if financed under a contract with a premium finance company the full down payment required under the terms of the contract; and</p> <p>d) The return of the cheque by the financial institution or dishonour of the electronic payment is promptly reported to the Servicing Carrier. A copy of the cheque (front and back) or copy of the dishonour notice must be provided to the Servicing Carrier.</p> <p>However, on the registered letter of cancellation to the Insured, the Servicing Carrier shall request payment of the full pro rata time on risk charge.</p> <p>6. Cancellation initiated by the Servicing Carrier Non-Payment – Direct Bill If premiums are paid directly to the Servicing Carrier, the Servicing Carrier may cancel an insurance policy for non-payment of premium. The earned premium shall be calculated pro rata.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 219 Cancellations</p>	<p>The Servicing Carrier may not otherwise cancel an insurance policy unless approval of such action is contained elsewhere in this manual or is obtained in the manner prescribed by the Association’s Board of Directors.</p> <p>F. Refund Calculation</p> <p>1. Insured’s Request For a policy cancellation requested by or on behalf of the Insured (e.g. requested by a premium finance company) the premium refund shall be calculated in accordance with the Short Term Tables, unless a pro rata cancellation is being allowed because the risk is being placed in the voluntary market.</p> <p>2. Any Other Reason Where the policy is being cancelled for any other reason (e.g. by registered letter) the premium refund shall be calculated on a pro rata basis using the Day Table.</p>	<p>Other Circumstances The Servicing Carrier may not otherwise cancel an insurance policy unless approval of such action is contained elsewhere in this manual or is obtained in the manner prescribed by the Association’s Board of Directors.</p> <p>F. Refund Calculation</p> <p>1. Insured’s Request For a policy cancellation requested by or on behalf of the Insured (e.g. requested by a premium finance company) the premium refund shall be calculated in accordance with the Short Term Tables, unless a pro rata cancellation is being allowed because the risk is being placed in the voluntary market.</p> <p>2. Any Other Reason Where the policy is being cancelled for any other reason (e.g. by registered letter) the premium refund shall be calculated on a pro rata basis using the Day Table.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 222 Reinstatements</p>	<p>A. A policy may only be reinstated if:</p> <p>a) The Servicing Carrier receives instructions not later than the day before the cancellation takes effect. This includes instructions from a premium finance company. Where the Agent/Broker has not forwarded payments to a premium finance company, the policy cannot be reinstated. Cancellation takes effect at 12:01 a.m. e.g. If the policy is to be cancelled effective July 1, the request for reinstatement must be received by the Servicing Carrier before midnight June 30. If the cancellation has taken effect, the policy cannot be reinstated and a new application must be completed. Any unpaid earned premium under the policy due to the Servicing Carrier must be paid with the new application.</p>	<p>A. A policy may only be reinstated if:</p> <p>a) The Servicing Carrier receives instructions not later than the day before the cancellation takes effect. This includes instructions from a premium finance company. Where the Agent/Broker has not forwarded payments to a premium finance company, the policy cannot be reinstated. Cancellation takes effect at 12:01 a.m. E.g. If the policy is to be cancelled effective July 1, the request for reinstatement must be received by the Servicing Carrier before midnight June 30. If the cancellation has taken effect, the policy cannot be reinstated and a new application must be completed. Any unpaid earned premium under the policy due to the Servicing Carrier must be paid with the new application.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies									
Rule 222 Reinstatements	<p>b) The policy was cancelled for non-payment, and the full required premium is received (by cash, money order or certified cheque from the Insured) or there is written confirmation from the Agent/Broker assuming full responsibility for that premium. Where a refund cheque accompanied the registered letter, the amount of the refund cheque must also be obtained from the Insured (by cash, money order or certified cheque) or the Agent/Broker shall assume full responsibility for that amount.</p> <p>B. When a policy is reinstated</p> <p>When a policy is reinstated, the Servicing Carrier shall issue a notice of reinstatement. If necessary, the Agent/Broker or Servicing Carrier shall issue a temporary or permanent liability card. If proof of insurance was cancelled, the necessary proof of insurance shall be reissued.</p>	<p>b) The policy was cancelled for non-payment, and the full required premium is received (by cash, money order or certified cheque from the Insured) or there is written confirmation from the Agent/Broker assuming full responsibility for that premium. Where a refund cheque accompanied the registered letter, the amount of the refund cheque must also be obtained from the Insured (by cash, money order or certified cheque) or the Agent/Broker shall assume full responsibility for that amount.</p> <p>B. When a policy is reinstated</p> <p>When a policy is reinstated, the Servicing Carrier shall issue a notice of reinstatement. If necessary, the Agent/Broker or Servicing Carrier shall issue a temporary or permanent liability card. If proof of insurance was cancelled, the necessary proof of insurance shall be reissued.</p>	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums									
Rule 223 Service Fee Schedule (Commission)	<p>The commission rates are:</p> <table style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Commercial Vehicles</th> <th style="text-align: center;">Experience Individually Rated</th> <th style="text-align: center;">Rated</th> </tr> </thead> <tbody> <tr> <td>Long haul vehicles (including trailers) Classes 61-64, 99</td> <td style="text-align: center;">6%</td> <td style="text-align: center;">6%</td> </tr> <tr> <td>Classes 33-36, 41-49, 53-55</td> <td style="text-align: center;">7.5%</td> <td style="text-align: center;">10%</td> </tr> </tbody> </table>	Commercial Vehicles	Experience Individually Rated	Rated	Long haul vehicles (including trailers) Classes 61-64, 99	6%	6%	Classes 33-36, 41-49, 53-55	7.5%	10%	Not applicable	As this information is listed in the General Section will remove	This will not impact premiums
Commercial Vehicles	Experience Individually Rated	Rated											
Long haul vehicles (including trailers) Classes 61-64, 99	6%	6%											
Classes 33-36, 41-49, 53-55	7.5%	10%											
Rule 225 Definition of Accident	<p>A. What Is a Chargeable Accident</p> <p>A chargeable (at fault) accident is an occurrence resulting in damage to persons or property arising out of the ownership, use or operation of a vehicle, in consequence of which:</p> <ol style="list-style-type: none"> 1. An amount has been paid or would have been paid but for the existence of provincial Direct Compensation laws or agreements, or 2. A loss remains unsettled or unpaid, or 3. A civil suit is pending in respect of Liability, DCPD, Collision or the Collision portion of All Perils coverage 	<p>A. What Is a Chargeable Accident</p> <p>A chargeable (at fault) accident is an occurrence resulting in damage to persons or property arising out of the ownership, use or operation of a vehicle, in consequence of which:</p> <ol style="list-style-type: none"> 1. An amount has been paid or would have been paid but for the existence of provincial Direct Compensation laws or agreements, or 2. A loss remains unsettled or unpaid, or 3. A civil suit is pending in respect of Liability, DCPD, Collision or the Collision portion of All Perils coverage. <i>*(No Fault Benefits Schedule (Accident Benefits) Ontario only)*</i> 	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums									

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 225</p> <p>Definition of Accident</p>	<p>A chargeable accident is always taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim.</p> <p>B. What Is Not a Chargeable Accident</p> <p>An occurrence shall not be regarded as a chargeable accident if:</p> <ol style="list-style-type: none"> 1. The Insured’s degree of fault is determined as zero under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. 2. Damage to the Applicant’s vehicle <ol style="list-style-type: none"> a) resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours; b) occurred while the vehicle was legally parked and is reported to police within 24 hours; c) resulted from collision with a wild or domestic animal; d) is legally recoverable from the owner or driver of an uninsured or unidentified automobile. <p>Note: The words ‘loss(es)’ and ‘claim(s)’ where used in this manual are considered to have the same meaning as the word ‘accident’.</p> <p>The words ‘at fault’ and ‘chargeable’ where used in this manual are considered to have the same meaning..</p> <p>C. How to Allocate Chargeable Accidents</p> <p>No accident shall be used more than once in determining the premium for vehicles insured through FA with the same Servicing Carrier whether or not on the same policy.</p> <p>A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.</p> <p>There is no requirement that drivers be accident free on other vehicles. The rating of the commercial vehicle is determined from the vehicle history not the driver’s history.</p>	<p>A chargeable accident is always taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim.</p> <p>B. What Is Not a Chargeable Accident</p> <p>An occurrence shall not be regarded as a chargeable accident if:</p> <ol style="list-style-type: none"> 1. The Insured’s degree of fault is determined as zero under the relevant provincial fault determination laws or agreements or dispute resolution mechanism. 2. Damage to the Applicant’s vehicle <ol style="list-style-type: none"> a) resulted from the vehicle being struck by an unidentified vehicle and is reported to the police within 24 hours; b) occurred while the vehicle was legally parked and is reported to police within 24 hours; c) resulted from collision with a wild or domestic animal; d) is legally recoverable from the owner or driver of an uninsured or unidentified automobile. <p>Note: The words ‘loss(es)’ and ‘claim(s)’ where used in this manual are considered to have the same meaning as the word ‘accident’.</p> <p>The words ‘at fault’ and ‘chargeable’ where used in this manual are considered to have the same meaning..</p> <p>C. How to Allocate Chargeable Accidents</p> <p>No accident shall be used more than once in determining the premium for vehicles insured through FA with any Servicing Carrier whether or not on the same policy.</p> <p>A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.</p> <p>There is no requirement that drivers be accident free on other vehicles. The rating of the commercial vehicle is determined from the vehicle history not the driver’s history.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																
<p>Rule 225</p> <p>Definition of Accident</p>	<p>If the driver involved in the accident is removed from the policy, the accident shall continue to be assigned to the vehicle on which it occurred.</p> <p>At new business, where there are multiple vehicles and multiple drivers insured on a policy, any claims shall be assigned to the vehicle involved in the claim or one for which it has been substituted. At renewal, any at fault accidents which occurred during the policy term shall be assigned to the vehicle on which they occurred.</p> <p><i>For example:</i> A new application is received. Applicant is principal operator of Vehicle 1 and has had 2 losses on Vehicle 1 and 1 loss on Vehicle 2. Employee is principal operator of Vehicle 2 and has had 1 loss on Vehicle 1 and 1 loss on Vehicle 2. For purposes of allocating accidents, the 3 accidents involving Vehicle 1 will be allocated to vehicle 1 and the 2 accidents involving Vehicle 2 will be allocated to Vehicle 2.</p> <p>The term 'vehicle' includes 'one for which it has been substituted'.</p> <p>The following table illustrates how chargeable accidents are to be applied in the rating of other types of vehicles if they cannot be assigned to the vehicle actually involved</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Type of vehicle involved in the accident</th> <th style="text-align: center;">Type of vehicle to which the accident can be applied</th> </tr> </thead> <tbody> <tr> <td>Private Passenger</td> <td>Private Passenger, Motor Home, Light Commercial or Taxi</td> </tr> <tr> <td>Light Commercial</td> <td>Commercial, Private Passenger or Motor Home</td> </tr> <tr> <td>Commercial</td> <td>Commercial</td> </tr> <tr> <td>Public (excl Taxi)</td> <td>Public</td> </tr> </tbody> </table>	Type of vehicle involved in the accident	Type of vehicle to which the accident can be applied	Private Passenger	Private Passenger, Motor Home, Light Commercial or Taxi	Light Commercial	Commercial, Private Passenger or Motor Home	Commercial	Commercial	Public (excl Taxi)	Public	<p>If the driver involved in the accident is removed from the policy, the accident shall continue to be assigned to the vehicle on which it occurred.</p> <p>A chargeable accident will affect the rating of the Liability, DCPD (<i>not available in Northwest Territories, Nunavut and Yukon</i>) and Collision coverages. (<i>For Ontario only, Accident Benefits and Uninsured Automobile is also affected</i>).</p> <p>At new business, where there are multiple vehicles and multiple drivers insured on a policy, any claims shall be assigned to the vehicle involved in the claim or one for which it has been substituted. At renewal, any at fault accidents which occurred during the policy term shall be assigned to the vehicle on which they occurred.</p> <p><i>For example:</i> A new application is received. Applicant is principal operator of vehicle 1 and has had 2 losses on vehicle 1 and 1 loss on vehicle 2. Employee is principal operator of vehicle 2 and has had 1 loss on vehicle 1 and 1 loss on vehicle 2. For purposes of allocating accidents, the 3 accidents involving vehicle 1 will be allocated to vehicle 1 and the 2 accidents involving vehicle 2 will be allocated to vehicle 2.</p> <p>The term 'vehicle' includes 'one for which it has been substituted'.</p> <p>The following table illustrates how chargeable accidents are to be applied in the rating of other types of vehicles if they cannot be assigned to the vehicle actually involved</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Type of vehicle involved in the accident</th> <th style="text-align: center;">Type of vehicle to which the accident can be applied</th> </tr> </thead> <tbody> <tr> <td>Private Passenger</td> <td>Private Passenger, Motor Home, Light Commercial, Taxi or Garage (Car Dealer)</td> </tr> <tr> <td>Light Commercial</td> <td>Commercial, Private Passenger, Motor Home or Garage (Car Dealer)</td> </tr> </tbody> </table>	Type of vehicle involved in the accident	Type of vehicle to which the accident can be applied	Private Passenger	Private Passenger, Motor Home, Light Commercial, Taxi or Garage (Car Dealer)	Light Commercial	Commercial, Private Passenger, Motor Home or Garage (Car Dealer)	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
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**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																								
<p>Rule 225</p> <p>Definition of Accident</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Taxi</td> <td style="width: 50%;">Taxi or Private Passenger</td> </tr> <tr> <td>Motorhome</td> <td>Motor Home, Private Passenger or Light Commercial</td> </tr> <tr> <td>Motorcycle</td> <td>Motorcycle</td> </tr> <tr> <td>Garage</td> <td>Garage</td> </tr> <tr> <td>All Terrain, Snow Vehicle</td> <td>All Terrain, Snow Vehicle</td> </tr> </table> <p>Note: 'Type of vehicle' means the section of the manual in which the vehicle was or would have been rated.</p> <p><i>For example:</i> A pickup truck is rated as a private passenger vehicle and the Insured had an at fault accident. The Insured is now going to begin using the vehicle for commercial purposes. The accident that occurred while the vehicle was rated for personal use will continue to be factored into the rating of the vehicle when it is being rated for commercial use.</p> <p>Where a chargeable accident is being charged against a vehicle showing on the policy and that vehicle is deleted from the policy or mandatory coverage on that vehicle is removed or suspended, the chargeable accident shall be re-assigned on the following basis:</p> <ul style="list-style-type: none"> • to a remaining vehicle with active mandatory coverage i.e. not deleted or suspended • to a vehicle that produces the highest premium where there is more than one remaining vehicle • effective the date coverage on the original vehicle was deleted or suspended 	Taxi	Taxi or Private Passenger	Motorhome	Motor Home, Private Passenger or Light Commercial	Motorcycle	Motorcycle	Garage	Garage	All Terrain, Snow Vehicle	All Terrain, Snow Vehicle	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Heavy Commercial</td> <td style="width: 50%;">Heavy Commercial or Garage (Car Dealer)</td> </tr> <tr> <td>Public (excluding Taxi)</td> <td>Public (excluding Taxi Class 7A,7B,7C)</td> </tr> <tr> <td>Taxi</td> <td>Taxi or Private Passenger</td> </tr> <tr> <td>Motor Home</td> <td>Motor Home, Private Passenger, Light Commercial</td> </tr> <tr> <td>Motorcycle</td> <td>Motorcycle</td> </tr> <tr> <td>Garage</td> <td>Garage</td> </tr> <tr> <td>All Terrain Vehicle or Snow Vehicle</td> <td>All Terrain Vehicle, Snow Vehicle</td> </tr> </table> <p>Note: 'Type of vehicle' means the section of the manual in which the vehicle was or would have been rated.</p> <p><i>For example:</i> A pickup truck is rated as a private passenger vehicle and the Insured had an at fault accident. The Insured is now going to begin using the vehicle for commercial purposes. The accident that occurred while the vehicle was rated for personal use will continue to be factored into the rating of the vehicle when it is being rated for commercial use.</p> <p>Where an at-fault accident is being charged against a vehicle showing on the policy and that vehicle is deleted from the policy, the at-fault accident shall be re-assigned on a remaining vehicle effective the date the vehicle was deleted. Where an at-fault accident is being charged against a vehicle and more than one vehicle exists on the policy or in instances where mandatory coverage on that vehicle are removed/suspended, the at-fault accident shall be re-assigned as follows:</p> <ul style="list-style-type: none"> • to a remaining vehicle with active mandatory coverage i.e. not deleted or suspended. • to the vehicle that produces the highest premium where there is more than one remaining vehicle. 	Heavy Commercial	Heavy Commercial or Garage (Car Dealer)	Public (excluding Taxi)	Public (excluding Taxi Class 7A,7B,7C)	Taxi	Taxi or Private Passenger	Motor Home	Motor Home, Private Passenger, Light Commercial	Motorcycle	Motorcycle	Garage	Garage	All Terrain Vehicle or Snow Vehicle	All Terrain Vehicle, Snow Vehicle	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
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**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 226 Accident and Conviction</p>	<p>These surcharges are applicable to Liability, DCPD, and Collision. These surcharges are not to be applied to coverages which are experience (fleet) rated.</p> <p>A. Accidents</p> <p>Accident surcharges are assessed in accordance with the surcharge schedule for chargeable accidents that occurred during the 36 months immediately preceding the effective date of the commencement of the insurance.</p> <p>1. At New Business</p> <p>No accident shall be used more than once in determining the surcharges for vehicles insured through FA by the same Servicing Carrier, whether or not on the same policy.</p> <p>Accidents arising from the ownership of any vehicle other than the described vehicle are not to be considered.</p> <p><i>For example:</i> The Insured owns a business in which three commercial vehicles are driven by employees. Two of the commercial vehicles are insured in the voluntary market; the other is insured through FA. There have been 2 accidents on each of the vehicles in the voluntary market, none of which arose from the use or operation of the vehicle by the Insured himself. There have been 3 accidents on the vehicle insured through FA. The accidents that occurred on the vehicles insured in the voluntary market are not used to calculate the accident surcharge on the vehicle insured through FA, as long as they are rated under another inforce automobile policy.</p> <p>Where the term 'described vehicle' is used, it includes a vehicle substituted for it.</p> <p>Accidents arising out of the use or operation of other vehicles for which another listed driver is responsible shall not be considered. There is no requirement that drivers are accident free on other vehicles – the rating is determined from the vehicle history not the driver's history.</p>	<p>These surcharges are applicable to Liability, DCPD, and Collision. These surcharges are not to be applied to coverages which are experience (fleet) rated.</p> <p>A. Accidents</p> <p>Accident surcharges are assessed in accordance with the surcharge schedule for chargeable accidents that occurred during the 36 months immediately preceding the effective date of the commencement of the insurance.</p> <p>1. At New Business</p> <p>No accident shall be used more than once in determining the surcharges for vehicles insured through FA by any Servicing Carrier, whether or not on the same policy.</p> <p>Accidents arising from the ownership of any vehicle other than the described vehicle are not to be considered.</p> <p><i>For example:</i> The Insured owns a business in which three commercial vehicles are driven by employees. Two of the commercial vehicles are insured in the voluntary market; the other is insured through FA. There have been 2 accidents on each of the vehicles in the voluntary market, none of which arose from the use or operation of the vehicle by the Insured himself. There have been 3 accidents on the vehicle insured through FA. The accidents that occurred on the vehicles insured in the voluntary market are not used to calculate the accident surcharge on the vehicle insured through FA, as long as they are rated under another inforce automobile policy.</p> <p>Where the term 'described vehicle' is used, it includes a vehicle substituted for it.</p> <p>Accidents arising out of the use or operation of other vehicles for which another listed driver is responsible shall not be considered. There is no requirement that drivers are accident free on other vehicles – the rating is determined from the vehicle history not the driver's history.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 226</p> <p>Accident and Conviction</p>	<p>(a) One vehicle on the policy Consider accidents that involved the described vehicle or a vehicle substituted for it.</p> <p><i>For example:</i> Applicant has had 1 at fault accident on the described vehicle and 1 accident on a neighbour’s car. Employee had 1 at fault accident on own vehicle insured elsewhere but has now sold that vehicle. Only the accident on the described vehicle shall be considered.</p> <p>(b) One driver and two or more vehicles Accidents that involve one of the described vehicles shall be assigned to that vehicle. Accidents arising out of the use or operation of any other vehicle by the Applicant or any other listed operator shall not be considered.</p> <p><i>For example:</i> There are two commercial vehicles on the policy with the Applicant as the only operator. There has been one accident on commercial Vehicle 1 and one accident on commercial Vehicle 2. Applicant also had two accidents on a pleasure vehicle insured elsewhere. The claims on the commercial vehicles are rated on the vehicles on which they occurred. The two accidents on the vehicle insured elsewhere are not considered.</p> <p>c) Two or more drivers and two or more vehicles Each driver is to be assigned as principal operator on the vehicle he/she most frequently drives. Accidents that involve one of the described vehicles shall be assigned to that vehicle. Accidents arising out of the use or operation of any other vehicle by the Applicant or any other listed operator shall not be considered.</p> <p><i>For example:</i> There are two commercial vehicles on the policy and two operators. Applicant is principal operator of Vehicle 1 and has had one accident on Vehicle 1 and one accident on his personal vehicle insured elsewhere. Employee is principal operator of Vehicle 2 on which there have been two accidents. On Vehicle 1 count only the accident that occurred on the described vehicle. The accident on the personal vehicle insured elsewhere is not to be considered. On Vehicle 2 count both accidents as they occurred on the described vehicle.</p>	<p>(a) One vehicle on the policy Consider accidents that involved the described vehicle or a vehicle substituted for it.</p> <p><i>For example:</i> Applicant has had 1 at fault accident on the described vehicle and 1 accident on a neighbour’s car. Employee had 1 at fault accident on own vehicle insured elsewhere but has now sold that vehicle. Only the accident on the described vehicle shall be considered.</p> <p>(b) One driver and two or more vehicles Accidents that involve one of the described vehicles shall be assigned to that vehicle. Accidents arising out of the use or operation of any other vehicle by the Applicant or any other listed operator shall not be considered.</p> <p><i>For example:</i> There are two commercial vehicles on the policy; Applicant as the only operator. There has been one accident on commercial vehicle 1 and one accident on commercial vehicle 2. Applicant also had two accidents on a pleasure vehicle insured elsewhere. The claims on the commercial vehicles are rated on the vehicles on which they occurred. The two accidents on the vehicle insured elsewhere are not considered.</p> <p>c) Two or more drivers and two or more vehicles Each driver is to be assigned as principal operator on the vehicle they most frequently drive. Accidents that involve one of the described vehicles shall be assigned to that vehicle. Accidents arising out of the use or operation of any other vehicle by the Applicant or any other listed operator shall not be considered.</p> <p><i>For example:</i> There are two commercial vehicles on the policy and two operators. Applicant is principal operator of vehicle 1 and has had one accident on vehicle 1 and one accident on his personal vehicle insured elsewhere. Employee is principal operator of vehicle 2 on which there have been two accidents. On vehicle 1 count only the accident that occurred on the described vehicle. The accident on the personal vehicle insured elsewhere is not to be considered. On vehicle 2 count both accidents as they occurred on the described vehicle.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 226 Accident and Conviction</p>	<p>2. At Renewal (for surcharge only) At the time of renewal, the accident record shall be updated. Any accidents that occurred more than 36 months prior to renewal date shall be excluded and all accidents that occurred during the expiring term that involved the following shall be added:</p> <p>a) The described vehicle (regardless of driver).</p> <p>b) Other vehicles but were the subject of claims under this policy.</p> <p>B. Convictions Conviction surcharges shall be assessed for traffic offences (as hereinafter described) for which the Insured was convicted in the 36 months immediately preceding the commencement of the period of insurance.</p> <p>1. How to apply conviction surcharges No conviction record shall be used more than once to determine conviction surcharges for vehicles insured through FA by the same Servicing Carrier, whether or not insured on the same policy.</p> <p>If convictions for impaired driving and failure or refusal to take a breath or blood test relate to the same occurrence, they shall be considered as one conviction.</p> <p>Convictions for road offences shall not be used in the rating of off road vehicles (e.g. Snow Vehicles, All Terrain Vehicles) and vice versa.</p> <p>a) One vehicle and more than one driver The conviction record of all persons who are listed drivers of the vehicle shall be reviewed to establish which conviction record has the greatest impact on the driving record (including developing the highest surcharge percentage in accordance with the surcharge schedule for convictions). That conviction record shall be used in calculating the maximum driving record and the conviction surcharge.</p>	<p>2. At Renewal (for surcharge only) At the time of renewal, the accident record shall be updated. Any accidents that occurred more than 36 months prior to renewal date shall be excluded and all accidents that occurred during the expiring term that involved the following shall be added:</p> <p>a) The described vehicle (regardless of driver).</p> <p>b) Other vehicles but were the subject of claims under this policy.</p> <p>B. Convictions Conviction surcharges shall be assessed for traffic offences (as hereinafter described) for which the Insured was convicted in the 36 months immediately preceding the commencement of the period of insurance.</p> <p>1. How to apply conviction surcharges No conviction record shall be used more than once to determine conviction surcharges for vehicles insured through FA by any Servicing Carrier, whether or not insured on the same policy.</p> <p>If convictions for impaired driving and failure or refusal to take a breath or blood test relate to the same occurrence, they shall be considered as one conviction.</p> <p>Convictions for road offences shall not be used in the rating of off road vehicles (e.g. Snow Vehicles, All Terrain Vehicles) and vice versa.</p> <p>a) One vehicle and more than one driver The conviction record of all listed drivers of the vehicle will be reviewed to establish the driving record and conviction surcharge (in accordance with the conviction surcharge schedule). The listed driver that generates the highest premium impact will be used. .</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 226</p> <p>Accident and Conviction</p>	<p>b) More than one vehicle and more than one driver Each driver shall be allocated to the vehicle each drives most and that driver's conviction record shall be considered in relation only to that vehicle.</p> <p>c) One driver and more than one vehicle The driver's conviction record shall be applied to the vehicle that produces the highest premium prior to the application of any accident or conviction surcharges.</p>	<p>b) More than one vehicle and more than one driver Each driver shall be allocated to the vehicle they drive most and that driver's conviction record shall be considered in relation only to that vehicle.</p> <p>c) One driver and more than one vehicle The driver's conviction record shall be applied to the vehicle that produces the highest premium prior to the application of any accident or conviction surcharges.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 227</p> <p>Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<ol style="list-style-type: none"> 1. The Agent/Broker is authorized to provide written verification of insurance on behalf of the Servicing Carrier. <ol style="list-style-type: none"> a) Verification must be provided only on a Described Automobiles basis. Should verification be required on a Blanket Basis, refer to Item #4 below. b) Copies of all written verification of insurance issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation. c) The Servicing Carrier is ultimately responsible for ensuring that all written verification of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any written verification originally issued by the Agent/Broker, where indicated coverage differs from the policy. 2. The Servicing Carrier is responsible for the completion of any forms not approved by the Superintendent, Out-of-Province, U.S. or Other filings. <ol style="list-style-type: none"> a) The Agent/Broker must specify to the Servicing Carrier if verification of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority. b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if verification of insurance is to be filed and, if so, in what amount. 3. If verification of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records. 	<ol style="list-style-type: none"> 1. The Agent/Broker is authorized to provide written verification of insurance on behalf of the Servicing Carrier. <ol style="list-style-type: none"> a) Verification must be provided only on a Described Automobiles basis. Should verification be required on a Blanket Basis, refer to Item #4 below. b) Copies of all written verification of insurance issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation. c) The Servicing Carrier is ultimately responsible for ensuring that all written verification of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any written verification originally issued by the Agent/Broker, where indicated coverage differs from the policy. 2. The Servicing Carrier is responsible for the completion of any forms not approved by the Superintendent, Out-of-Province, U.S. or Other filings. <ol style="list-style-type: none"> a) The Agent/Broker must specify to the Servicing Carrier if verification of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority. b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if verification of insurance is to be filed and, if so, in what amount. 3. If verification of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records. 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 227</p> <p>Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<p>4. Verification of insurance must only be issued on a 'Described Automobile' basis. Verification of insurance may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The verification of insurance issued confirms to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p> <p>A. Financial Responsibility Certificate</p> <p>A temporary liability card may be issued for an Applicant who requires the filing of a financial responsibility certificate before he/she may be licensed to drive, provided a fully completed and signed application is submitted for the Applicant at the time the temporary liability card is issued. Details of the licence subsequently obtained must be reported promptly to the Servicing Carrier.</p> <p>B. Renewal or Offer to Renew</p> <p>If a renewal or offer to renew is issued where proof of insurance has been issued or filed and the renewal is not required, the Servicing Carrier must be notified in sufficient time to file a notice of cancellation in accordance with the applicable authority's requirements. Otherwise the Agent/Broker/Insured shall be responsible for time on risk charges.</p>	<p>4. Verification of insurance must only be issued on a 'Described Automobile' basis. Verification of insurance may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The verification of insurance issued confirms to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p> <p>A. Financial Responsibility Certificate</p> <p>A temporary liability card may be issued for an Applicant who requires the filing of a financial responsibility certificate before they may be licensed to drive, provided a fully completed and signed application is submitted for the Applicant at the time the temporary liability card is issued. Details of the licence subsequently obtained must be reported promptly to the Servicing Carrier.</p> <p>B. Renewal or Offer to Renew</p> <p>Where an Insured has received renewal documents on or after the effective date of renewal, if evidence of renewal refusal is received within 15 days of the initial issuance of renewal documents by the Servicing Carrier, the renewal shall be cancelled and no time on risk shall be charged to the insured.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 227</p> <p>Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<p>C. Policy Cancellation or Vehicle Deletion</p> <p>1. Registered Letter</p> <p>Where proof of insurance has been issued or filed and the policy is to be cancelled, the cancellation of coverages to which the proof of insurance relates shall be processed in accordance with the Statutory Conditions. The notice of cancellation for the authority concerned must be issued on the same day as the notice of cancellation to the Insured; however, as a result of the authority’s requirements, the effective date of cancellation may be different.</p> <p><i>For example:</i> The registered letter of cancellation for the policy is issued on June 1 for both the Insured and the provincial authority. For the Insured, cancellation shall take effect 15 days from the date the registered letter is received at the post office to which it was addressed. Let’s say June 19. The provincial authority requires 30 days notice of cancellation. The effective date of cancellation for the authority shall be June 30. If the Insured had a Comprehensive loss on June 25, the policy would not respond. If however, the Insured had a Liability loss on June 25, the policy may have to respond as the proof of insurance provides that Liability coverage is in effect until cancelled on June 30.</p> <p>2. Insured’s Request</p> <p>Where proof of insurance has been issued or filed, and the vehicle is to be deleted from the policy or the policy is to be cancelled, the cancellation of coverages to which the proof of insurance relates shall be processed after taking into consideration the period of notice required by the authority. The effective date of cancellation or deletion shall be the same for both the Insured and the authority concerned.</p> <p><i>For example:</i> The Insured requests cancellation of the policy to be effective June 1. The provincial authority requires 30 days notice of cancellation. The notice to the provincial authority is sent on June 5. The effective date of cancellation for the Insured will be July 5.</p>	<p>C. Policy Cancellation or Vehicle Deletion</p> <p>1. Registered Letter</p> <p>Where proof of insurance has been issued or filed and the policy is to be cancelled, the cancellation of coverages to which the proof of insurance relates shall be processed in accordance with the Statutory Conditions. The notice of cancellation for the authority concerned must be issued on the same day as the notice of cancellation to the Insured; however, as a result of the authority’s requirements, the effective date of cancellation may be different.</p> <p><i>For example:</i> The registered letter of cancellation for the policy is issued on June 1 for both the Insured and the provincial authority. For the Insured, cancellation shall take effect 15 days from the date the registered letter is received at the post office to which it was addressed. Let’s say June 19. The provincial authority requires 30 days notice of cancellation. The effective date of cancellation for the authority shall be June 30. If the Insured had a Comprehensive loss on June 25, the policy would not respond. If however, the Insured had a Liability loss on June 25, the policy may have to respond as the proof of insurance provides that Liability coverage is in effect until cancelled on June 30.</p> <p>2. Insured’s Request</p> <p>Where proof of insurance has been issued or filed, and the vehicle is to be deleted from the policy or the policy is to be cancelled, the cancellation of coverages to which the proof of insurance relates shall be processed after taking into consideration the period of notice required by the authority. The effective date of cancellation or deletion shall be the same for both the Insured and the authority concerned.</p> <p><i>For example:</i> The Insured requests cancellation of the policy to be effective June 1. The provincial authority requires 30 days notice of cancellation. The notice to the provincial authority is sent on June 5. The effective date of cancellation for the Insured will be July 5.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 227</p> <p>Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<p>D. Filing Liability Limits</p> <p>The filing should always be made for the limit required by law even if the policy actually shows a higher limit.</p> <p>Where a vehicle requires filings in multiple jurisdictions, the filing should be made showing only the limits required in that jurisdiction. The policy should be written with the lowest limits necessary to meet all requirements.</p> <p><i>For example:</i> In one jurisdiction a filing for a vehicle requires a limit of \$1,000,000 . A filing for a \$5,000,000 limit is also required in another jurisdiction for the same vehicle. The policy must be issued with a \$5,000,000 limit. One filing should be made showing the limit of \$1,000,000. The other filing should be made showing the \$5,000,000 limit.</p> <p>Where a filing is to be made for a leased vehicle, the filing should be made in the name of the lessee only.</p> <p>E. Processing Fees for Filings</p> <p>Please contact your Servicing Carrier for a schedule of fees which will be charged on a 100% cost recovery basis.</p> <p>Any charge required by the authority concerned shall be in addition to, and separate from, the processing fees.</p>	<p>D. Filing Liability Limits</p> <p>The filing should always be made for the limit required by law even if the policy actually shows a higher limit.</p> <p>Where a vehicle requires filings in multiple jurisdictions, the filing should be made showing only the limits required in that jurisdiction. The policy should be written with the lowest limits necessary to meet all requirements.</p> <p><i>For example:</i> In one jurisdiction a filing for a vehicle requires a limit of \$1,000,000. A filing for a \$5,000,000 limit is also required in another jurisdiction for the same vehicle. The policy must be issued with a \$5,000,000 limit. One filing should be made showing the limit of \$1,000,000. The other filing should be made showing the \$5,000,000 limit.</p> <p>Where a filing is to be made for a leased vehicle, the filing should be made in the name of the lessee only.</p> <p>E. Processing Fees for Filings</p> <p>Please contact your Servicing Carrier for a schedule of fees which will be charged on a 100% cost recovery basis.</p> <p>Any charge required by the authority concerned shall be in addition to, and separate from, the processing fees.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 228</p> <p>Out of Province Exposure</p>	<p>Any commercial and interurban vehicle that is operated in the U.S., or another Canadian jurisdiction, is subject to a surcharge (or discount).</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required on vehicles traveling outside of the jurisdiction of registration, including into the U.S.</p>	<p>Any commercial and interurban vehicle that is operated in the U.S., or another Canadian jurisdiction, is subject to a surcharge (or discount).</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required on vehicles traveling outside of the jurisdiction of registration, including into the U.S.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 228 Out of Province Exposure</p>	<p>If the Named Insured(s) has no prior insurance, refer to Rule 204.G: No Prior Insurance with Out-of-Province including U.S. Exposure.</p> <p>A. Outside Province Exposure Surcharge (excluding Interurban Vehicles)</p> <p><i>For Interurban vehicles (Class 61, 62, 63, 64, 99), refer to Rule 228.C to determine the applicable surcharges.</i></p> <p>The percentage of exposure outside of Province, including the U.S., will be determined based on the International Fuel Tax Agreement (IFTA) assessment reports from the last four (4) quarters immediately preceding the effective date of the policy or endorsement.</p> <p>If the Named Insured does not participate in IFTA, please contact your Servicing Carrier for the documents required to confirm the percentage exposure outside the Province, including 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, DCPD and END 44.</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, DCPD, END 44 For each percentage point of total mileage in the U.S., or applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p>	<p>If the Named Insured(s) has no prior insurance, refer to Rule 204.G: No Prior Insurance with Out-of-Province including U.S. Exposure.</p> <p>NOTE: If the Named Insured has not previously traveled outside of the Province/Territory or into the U.S., the vehicle(s) shall be underwritten with 75% Out of Province/Territory or U.S. Exposure surcharge. This applies to both Commercial and Interurban Vehicles.</p> <p>A. Outside Province Exposure Surcharge (excluding Interurban Vehicles)</p> <p><i>For Interurban vehicles (Class 61, 62, 63, 64, 99), refer to Rule 228.C to determine the applicable surcharges.</i></p> <p>The percentage of exposure outside of Province, including the U.S., will be determined based on the International Fuel Tax Agreement (IFTA) assessment reports from the last four (4) quarters immediately preceding the effective date of the policy or endorsement.</p> <p>If the Named Insured does not participate in IFTA, please contact your Servicing Carrier for the documents required to confirm the percentage exposure outside the Province, including 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, DCPD and END 44.</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, DCPD, END 44 If this exposure is 5.0% or less of total mileage in the U.S. or applicable Canadian jurisdiction, a 5% surcharge will apply to Liability, Accident Benefits, DCPD and END 44.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 228</p> <p>Out of Province Exposure</p>	<p><i>For example:</i></p> <table border="1"> <thead> <tr> <th style="text-align: center;">Outside Province Exposure</th> <th style="text-align: center;">Applicable Surcharge</th> </tr> </thead> <tbody> <tr> <td>Up to 5%</td> <td>5%</td> </tr> <tr> <td>10%</td> <td>10%</td> </tr> <tr> <td>25%</td> <td>25%</td> </tr> <tr> <td>50%</td> <td>50%</td> </tr> </tbody> </table> <p>Optional Physical Damage For each percentage point of total mileage in the U.S, or applicable Canadian jurisdiction surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1"> <thead> <tr> <th style="text-align: center;">Outside Province Exposure</th> <th style="text-align: center;">Applicable Surcharge</th> </tr> </thead> <tbody> <tr> <td>10%</td> <td>5%</td> </tr> <tr> <td>25%</td> <td>12.5%</td> </tr> <tr> <td>50%</td> <td>25%</td> </tr> </tbody> </table> <p>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</p> <p>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</p> <p>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</p>	Outside Province Exposure	Applicable Surcharge	Up to 5%	5%	10%	10%	25%	25%	50%	50%	Outside Province Exposure	Applicable Surcharge	10%	5%	25%	12.5%	50%	25%	<p>If this exposure is over 5.0% of total mileage in the U.S. or applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1"> <thead> <tr> <th style="text-align: center;">Outside Province Exposure</th> <th style="text-align: center;">Applicable Surcharge</th> </tr> </thead> <tbody> <tr> <td>Up to 5%</td> <td>5%</td> </tr> <tr> <td>10%</td> <td>10%</td> </tr> <tr> <td>25%</td> <td>25%</td> </tr> <tr> <td>50%</td> <td>50%</td> </tr> </tbody> </table> <p>Optional Physical Damage For each percentage point of total mileage in the U.S, or applicable Canadian jurisdiction surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1"> <thead> <tr> <th style="text-align: center;">Outside Province Exposure</th> <th style="text-align: center;">Applicable Surcharge</th> </tr> </thead> <tbody> <tr> <td>5%</td> <td>2.5%</td> </tr> <tr> <td>10%</td> <td>5%</td> </tr> <tr> <td>25%</td> <td>12.5%</td> </tr> <tr> <td>50%</td> <td>25%</td> </tr> </tbody> </table> <p>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</p> <p>Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.</p> <p>The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.</p>	Outside Province Exposure	Applicable Surcharge	Up to 5%	5%	10%	10%	25%	25%	50%	50%	Outside Province Exposure	Applicable Surcharge	5%	2.5%	10%	5%	25%	12.5%	50%	25%	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
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Rule 228 Out of Province Exposure	<p>The surcharge percentage is calculated by means of the following formula:</p> <p>Currency differential x Percentage of U.S. exposure</p> <p><i>For example:</i></p> <p>The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore, the currency differential is 0.31. The vehicle travels outside the Province 50% of the time. Of that 50% total Outside Province Exposure, the vehicle travels into the U.S. 25% of the time.</p> <p>Currency differential surcharge: 0.31 X 25%=7.75% The currency differential surcharge is</p> <ol style="list-style-type: none"> 1. Applied only to the Liability premium, not DCPD 2. Not subject to a minimum surcharge 3. This surcharge is an additional surcharge and not to be compounded. <p>Example: The Liability premium is: \$1,000</p> <p>The percentage of Outside Province Exposure is: 50% The percentage of U.S exposure is: 25% The Currency Differential surcharge is: 7.75%</p> <p><i>Note: In this example, the Currency Differential Surcharge is calculated based on the U.S. Exposure of 25%</i></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Base Premium:</td> <td style="width: 40%;"></td> </tr> <tr> <td>\$1,000</td> <td></td> </tr> <tr> <td>Outside Province Exposure Surcharge (\$1,000 x 0.5)</td> <td style="text-align: right;">\$500</td> </tr> <tr> <td>Currency differential (\$1,000 X 0.0775)</td> <td style="text-align: right;"><u> \$78</u></td> </tr> <tr> <td>Total Liability premium</td> <td style="text-align: right;">\$1,528</td> </tr> </table> <ol style="list-style-type: none"> 4. In addition to the Servicing Carrier’s fee for filing proof of insurance. 	Base Premium:		\$1,000		Outside Province Exposure Surcharge (\$1,000 x 0.5)	\$500	Currency differential (\$1,000 X 0.0775)	<u> \$78</u>	Total Liability premium	\$1,528	<p>The surcharge percentage is calculated by means of the following formula:</p> <p>Currency differential x Percentage of U.S. exposure</p> <p><i>For example:</i></p> <p>The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore, the currency differential is 0.31. The vehicle travels outside the Province 50% of the time. Of that 50% total Outside Province Exposure, the vehicle travels into the U.S. 25% of the time.</p> <p>Currency differential surcharge: 0.31 X 25% = 7.75% The currency differential surcharge is</p> <ol style="list-style-type: none"> 1. Applied only to the Liability premium, not DCPD 2. Not subject to a minimum surcharge 3. This surcharge is an additional surcharge and not to be compounded. <p>Example: The Liability premium is: \$1,000</p> <p>The percentage of Outside Province Exposure is: 50% The percentage of U.S exposure is: 25% The Currency Differential surcharge is: 7.75%</p> <p><i>Note: In this example, the Currency Differential Surcharge is calculated based on the U.S. Exposure of 25%</i></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Base Premium:</td> <td style="width: 40%;"></td> </tr> <tr> <td>\$1,000</td> <td></td> </tr> <tr> <td>Outside Province Exposure Surcharge (\$1,000 x 0.5)</td> <td style="text-align: right;">\$500</td> </tr> <tr> <td>Currency differential (\$1,000 X 0.0775)</td> <td style="text-align: right;"><u> \$78</u></td> </tr> <tr> <td>Total Liability premium</td> <td style="text-align: right;">\$1,578</td> </tr> </table> <ol style="list-style-type: none"> 4. In addition to the Servicing Carrier’s fee for filing proof of insurance. 	Base Premium:		\$1,000		Outside Province Exposure Surcharge (\$1,000 x 0.5)	\$500	Currency differential (\$1,000 X 0.0775)	<u> \$78</u>	Total Liability premium	\$1,578	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
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<p>Rule 228</p> <p>Out of Province Exposure</p>	<p>5. Payable only when proof of insurance is required by U.S. authorities.</p> <p>6. The combined dollar value of the Currency Differential Surcharge and the Outside Province exposure surcharge is subject to a minimum of \$50 per policy term.</p> <p><i>For example:</i> Using the example above, the dollar value of the Outside Province exposure surcharge is \$500 and the dollar value of the Currency Differential Surcharge is \$78. The total combined dollar value is \$578, well exceeding the minimum required.</p> <p>C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</p> <p>The percentage of exposure outside the Province, including the U.S., will be determined based on the International Fuel Tax Agreement (IFTA) assessment reports from the last four (4) quarters immediately preceding the effective date of the policy or endorsement.</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 exposure outside the Province, including U.S. exposure.</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>The surcharges applicable to Interurban Vehicles (Class 61, 62, 63, 64 and 99) traveling outside of the jurisdiction of registration is based on the <u>total mileage</u> reported in Canada and the U.S., and shall be calculated as follows.</p>	<p>5. Payable only when proof of insurance is required by U.S. authorities.</p> <p>6. The combined dollar value of the Currency Differential Surcharge and the Outside Province exposure surcharge is subject to a minimum of \$50 per policy term.</p> <p><i>For example:</i> Using the example above, the dollar value of the Outside Province exposure surcharge is \$500 and the dollar value of the Currency Differential Surcharge is \$78. The total combined dollar value is \$578, well exceeding the minimum required.</p> <p>C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</p> <p>The percentage of exposure outside the Province, including the U.S., will be determined based on the International Fuel Tax Agreement (IFTA) assessment reports from the last four (4) quarters immediately preceding the effective date of the policy or endorsement.</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 exposure outside the Province, including U.S. exposure.</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>The surcharges applicable to Interurban Vehicles (Class 61, 62, 63, 64 and 99) traveling outside of the jurisdiction of registration is based on the <u>total mileage</u> reported in Canada and the U.S., and shall be calculated as follows.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 228</p> <p>Out of Province Exposure</p>	<p>Step 1: Determine the Canadian Out of Province Exposure.</p> <p>The Canadian Out of Province exposure is determined by how often the vehicle travels outside the jurisdiction of registration <u>within Canada</u>.</p> <p>a) If Canadian Out of Province Exposure (Operating outside Alberta, British Columbia, Manitoba and Saskatchewan) is <u>50% or less</u>:</p> <p>Where an Interurban vehicle is registered in Alberta and reports 50% or less of its total <u>Canadian</u> mileage traveling outside the Western Provinces (Alberta, British Columbia, Manitoba and Saskatchewan), surcharge 1% per percentage (%) of exposure applies to the total Canadian mileage.</p> <p><i>Example:</i></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Canadian Out of Province Exposure</th> <th>Applicable Canadian Mileage Surcharge</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">5%</td> <td style="text-align: center;">5%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">25%</td> <td style="text-align: center;">25%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">50%</td> </tr> </tbody> </table> <p>b) If Canadian Out of Province Exposure (Operating outside Western Provinces) is <u>over 50%</u>:</p> <p>Any Interurban vehicle registered in Alberta that reports more than 50% of its total mileage outside the Western Provinces (Alberta, British Columbia, Manitoba and Saskatchewan), is subject to the surcharge (or discount) outlined below.</p> <p>To determine the surcharge (or discount) amount, select the Region where the majority of the exposure is incurred from the table below.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Region</th> <th>Applicable Surcharge/Discount</th> </tr> </thead> <tbody> <tr> <td style="height: 30px;"> </td> <td style="height: 30px;"> </td> </tr> </tbody> </table>	Canadian Out of Province Exposure	Applicable Canadian Mileage Surcharge	5%	5%	10%	10%	25%	25%	50%	50%	Region	Applicable Surcharge/Discount			<p>Step 1: Determine the Canadian Out of Province Exposure.</p> <p>The Canadian Out of Province exposure is determined by how often the vehicle travels outside the jurisdiction of registration <u>within Canada</u>.</p> <p>a) If Canadian Out of Province Exposure (Operating outside Alberta, British Columbia, Manitoba and Saskatchewan) is <u>50% or less</u>:</p> <p>Where an Interurban vehicle is registered in Alberta and reports 50% or less of its total <u>Canadian</u> mileage traveling outside the Western Provinces (Alberta, British Columbia, Manitoba and Saskatchewan), surcharge 1% per percentage (%) of exposure applies to the total Canadian mileage.</p> <p><i>Example:</i></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Canadian Out of Province Exposure</th> <th>Applicable Canadian Mileage Surcharge</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">5%</td> <td style="text-align: center;">5%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">25%</td> <td style="text-align: center;">25%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">50%</td> </tr> </tbody> </table> <p>b) If Canadian Out of Province Exposure (Operating outside Western Provinces) is <u>over 50%</u>:</p> <p>Any Interurban vehicle registered in Alberta that reports more than 50% of its total mileage outside the Western Provinces (Alberta, British Columbia, Manitoba and Saskatchewan), is subject to the surcharge (or discount) outlined below.</p> <p>To determine the surcharge (or discount) amount, select the Region where the majority of the exposure is incurred from the table below.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Region</th> <th>Applicable Surcharge/Discount</th> </tr> </thead> <tbody> <tr> <td style="height: 30px;"> </td> <td style="height: 30px;"> </td> </tr> </tbody> </table>	Canadian Out of Province Exposure	Applicable Canadian Mileage Surcharge	5%	5%	10%	10%	25%	25%	50%	50%	Region	Applicable Surcharge/Discount			<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
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Rule 228 Out of Province Exposure	Region 1	Region 2	Region 3	Region 1	Region 2	Region 3	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums																
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<p>Rule 228</p> <p>Out of Province Exposure</p>	<p>surcharge (per percentage of U.S. Exposure), as outlined in the chart above.</p> <p><i>Example:</i> A vehicle travels 20% in Region 1; 40% in both Region 2 and Region 3. A surcharge rate of Region 3 (1.5% per % of U.S. Exposure) would apply.</p> <p>To determine the U.S. Exposure surcharge, multiply the rate of surcharge by the percentage of U.S. Exposure, as outlined in the chart above.</p> <p><i>Example:</i> A vehicle traveling 40% into the U.S. using Region 3 would have a 60% surcharge.</p> <p>Step 3: Determine the Total Outside Province Exposure Surcharge applicable to the Interurban Vehicle</p> <p>The total surcharge applicable is determined by totaling the amounts calculated under Step 1 and Step 2. The total surcharge is applicable to Liability (BI and PD) and DCPD premiums</p> <p><i>Example:</i> Step 1: Canadian Out of Province Surcharge= 260% Step 2: U.S. Exposure Surcharge Region 3 = <u>60%</u> Total Out of Province Exposure Surcharge 320% If applicable, round up to the nearest whole %.</p> <p>In the above example, a 320% surcharge would apply to the Liability (BI and PD) and DCPD Premiums.</p>	<p>surcharge (per percentage of U.S. Exposure), as outlined in the chart above.</p> <p><i>Example:</i> A vehicle travels 20% in Region 1; 40% in both Region 2 and Region 3. A surcharge rate of Region 3 (1.5% per % of U.S. Exposure) would apply.</p> <p>To determine the U.S. Exposure surcharge, multiply the rate of surcharge by the percentage of U.S. Exposure, as outlined in the chart above.</p> <p><i>Example:</i> A vehicle traveling 40% into the U.S. using Region 3 would have a 60% surcharge.</p> <p>Step 3: Determine the Total Outside Province Exposure Surcharge applicable to the Interurban Vehicle</p> <p>The total surcharge applicable is determined by totaling the amounts calculated under Step 1 and Step 2. The total surcharge is applicable to Liability (BI and PD) and DCPD premiums</p> <p><i>Example:</i> Step 1: Canadian Out of Province Surcharge= 260% Step 2: U.S. Exposure Surcharge Region 3 = <u>60%</u> Total Out of Province Exposure Surcharge 320% If applicable, round up to the nearest whole %.</p> <p>In the above example, a 320% surcharge would apply to the Liability (BI and PD) and DCPD Premiums.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 229</p> <p>Claims</p>	<p>Every accident, loss or claim that comes to the knowledge of the Agent/Broker in regard to his/her Facility Association policies must immediately be reported in the manner prescribed by the Servicing Carrier.</p> <p>Collision with Animals Losses involving Collision with animals, both wild and domestic, shall be paid under Comprehensive coverage. If the policy does not afford Comprehensive coverage but does provide Collision coverage, the loss shall be paid under Collision coverage and be regarded as not at fault.</p>	<p>Every accident, loss or claim that comes to the knowledge of the Agent/Broker in regard to the Insureds Facility Association policy must immediately be reported in the manner prescribed by the Servicing Carrier.</p> <p>Collision with Animals Losses involving Collision with animals, both wild and domestic, shall be paid under Comprehensive coverage. If the policy does not afford Comprehensive coverage but does provide Collision coverage, the loss shall be paid under Collision coverage and be regarded as not at fault.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 231</p> <p>Suspension and Reinstatement of Coverages – END 16/17</p>	<p>Liability, DCPD, Accident Benefits and Collision as they relate to the use and operation of the described vehicles, new vehicles or temporary substitute vehicles may be suspended by means of END 16.</p> <p>This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the ownership of the vehicle. This means that END 16 does not suspend coverages related to 'drive other vehicles'; while a pedestrian; or while the vehicle is in storage. This endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.</p> <p>No refund is allowed in respect of Comprehensive and Specified Perils.</p> <p>If Liability, DCPD and Accident Benefits coverages are removed or suspended more than twice a year, then removal of these coverages is not permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while these coverages are removed or suspended.</p> <p>END 16/17 is not available for the following:</p> <ol style="list-style-type: none"> 1. Vehicles for which proof of insurance is issued or filed. 2. Experience rated risks 3. Recreational vehicles rated in the Recreational Section 4. Vehicles that were never intended to be driven. 5. Vehicles held for sale whether or not on an auto dealer's lot. <p>Rating The refund for the period of coverage suspension is calculated according to the table below.</p>	<p>Liability, DCPD (<i>not available in Northwest Territories, Nunavut and Yukon</i>), Accident Benefits, Uninsured Automobile (<i>not available in Alberta, Northwest Territories, Nunavut and Yukon</i>) and Collision as they relate to the use and operation of the described vehicles, new vehicles or temporary substitute vehicles may be suspended by means of END 16.</p> <p>This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the ownership of the vehicle. This means that END 16 does not suspend coverages related to 'drive other vehicles'; while a pedestrian; or while the vehicle is in storage. This endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.</p> <p>No refund is allowed in respect of Comprehensive and Specified Perils.</p> <p>If Liability, DCPD (<i>not available in Northwest Territories, Nunavut and Yukon</i>) and Accident Benefits coverages are removed or suspended twice in one year, then removal of those coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while coverage is removed or suspended.</p> <p>END 16/17 is not available for the following:</p> <ol style="list-style-type: none"> 1. Vehicles for which proof of insurance is issued or filed. 2. Experience rated risks 3. Recreational vehicles rated in the Recreational Vehicle Section 4. Vehicles that were never intended to be driven. 5. Vehicles held for sale whether or not on an auto dealer's lot. <p>Rating The refund for the period of coverage suspension/cancellation is calculated according to the table below (<i>except Ontario</i>):</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 231</p> <p>Suspension and Reinstatement of Coverages – END 16/17</p>	<p style="text-align: right;">% of Annual Premium</p> <p>Less than 45 days.....Nil</p> <p>45 days and less than 2 1/2 months 15%</p> <p>2 1/2 months and less than 3 months 19%</p> <p>3 months and less than 3 1/2 months 22%</p> <p>3 1/2 months and less than 4 months 26%</p> <p>4 months and less than 4 1/2 months 30%</p> <p>4 1/2 months and less than 5 months 34%</p> <p>5 months and less than 5 1/2 months 38%</p> <p>5 1/2 months and less than 6 months 41%</p> <p>6 months or more..... 45%</p> <p>In no event shall a refund be granted for any suspension period of less than forty five (45) consecutive days.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #00a0e3; color: white;"> <th style="text-align: left;">Period of Suspension/Cancellation</th> <th style="text-align: left;">% of Annual Premium</th> </tr> </thead> <tbody> <tr> <td>Less than 45 days**</td> <td>Nil</td> </tr> <tr> <td>Less than 2 months</td> <td>Nil</td> </tr> <tr> <td>45 days and less than 2 ½ months**</td> <td>15%</td> </tr> <tr> <td>2 months and less than 2 ½ months</td> <td>15%</td> </tr> <tr> <td>2 ½ months and less than 3 months</td> <td>19%</td> </tr> <tr> <td>3 months and less than 3 ½ months</td> <td>22%</td> </tr> <tr> <td>3 ½ months and less than 4 months</td> <td>26%</td> </tr> <tr> <td>4 months and less than 4 ½ months</td> <td>30%</td> </tr> <tr> <td>4 ½ months and less than 5 months</td> <td>34%</td> </tr> <tr> <td>5 months and less than 5 ½ months</td> <td>38%</td> </tr> <tr> <td>5 ½ months and less than 6 months</td> <td>41%</td> </tr> <tr> <td>6 months or more</td> <td>45%</td> </tr> </tbody> </table> <p>**Applies to Alberta only</p> <p>In no event shall a refund be granted for any suspension period of less than forty five (45) consecutive days (<i>Applies to Alberta and Ontario only</i>) or sixty (60) consecutive days.</p>	Period of Suspension/Cancellation	% of Annual Premium	Less than 45 days**	Nil	Less than 2 months	Nil	45 days and less than 2 ½ months**	15%	2 months and less than 2 ½ months	15%	2 ½ months and less than 3 months	19%	3 months and less than 3 ½ months	22%	3 ½ months and less than 4 months	26%	4 months and less than 4 ½ months	30%	4 ½ months and less than 5 months	34%	5 months and less than 5 ½ months	38%	5 ½ months and less than 6 months	41%	6 months or more	45%	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p> <p>Upon review of END 16. FA noticed that not all jurisdictions have the table printed on the forms anymore. Information was verified and a table was created to be added to the manual.</p>	<p>This will not impact premiums</p>
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<p>Rule 232</p> <p>Suspension of Operator's Licence</p>	<p>Rule 232: Suspension of Operator's Licence – Use of End 28(C)</p> <p>The following provisions apply in the event of the suspension, cancellation or lapse of an operator's licence, or the right to obtain a licence of a person who is recorded as a driver of a vehicle to which the insurance applies, or where a driver is unlicensed. These provisions apply whether END 28(C) is being added to the policy at the request of the Insured or by the Servicing Carrier because of the above mentioned circumstances.</p>	<p>Rule 232: Suspension of Operator's Licence —Use of End 28(C)</p> <p>The following provisions apply in the event of the suspension, cancellation or lapse of an operator's licence, or the right to obtain a licence of a person who is recorded as a driver of a vehicle to which the insurance applies, or where a driver is unlicensed. These provisions apply whether END 28/28A/28(C) is being added to the policy at the request of the Insured or by the Servicing Carrier because of the below mentioned circumstances.</p>	<p>Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>																										

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 232</p> <p>Suspension of Operator's Licence</p>	<p>A. If there is no other driver of the vehicle</p> <ol style="list-style-type: none"> 1. An application for insurance of the vehicle shall be declined by the Agent/Broker. 2. If the situation is discovered after the policy has been issued, the Servicing Carrier shall cancel the policy by registered letter. The earned premium for cancellation will be pro rata of the premium applicable to the risk as submitted. 3. If the situation is discovered as a result of enquiries prior to the renewal date, the Servicing Carrier shall issue a notice of non-renewal. <p>Note: Where the Insured's licence is suspended, the Insured shall be permitted to place the vehicle in storage and suspend or remove moving coverages. See Rule 201: Minimum Coverage.</p> <p>B. If there is another licensed driver of the vehicle (It is assumed that the person concerned will not drive without a valid licence.)</p> <ol style="list-style-type: none"> 1. The Servicing Carrier shall issue END 28(C) (Reduction of Coverage As Respects Named Persons) restricting coverage to minimum statutory requirements and excluding optional physical damage where provided, for that person. 2. If that person being a driver affected the rating of the insurance, the insurance shall be re-rated to remove that person as a driver but any accidents that occurred 	<p>NOTE: END 28 is applicable in New Brunswick, Northwest Territories, Nunavut, and Yukon. END 28A is applicable in Newfoundland & Labrador, Nova Scotia, Ontario and Prince Edward Island. END 28(C) is applicable in Alberta.</p> <p>A. If there is no other driver of the vehicle</p> <ol style="list-style-type: none"> 1. An application for insurance of the vehicle shall be declined by the Agent/Broker. 2. If the situation is discovered after the policy has been issued, the Servicing Carrier shall cancel the policy by registered letter. The earned premium for cancellation will be pro rata of the premium applicable to the risk as submitted. 3. The time on risk charge for the period to expiration of notice of cancellation will be will be pro rata of the premium applicable to the risk as submitted. 4. If the situation is discovered as a result of enquiries prior to the renewal date, the Servicing Carrier shall issue a notice of non-renewal. <p>Note: Where the Insured's licence is suspended, the Insured shall be permitted to place the vehicle in storage and suspend or remove moving coverages. See Rule 201: Minimum Coverage.</p> <p>B. If there is another licensed driver of the vehicle (It is assumed that the person concerned will not drive without a valid licence.)</p> <ol style="list-style-type: none"> 1. The Servicing Carrier shall issue END 28(C) (Reduction of Coverage As Respects Named Persons) restricting coverage to minimum statutory requirements and excluding optional physical damage where provided, for that person. 2. If that person being a driver affected the rating of the insurance, the insurance shall be re-rated to remove that person as a driver but any accidents that occurred while 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 232</p> <p>Suspension of Operator's Licence</p>	<p>while that person was driving shall continue to be taken into account in rating.</p> <p>C. If the person concerned does drive without a valid licence</p> <p>If discovered after the policy has been issued, END 28(C) shall be deleted. The insurance shall be rated as if that person does drive the vehicle where:</p> <p>a) Subsequent to the current suspension becoming effective or during the 36 months immediately preceding the policy period effective date, the person involved is/was convicted of the offence of driving while licence suspended, cancelled or lapsed.</p> <p>b) It is established that the person involved has been driving e.g. by being convicted of any other driving offence or by being involved in an accident.</p> <p>D. Unsigned END 28(C)</p> <p>If END 28(C) is not signed, END 28(C) shall be deleted and the policy shall be re-rated as though there was no END 28(C).</p> <p>E. Completion of END 28(C)</p> <p>END 28(C) is to be completed showing the minimum statutory limit under Section A – Limits and Amounts and the word 'Insured' in the Insured/Not Insured column. Since Accident Benefits coverage is mandatory when Liability and DCPD coverage is provided, the word 'Insured' must be shown against Section B in the Insured/Not Insured column. END 8(A) is not to be used.</p>	<p>that person was driving shall continue to be taken into account in rating.</p> <p>C. If the person concerned does drive without a valid licence <i>(This rule is applicable to Alberta, New Brunswick, Northwest Territories, Nunavut and Yukon)</i></p> <p>If discovered after the policy has been issued, END 28(C) shall be deleted. The insurance shall be rated as if that person does drive the vehicle where:</p> <p>a) Subsequent to the current suspension becoming effective or during the 36 months immediately preceding the policy period effective date, the person involved is/was convicted of the offence of driving while licence suspended, cancelled or lapsed.</p> <p>b) It is established that the person involved has been driving e.g. by being convicted of any other driving offence or by being involved in an accident.</p> <p>D. Unsigned END 28(C)</p> <p>If END 28(C) is not signed, END 28(C) shall be deleted and the policy shall be re-rated as though there was no END 28(C).</p> <p>E. Completion of END 28(C)</p> <p><i>(Applicable to Alberta, New Brunswick, Northwest Territories, Nunavut and Yukon only)</i></p> <p>The approved END 28(C) is to be completed showing the minimum statutory limits and the applicable driver is to be specified as 'Insured' under all mandatory coverages indicated on the form.</p> <p>In Alberta only, the END 8(A) is not to be used.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 233</p> <p>Home-made Vehicles / Reconstruction / Imported Right Hand Drive / Imported Vehicles</p>	<p>The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle.</p> <p>This rule does not apply to vehicles with a manufacturer assigned VIN and a status of 'rebuilt' which are to be rated using CLEAR rate groups.</p> <p>A. Liability, DCPD, and Accident Benefits</p> <p>No coverage shall be offered until the following is provided to the Servicing Carrier: A subsisting salvage motor vehicle inspection should accompany the application to the Servicing Carrier.</p> <p>Where the inspection is not completed and provided within 30 days from the coverage effective date, the policy shall be cancelled by registered letter.</p> <p>Rate group 10 is to be used for Accident Benefits where vehicles are rated by value.</p> <p>B. Optional Physical Damage Coverage</p> <p>1. No optional physical damage coverage (for any value) shall be provided for:</p> <p>a) 'Home-made' / reconstruction vehicles until the construction, reconstruction, restoration has been completed; an authorized mechanic has inspected the vehicles and values of the vehicles have been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p>b) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p>	<p>The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle.</p> <p>This rule does not apply to vehicles with a manufacturer assigned VIN and a status of 'rebuilt' which are to be rated using CLEAR rate groups.</p> <p>A. Liability, DCPD (Not available in Northwest Territories, Nunavut and Yukon) and Accident Benefits</p> <p>No coverage shall be offered until the following is provided to the Servicing Carrier: A subsisting salvage motor vehicle inspection should accompany the application to the Servicing Carrier.</p> <p>Where the inspection is not completed and provided within 30 days from the coverage effective date, the policy shall be cancelled by registered letter.</p> <p>Charge the normal rate for the type of vehicle concerned for Accident Benefits.</p> <p>B. Optional Physical Damage Coverage</p> <p>1. No optional physical damage coverage (for any value) shall be provided for:</p> <p>a) 'Home-made' / reconstruction vehicles until the construction, reconstruction, restoration has been completed; an authorized mechanic has inspected the vehicles and values of the vehicles have been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p>b) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p> <p>Commercial vehicles do not have rate groups. This remark has been changed to reflect that.</p>	<p>This will not impact premiums</p>

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<p>Rule 233</p> <p>Home-made Vehicles / Reconstruction / Imported Right Hand Drive / Imported Vehicles</p>	<p>2. The premium is based on the appraised amount.</p> <p>3. The insurance shall be subject to END 19(B) which must be attached to the policy and a copy signed by the Insured. END 19(A) is not available.</p>	<p>2. The premium is based on the appraised amount.</p> <p>3. The insurance shall be subject to END 19(B) which must be attached to the policy and a copy signed by the Insured. END 19(A) is not available.</p>	<p>Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 234</p> <p>Vehicles Used Outside Jurisdiction of Registration</p>	<p>When an Named Insured takes up permanent residence, or registers the business in another jurisdiction, the Named Insured is required to register the commercial vehicle(s) in the new jurisdiction. The existing policy must be cancelled pro rata and new insurance obtained in the new jurisdiction.</p> <p>Facility Association shall not provide insurance for vehicles which are never operated in the jurisdiction in which they were registered.</p> <p>When a vehicle is registered in one jurisdiction but used in another, the following is to be used as a guide for rating purposes:</p> <ol style="list-style-type: none"> 1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction. 2. If it is known in which territory the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used. 3. If the vehicle is operated outside Alberta, including into the U.S., Alberta rates and a surcharge apply. Refer to Rule 228: Outside Alberta Exposure to determine the surcharges applicable. 	<p>When a Named Insured takes up permanent residence, or registers the business in another jurisdiction, the Named Insured is required to register the commercial vehicle(s) in the new jurisdiction. The existing policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction.</p> <p>Facility Association shall not provide insurance for vehicles that are never operated in the jurisdiction in which they were registered.</p> <p>When a vehicle is registered in one jurisdiction but garaged or chiefly used in another, the following is to be used as a guide for rating purposes:</p> <ol style="list-style-type: none"> 1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction. 2. If it is known in which territory the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used. 3. If the vehicle is operated outside the jurisdiction, which it is, registered, including into the U.S., Rates for that jurisdiction are applied along with a surcharge Refer to Rule 228: Outside Province Exposure to determine the surcharges applicable. 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 235 Purchasing Vehicles in Jurisdiction Where FA does Not Operate</p>	<p>When an Insured acquires a new vehicle and all vehicles owned by the Insured are covered under a POL 1, coverage is automatically provided for the newly acquired vehicle if the Insurer is notified of the acquisition within 14 days.</p> <p>When the Insured:</p> <p>a) acquires a vehicle in the U.S. and brings it to Canada to a jurisdiction in which FA operates, or</p> <p>b) acquires a vehicle in a jurisdiction in Canada in which FA does not operate;</p> <p>FA shall if necessary, issue a short term policy to provide coverage while the vehicle is in transit (under a transit authority permit) before it is registered in the jurisdiction of residence. The short term policy shall only be provided for a period of time sufficient to allow the vehicle to be driven from the point of purchase to the residence of the owner. This should correspond to the period of time the transit permit is valid.</p> <p>When the Insured comes through Customs, the vehicle must be declared and the Insured will be provided with the appropriate forms to complete and submit to the provincial registry so that the vehicle may be registered. A new application can then be submitted for a 6 or 12 month policy if required.</p> <p>Where an individual or company has a business that includes the purchasing of vehicles in the U.S. or jurisdictions where FA does not operate for shipment back to a Canadian FA jurisdiction for resale, coverage must be provided by means of a garage policy for Automobile Dealers.</p> <p>Premium Calculation The premium is to be calculated in accordance with Short Term tables subject to minimum premium. Commercial vehicles classified as light are to be rated Class 36. Commercial vehicles classified as heavy are to be rated Class 44. Driving record is 0. 100% Outside Alberta Exposure Surcharge applies.</p> <p>The territory to be used is the territory where the Insured resides.</p>	<p>When an Insured acquires a new vehicle and all vehicles owned by the Insured are covered under a POL 1, coverage is automatically provided for the newly acquired vehicle if the Insurer is notified of the acquisition within 14 days.</p> <p>When the Insured:</p> <p>a) acquires a vehicle in the U.S. and brings it to Canada to a jurisdiction in which FA operates, or</p> <p>b) acquires a vehicle in a jurisdiction in Canada in which FA does not operate;</p> <p>FA shall if necessary, issue a short term policy to provide coverage while the vehicle is in transit (under a transit authority permit) before it is registered in the jurisdiction of residence. The short term policy shall only be provided for a period of time sufficient to allow the vehicle to be driven from the point of purchase to the residence of the owner. This should correspond to the period of time the transit permit is valid.</p> <p>When the Insured comes through Customs, the vehicle must be declared and the Insured will be provided with the appropriate forms to complete and submit to the provincial registry so that the vehicle may be registered. A new application can then be submitted for a 6 or 12 month policy if required.</p> <p>Where an individual or company has a business that includes the purchasing of vehicles in the U.S. or jurisdictions where FA does not operate for shipment back to a Canadian FA jurisdiction for resale, coverage must be provided by means of a garage policy for Automobile Dealers.</p> <p>Premium Calculation The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Commercial vehicles classified as light are to be rated Class 36. Commercial vehicles classified as heavy are to be rated Class 44. Driving record is 0 and 100% Outside Province or Territory Exposure Surcharge applies.</p> <p>The territory to be used is the territory where the Insured resides.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 236</p> <p>Short Term Rentals- Rentals of 30 Days or Less and Ride Sharing</p>	<p>A. Short-Term Rentals- Rentals of 30 days or less - Class 7M</p> <p>Use POL 1 and END 5(C).</p> <p>Insurance is provided on a specified vehicle/per vehicle basis and use of END 21(A)/21(B) is not permitted. Use of END 44 is not permitted.</p> <p>Coverages/Premiums</p> <p>1. Liability, DCPD and Optional Physical Damage</p> <table border="0"> <thead> <tr> <th>Class of Vehicle</th> <th>Premium</th> </tr> </thead> <tbody> <tr> <td>Private Passenger Vehicles</td> <td>250% of 07/0 rate</td> </tr> <tr> <td>Commercial Vehicles</td> <td></td> </tr> <tr> <td>Light Trucks</td> <td>200% of 43/0 rate</td> </tr> <tr> <td>Heavy Trucks</td> <td>200% of 45/0 rate</td> </tr> <tr> <td>Tractors/Trailers</td> <td>175% of 64/0 rate</td> </tr> <tr> <td>Private Type Trailers</td> <td></td> </tr> <tr> <td>Liability</td> <td>Non Pleasure rate plus \$15</td> </tr> <tr> <td>Optional Physical Damage</td> <td>250% of normal rate</td> </tr> <tr> <td>Motor Homes and Vehicles with mounted Camper Unit</td> <td></td> </tr> <tr> <td>Liability</td> <td>250% of 07/0 rate</td> </tr> <tr> <td>DCPD</td> <td>250% of 07/0 rate</td> </tr> <tr> <td>Optional Physical Damage</td> <td>250% of normal rate</td> </tr> <tr> <td>Motorcycles & Mopeds</td> <td>250% of Driving Record 0 rate applicable to Age 16-20</td> </tr> <tr> <td>Snow Vehicles</td> <td>250% of normal rate</td> </tr> <tr> <td>All Terrain Vehicles</td> <td>250% of normal rate</td> </tr> <tr> <td>Any other vehicle</td> <td>Refer to</td> </tr> <tr> <td>Servicing Carrier</td> <td></td> </tr> </tbody> </table> <p>NOTE: No DCPD Premium is applicable on Private Trailers and Camper Units</p>	Class of Vehicle	Premium	Private Passenger Vehicles	250% of 07/0 rate	Commercial Vehicles		Light Trucks	200% of 43/0 rate	Heavy Trucks	200% of 45/0 rate	Tractors/Trailers	175% of 64/0 rate	Private Type Trailers		Liability	Non Pleasure rate plus \$15	Optional Physical Damage	250% of normal rate	Motor Homes and Vehicles with mounted Camper Unit		Liability	250% of 07/0 rate	DCPD	250% of 07/0 rate	Optional Physical Damage	250% of normal rate	Motorcycles & Mopeds	250% of Driving Record 0 rate applicable to Age 16-20	Snow Vehicles	250% of normal rate	All Terrain Vehicles	250% of normal rate	Any other vehicle	Refer to	Servicing Carrier		<p>A. Short-Term Rentals- Rentals of 30 days or less - Class 7M</p> <p>Use POL 1 and END 5(C).</p> <p>Insurance is provided on a specified vehicle/per vehicle basis and use of END 21(A) or END 21(B) is not permitted. Use of END 44/44R is not permitted.</p> <p>Coverages/Premiums</p> <p>1. Liability, DCPD (Not applicable Northwest Territories, Nunavut and Yukon) and Optional Physical Damage</p> <table border="1"> <thead> <tr> <th>Class of Vehicle</th> <th>Premium</th> </tr> </thead> <tbody> <tr> <td>Private Passenger Vehicles</td> <td>250% of 07/0 rate</td> </tr> <tr> <td colspan="2"><i>Commercial Vehicles</i></td> </tr> <tr> <td>Light Trucks</td> <td>200% of 43/0 rate</td> </tr> <tr> <td>Heavy Trucks</td> <td>200% of 45/0 rate</td> </tr> <tr> <td>Tractors/Trailers</td> <td>175% of 64/0 rate</td> </tr> <tr> <td colspan="2"><i>Private Type Trailers</i></td> </tr> <tr> <td>Liability</td> <td>Non Pleasure rate plus \$15</td> </tr> <tr> <td>Optional Physical Damage</td> <td>250% of normal rate</td> </tr> <tr> <td colspan="2"><i>Motor Homes</i></td> </tr> <tr> <td>Liability</td> <td>250% of 07/0 rate</td> </tr> <tr> <td>DCPD</td> <td>250% of 07/0 rate</td> </tr> <tr> <td>Optional Physical Damage</td> <td>250% of normal rate</td> </tr> <tr> <td colspan="2"><i>Vehicles with mounted Camper Unit</i></td> </tr> <tr> <td>Liability</td> <td>250% of 07/0 rate</td> </tr> </tbody> </table>	Class of Vehicle	Premium	Private Passenger Vehicles	250% of 07/0 rate	<i>Commercial Vehicles</i>		Light Trucks	200% of 43/0 rate	Heavy Trucks	200% of 45/0 rate	Tractors/Trailers	175% of 64/0 rate	<i>Private Type Trailers</i>		Liability	Non Pleasure rate plus \$15	Optional Physical Damage	250% of normal rate	<i>Motor Homes</i>		Liability	250% of 07/0 rate	DCPD	250% of 07/0 rate	Optional Physical Damage	250% of normal rate	<i>Vehicles with mounted Camper Unit</i>		Liability	250% of 07/0 rate	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
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<p>Rule 236</p> <p>Short Term Rentals- Rentals of 30 Days or Less and Ride Sharing</p>	<p>2. Accident Benefits Charge the normal rate for the type of vehicle concerned.</p> <p>B. Ride Sharing – Class 7N Applicable where a vehicle is used in connection with a vehicle-sharing service, or peer-to-peer rental company</p> <p>Use POL 1 and END 5(C). Insurance is provided on a specified vehicle/per vehicle basis and use of END 21(A)/21(B) is not permitted. Use of END 44 is not permitted.</p> <p>Rate as Short-Term Rental (as outlined in Section A above) and code as Class 7N.</p>	<table border="1" data-bbox="974 334 1646 631"> <tr> <td>Optional Physical Damage</td> <td>250% of normal rate</td> </tr> <tr> <td>Motorcycles & Moped</td> <td>250% of Driving Record 0 rate applicable to Age 16-20</td> </tr> <tr> <td>Snow Vehicles</td> <td>250% of normal rate</td> </tr> <tr> <td>All Terrain Vehicles</td> <td>250% or normal rate</td> </tr> <tr> <td><i>Any other vehicle</i></td> <td><i>Refer to Servicing Carrier</i></td> </tr> </table> <p>NOTE: No DCPD premium is applicable on Private Trailers and Camper Units. Refer to Rule 212 when rating Commercial Trailers.</p> <p>2. Accident Benefits, Uninsured Automobile (Not applicable for Alberta, Northwest Territories, Nunavut and Yukon) Charge the normal rate for the type of vehicle concerned.</p> <p>B. Ride Sharing – Class 7N Applicable where a vehicle is used in connection with a vehicle-sharing service, or peer-to-peer rental company</p> <p>Use POL 1 and END 5C. Insurance is provided on a specified vehicle/per vehicle basis and use of END 21(A) or END 21(B) is not permitted. Use of END 44/44R is not permitted.</p> <p>Rate as Short-Term Rental (as outlined in Section A above) and code as Class 7N.</p>	Optional Physical Damage	250% of normal rate	Motorcycles & Moped	250% of Driving Record 0 rate applicable to Age 16-20	Snow Vehicles	250% of normal rate	All Terrain Vehicles	250% or normal rate	<i>Any other vehicle</i>	<i>Refer to Servicing Carrier</i>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
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<p>Rule 237</p> <p>Long Term Leases – Specified Lessees – Leases Exceeding 30 Days</p>	<p>A. Application The lessee must complete a current approved Standard Application Form. The name and address of the Applicant/lessee and the name and address of the lessor must be shown where required on the application form.</p> <p>B. Policy Use POL 1 with END 5(A). The name and address of the lessor and the name and address of the lessee must appear on the policy declaration page.</p> <p>C. Rating The vehicle is rated as if owned by the lessee.</p>	<p>A. Application The lessee must complete a current approved Standard or Facility Association Application Form. The name and address of the Applicant/lessee and the name and address of the lessor must be shown where required on the application form.</p> <p>B. Policy Use POL 1 with END 5(A). The name and address of the lessor and the name and address of the lessee must appear on the policy declaration page.</p> <p>C. Rating The vehicle is rated as if owned by the lessee.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>										

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 238</p> <p>Driver Training Vehicles</p>	<p>All driver training vehicles shall be rated based on the trainer and that individual’s experience. These vehicles shall not be rated for the trainee.</p> <p>Use POL 1 with END 6(D). This endorsement extends the Liability section of the policy to cover the Applicant’s liability for student drivers/observers.</p> <p>A. Driving Record</p> <p>Driving record is to be calculated in accordance with the section of the manual that applies to a similar class of vehicle, subject to a maximum of Driving Record 3. Clear record earned on a similar vehicle which was not previously used for driver training, shall be applied when determining the driving record for driver training vehicles.</p> <p><i>For example:</i> The Insured opens a driver training school and uses his own truck as a driver training vehicle. The Insured has no previous experience with driver training and is 5 years accident free. According to the rules in this section, the Insured is entitled to Driving Record 3 on the driver training vehicle. If the Insured had never owned a truck and purchased one to use for driver training, the driving record entitlement would be 0 according to the rules in this Commercial Section.</p> <p>B. Vehicle used solely for Driver Training</p> <p>Calculate the premium as follows, add any applicable accident and conviction surcharges, and then apply the surcharges indicated in the Driver Training Surcharge Table.</p> <p>Private Passenger Vehicles: Rate as Class 07 (Driving Records 0, 1, 2, 3 only)</p> <p>Commercial Vehicles: Light –Rate as Class 36; Heavy – Rate as Class 44</p> <p>Public Vehicles (Buses, etc.): Private Passenger Type Vehicles - Rate as Class 07 Other Vehicles - Light Rate as Class 36; Heavy Rate as Class 44</p>	<p>All driver training vehicles (regardless of vehicle type) shall be rated based on the trainer and that individual’s experience. These vehicles shall not be rated for the trainee.</p> <p>Use POL 1 with END 6(D). This endorsement extends the Liability section of the policy to cover the Applicant’s liability for student drivers/observers.</p> <p>A. Driving Record</p> <p>Driving record is to be calculated in accordance with the section of the manual that applies to a similar class of vehicle, subject to a maximum of Driving Record 3. Clear record earned on a similar vehicle which was not previously used for driver training, shall be applied when determining the driving record for driver training vehicles.</p> <p>For example: The Insured opens a driver training school and uses their own truck as a driver training vehicle. The Insured has no previous experience with driver training and is 5 years accident free. According to the rules in this section, the Insured is entitled to Driving Record 3 on the driver training vehicle. If the Insured had never owned a truck and purchased one to use for driver training, the driving record entitlement would be 0 according to the rules in this Commercial Section.</p> <p>B. Vehicle used solely for Driver Training</p> <p>Calculate the premium as follows, add any applicable accident and conviction surcharges, and then apply the surcharges indicated in the Driver Training Surcharge Table.</p> <p>Private Passenger Vehicles: Rate as Class 07 (Driving Records 0, 1, 2, 3 only)</p> <p>Commercial Vehicles: Light –Rate as Class 36; Heavy – Rate as Class 44</p> <p>Public Vehicles (Buses, etc.): Private Passenger Type Vehicles - Rate as Class 07 Other Vehicles - Light Rate as Class 36; Heavy Rate as Class 44</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 238</p> <p>Driver Training Vehicles</p>	<p>Recreational Vehicles: Rate at non-pleasure rates</p> <p>C. Vehicles used for Driver Training in addition to some other use</p> <ol style="list-style-type: none"> 1. Calculate the premium as though the vehicle is used solely for driver training. 2. Calculate the premium as though the vehicle were used solely for the 'other use'. <i>For example:</i> If the vehicle is used for for retail delivery of auto parts, use Class 43. 3. Add the dollar value of the driver training surcharge calculated in Step 1 to the premium calculated in Step 2. 4. Compare the premium in Step 1 to the premium calculated through Steps 2 and 3 and use the higher of the two. <p><i>For example:</i></p> <p>Step 1 The vehicle is a light commercial vehicle and using Class 36, the total premium is \$700. The Liability premium is \$150 and DCPD Premium is \$50. The vehicle is equipped with dual controls so a surcharge of 35% is applied to the Liability and DCPD premium for a surcharge of \$70. The total policy premium calculated in Step 1 is therefore \$770.</p> <p>Step 2 The driver training use is part time and the Insured also uses the vehicle for retail delivery of auto parts; therefore, a premium of \$1000 is calculated by rating the vehicle as Class 43.</p> <p>Step 3 The premium in Step 2 is \$1000 and we add to that the surcharge premium of \$70 calculated in Step 1.</p> <p>Step 4 Use the higher of the results from Step 1 (\$770) or Step 3 (\$1070).</p>	<p>Recreational Vehicles: Rate at non-pleasure rates</p> <p>C. Vehicles used for Driver Training in addition to some other use</p> <ol style="list-style-type: none"> 1. Calculate the premium as though the vehicle is used solely for driver training. 2. Calculate the premium as though the vehicle were used solely for the 'other use'. <i>For example:</i> If the vehicle is used for for retail delivery of auto parts, use Class 43. 3. Add the dollar value of the driver training surcharge calculated in Step 1 to the premium calculated in Step 2. 4. Compare the premium in Step 1 to the premium calculated through Steps 2 and 3 and use the higher of the two. <p><i>For example:</i></p> <p>Step 1 The vehicle is a light commercial vehicle and using Class 36, the total premium is \$700. The Liability premium is \$200 and DCPD Premium is \$50. The vehicle is equipped with dual controls so a surcharge of 35% is applied to the Liability and DCPD premium for a surcharge of \$70. The total policy premium calculated in Step 1 is therefore \$770.</p> <p>Step 2 The driver training use is part time and the Insured also uses the vehicle for retail delivery of auto parts; therefore, a premium of \$1000 is calculated by rating the vehicle as Class 43.</p> <p>Step 3 The premium in Step 2 is \$1000 and we add to that the surcharge premium of \$70 calculated in Step 1.</p> <p>Step 4 Use the higher of the results from Step 1 (\$770) or Step 3 (\$1070).</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																																																		
Rule 238 Driver Training Vehicles	<p>D. Driver Training Vehicle Surcharge Table</p> <p>1. Vehicles used only for Secondary School, College or University training courses</p> <table border="0"> <tr> <td></td> <td style="text-align: center;">Equipped with dual controls</td> <td style="text-align: center;">Other</td> </tr> <tr> <td>Coverage</td> <td></td> <td></td> </tr> <tr> <td>Liability</td> <td style="text-align: center;">35%</td> <td style="text-align: center;">135%</td> </tr> <tr> <td>DCPD</td> <td style="text-align: center;">35%</td> <td style="text-align: center;">135%</td> </tr> <tr> <td>Collision</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">75%</td> </tr> </table> <p>2. Other Vehicles</p> <table border="0"> <tr> <td></td> <td style="text-align: center;">Equipped with dual controls</td> <td style="text-align: center;">Other</td> </tr> <tr> <td>Coverage</td> <td></td> <td></td> </tr> <tr> <td>Liability</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">170%</td> </tr> <tr> <td>DCPD</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">170%</td> </tr> <tr> <td>Collision</td> <td style="text-align: center;">25%</td> <td style="text-align: center;">100%</td> </tr> </table>		Equipped with dual controls	Other	Coverage			Liability	35%	135%	DCPD	35%	135%	Collision	0%	75%		Equipped with dual controls	Other	Coverage			Liability	70%	170%	DCPD	70%	170%	Collision	25%	100%	<p>D. Driver Training Vehicle Surcharge Table</p> <p>1. Vehicles used only for Secondary School, College or University training courses</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Coverage</th> <th style="text-align: center;">Equipped with Dual Controls</th> <th style="text-align: center;">Other</th> </tr> </thead> <tbody> <tr> <td>Liability</td> <td style="text-align: center;">35%</td> <td style="text-align: center;">135%</td> </tr> <tr> <td>Accident Benefits</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">0%</td> </tr> <tr> <td>DCPD*</td> <td style="text-align: center;">35%</td> <td style="text-align: center;">135%</td> </tr> <tr> <td>Collision</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">75%</td> </tr> <tr> <td>Other Coverages</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table> <p>*DCPD Surcharge applicable to all jurisdictions except in Northwest Territories, Nunavut and Yukon where DCPD coverage is not available.</p> <p>2. Other Vehicles</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Coverage</th> <th style="text-align: center;">Equipped with Dual Controls</th> <th style="text-align: center;">Other</th> </tr> </thead> <tbody> <tr> <td>Liability</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">170%</td> </tr> <tr> <td>Accident Benefits</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">0%</td> </tr> <tr> <td>DCPD*</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">170%</td> </tr> <tr> <td>Collision</td> <td style="text-align: center;">25%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td>Other Coverages</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table> <p>*DCPD Surcharge applicable to All jurisdictions except in Northwest Territories, Nunavut and Yukon where DCPD coverage is not available</p>	Coverage	Equipped with Dual Controls	Other	Liability	35%	135%	Accident Benefits	0%	0%	DCPD*	35%	135%	Collision	0%	75%	Other Coverages	0%	0%	Coverage	Equipped with Dual Controls	Other	Liability	70%	170%	Accident Benefits	0%	0%	DCPD*	70%	170%	Collision	25%	100%	Other Coverages	0%	0%	FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
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**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 239</p> <p>Fleets</p>	<p>A. Definition</p> <p>A fleet is a group of 5 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The Applicant must have had 60 months of Liability insurance in the past 12 months i.e. 5 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</p> <p><i>For example:</i> If the Insured owned 5 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the Insured has 72 months of Liability insurance. If the Insured only had 4 vehicles insured for Liability in that period, there would only be 48 months of Liability insurance and the policy would not be experience rated.</p> <p>The 60 months is established on the basis of vehicles the Insured has owned or leased from others. The Applicant may be required to provide proof of vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</p>	<p>A. Definition</p> <p>A fleet is:</p> <ul style="list-style-type: none"> • A group of 5 or more self-propelled vehicles; • Under Common ownership or management; • Used for business (incl. Class 07 and vehicles used for dual purposes), commercial or public transportation; • Includes vehicles on a long term lease; • The Applicant must have 60 months of Liability insurance in the past 12 months i.e. 5 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured. <p>A fleet is a group of 5 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The Applicant must have had 60 months of Liability insurance in the past 12 months i.e. 5 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</p> <p><i>For example:</i> If the Insured owned 5 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the Insured has 72 months of Liability insurance. If the Insured only had 4 vehicles insured for Liability in that period, there would only be 48 months of Liability insurance and the policy would not be experience rated.</p> <p>The 60 months is established on the basis of vehicles the Insured has owned or leased from others. The Applicant may be required to provide proof of vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.</p> <p>Notes:</p> <ul style="list-style-type: none"> • The Applicant is required to provide proof of vehicle registration and ownership. 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 239</p> <p>Fleets</p>	<p>Vehicles that the Insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 60 months of liability insurance in the past 12 months for the vehicles insured through FA. If the policy does qualify for experience rating, only the experience on the vehicles insured through FA shall be used to promulgate the rate.</p> <p>The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles rated as private passenger (because of dual use), are included in the 60 month calculation. The months of Liability insurance on personal use recreational vehicles and private passenger vehicles solely used for pleasure (no driving to and from work for the Applicant's business) is not included in the 60 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated Class 07 shall be added (with any claims) on the policy and in the experience rating.</p> <p>Where a new fleet is being submitted to FA consisting of vehicles which are a sub-group of a voluntary market fleet and there is no verification of which claims involved which vehicles, the FA formula shall take into account the claims that occurred on all vehicles. It is the responsibility of the Agent/Broker/Insured to provide the claim history documentation for the vehicles to be insured through FA. Where a vehicle(s) on an existing fleet is being newly insured through FA, the claim history shall follow the vehicle(s).</p>	<ul style="list-style-type: none"> • Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet. <p>Vehicles that the Insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 60 months of liability insurance in the past 12 months for the vehicles insured through FA. If the policy does qualify for experience rating, only the experience on the vehicles insured through FA shall be used to promulgate the rate.</p> <p>The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles rated as private passenger (because of dual use), are included in the 60 month calculation. The months of Liability insurance on personal use recreational vehicles and private passenger vehicles solely used for pleasure (no driving to and from work for the Applicant's business) is not included in the 60 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated Class 07 shall be added (with any claims) on the policy and in the experience rating.</p> <p>Where a new fleet is being submitted to FA consisting of vehicles which are a sub-group of a voluntary market fleet and there is no verification of which claims involved which vehicles, the FA formula shall take into account the claims that occurred on all vehicles. It is the responsibility of the Agent/Broker/Insured to provide the claim history documentation for the vehicles to be insured through FA. Where a vehicle(s) on an existing fleet is being newly insured through FA, the claim history shall follow the vehicle(s).</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 239</p> <p>Fleets</p>		<p>Vehicles under “common management” will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is in place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> 1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations and 2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle and 3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, and 4. Vehicles and all associated drivers adhere to the Named Insured means and methods of work, including risk management practices, code of conduct, training and service standards, and 5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner. <p>A signed “Facility Association Common Management Attestation”, signed by the Named Insured and a copy of the common management agreement must accompany all new business applications.</p> <p>A copy of the common management agreement will be required on subsequent renewals to maintain experience rating.</p> <p>The Servicing Carrier reserves the right to deny experience rating in the event the above criteria are not met, and fails to otherwise meet other fleet rating criteria outlined under Rule 239.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p> <p>Missing information from Alberta that needs to be added</p>	<p>This will not impact premiums</p>

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<p>Rule 239</p> <p>Fleets</p>	<p>B. Fleet Rating</p> <p>Fleet policies may only be issued on an annual basis. Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured through FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date to facilitate experience rating.</p> <p>Experience rating includes the following:</p> <ul style="list-style-type: none"> • All losses (At-fault and Not-at-fault) are taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim. • Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application • Any amount paid back by the Insured due to an END 8(B) on the policy with the prior Insurer • Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss • Amounts above FA deductibles when the prior Insurer had higher deductibles • Losses falling within any special agreements with the prior Insurer <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p> <p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21(A) and 21(B) is not permitted.</p> <p>If vehicles being added to a fleet insured through FA were previously on another fleet with the same common ownership or management as the FA fleet, these added vehicles are subject to experience rating as outlined in Rule 239:B. Fleet Rating.</p>	<p>B. Fleet Rating</p> <p>Fleet policies may only be issued on an annual basis. Fleets are subject to experience rating as of the commencement date of each policy period. If the fleet is insured through FA by two or more policies issued by one or more Servicing Carriers, the policies must have a common expiry date to facilitate experience rating.</p> <p>Experience rating includes the following:</p> <ul style="list-style-type: none"> • All losses (At-fault and Not-at-fault) are taken into account in rating even if there was no insurance in effect or the loss was repaid to the Insurer by or on behalf of the Insured or if the Insured chose not to present the claim. • Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application • Any amount paid back by the Insured due to an END 8(B) on the policy with the prior Insurer • Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss • Amounts above FA deductibles when the prior Insurer had higher deductibles • Losses falling within any special agreements with the prior Insurer <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p> <p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21(A) and 21(B) is not permitted.</p> <p>If vehicles being added to a fleet insured through FA were previously on another fleet with the same common ownership or management as the FA fleet, these added vehicles are subject to experience rating as outlined in Rule 239:B. Fleet Rating.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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<p>Rule 239</p> <p>Fleets</p>	<p>Midterm Rating Midterm rating is not permissible for changes that occur (i.e. revision of claim reserves) during the policy term merely because of the lapse of time.</p> <p>If it is discovered during a policy term that a risk is a fleet it shall be experience rated at the time of next renewal. If more than one policy qualifies for fleet rating, the fleet policy shall be issued effective the renewal date of the earliest expiring policy, based on the information for all vehicles. The remaining vehicles shall be added to the fleet at the expiry date of their policies.</p> <p>If the insurance is written by more than one Servicing Carrier, each policy upon expiry shall be subject to experience rating and shall be insured to the common expiry date.</p> <p>Optional Physical Damage Coverage On fleets, vehicles may not be covered for Comprehensive/Specified Perils only.</p> <p>The Collision portion of All Perils and Collision coverage shall be regarded as the same coverage for the purposes of determining the number of months of coverage, similarly, the portion of All Perils and, Comprehensive and Specified Perils shall be regarded as the same coverage.</p> <p>Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the</p>	<p>If a risk insured through FA meets the definition of a fleet, any vehicles added to the policy will be experience rated. The policy including any subsequent renewals will remain experience rated until the risk no longer meets the definition of fleet.</p> <p>Where a new fleet is being submitted to FA and there is no verification of which claims involved which vehicles, the FA formula shall take into account the claims that occurred on all vehicles. It is the responsibility of the Agent/Broker/Insured to provide the claim history documentation for the vehicles to be insured through FA.</p> <p>Midterm Rating Midterm rating is not permissible for changes that occur (i.e. revision of claim reserves) during the policy term merely because of the lapse of time.</p> <p>If it is discovered during a policy term that a risk is a fleet it shall be experience rated at the time of next renewal. If more than one policy qualifies for fleet rating, the fleet policy shall be issued effective the renewal date of the earliest expiring policy, based on the information for all vehicles. The remaining vehicles shall be added to the fleet at the expiry date of their policies.</p> <p>If the insurance is written by more than one Servicing Carrier, each policy upon expiry shall be subject to experience rating and shall be insured to the common expiry date.</p> <p>Optional Physical Damage Coverage On fleets, Vehicles may not be covered for Comprehensive/Specified Perils only.</p> <p>The Collision portion of All Perils and Collision coverage shall be regarded as the same coverage for the purposes of determining the number of months of coverage, similarly, the portion of All Perils and, Comprehensive and Specified Perils shall be regarded as the same coverage.</p> <p>Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the claims shall</p>	<p>These two paragraphs were moved from Part A as dealing with fleet rating for claims</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 239 Fleets</p>	<p>claims shall be assigned to the highest rated vehicles, one to each in descending order.</p> <p>C. Loss Information</p> <p>Any reserve change for a loss in any previous term shall be added to the incurred losses of the policy term in which the reserve was changed.</p> <p><i>For example:</i> The new policy term is May 1, 1999 to May 1, 2000. The Insured had 2 losses between May 1, 1998 and May 1, 1999. The Insured had 2 losses between May 1, 1997 and May 1, 1998. The Insured had no losses between May 1, 1996 and May 1, 1997 but in September 1996 there was a \$20,000 reserve increase on a claim that occurred in 1994. When listing the losses that occurred in the 2nd Prior Year (25-36 months) on the Automobile Fleet Schedule, the \$20,000 reserve must be entered.</p> <p>D. New Applications</p> <p>1. Forms required for Fleet Submissions</p> <p>a) Facility Association application The application form fully completed and signed. Under vehicle items show 'Fleet Policy'.</p> <p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>a) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>d) Fleet Rating Information Statement This form provides additional information about the risk.</p> <p>e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p>2. Incomplete Fleet submission forms</p> <p>If the necessary information required by the Servicing Carrier to properly rate the policy is not received within 15 days of the intended effective date, the policy shall be issued at the quoted premium and cancelled by registered letter.</p>	<p>be assigned to the highest rated vehicles, one to each in descending order.</p> <p>C. Loss Information</p> <p>Any reserve change for a loss in any previous term shall be added to the incurred losses of the policy term in which the reserve was changed.</p> <p><i>For example:</i> The new policy term is May 1, 1999 to May 1, 2000. The Insured had 2 losses between May 1, 1998 and May 1, 1999. The Insured had 2 losses between May 1, 1997 and May 1, 1998. The Insured had no losses between May 1, 1996 and May 1, 1997 but in September 1996 there was a \$20,000 reserve increase on a claim that occurred in 1994. When listing the losses that occurred in the 2nd Prior Year (25-36 months) on the Automobile Fleet Schedule, the \$20,000 reserve must be entered.</p> <p>D. New Applications</p> <p>1. Forms required for Fleet Submissions</p> <p>a) Facility Association application The application form fully completed and signed. Under vehicle items show 'Fleet Policy'.</p> <p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>e) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>c) Fleet Rating Information Statement or Commercial Vehicle Supplement This form provides additional information about the risk.</p> <p>d) Any additional supplements such as drivers list, taxi questionnaire.</p> <p>2. Incomplete Fleet submission forms</p> <p>If the necessary information required by the Servicing Carrier to properly rate the policy is not received within 15 days of the intended effective date, the policy shall be issued at the quoted premium and cancelled by registered letter.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p> <p>Example is being deleted as outdated</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 239 Fleets</p>	<p>3. The Applicant must understand that: The risk is bound from the effective date shown and an earned premium shall be charged. The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p>If proof of insurance is required by U.S. authorities, a currency differential surcharge shall be applied to the Liability premium. See Rule 228: Outside Alberta Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 227: Proof of Insurance.</p> <p>Fleets cannot be issued with a term of 6 months.</p> <p>The Applicant(s) must sign and date all documentation where indicated.</p> <p>4. Agent/Broker responsibilities: Submit all fully completed and signed fleet submission forms. Items on the binder application dealing with specific vehicles are to be answered 'Fleet Policy'. Incomplete forms shall be returned for completion resulting in policy issuance delays.</p> <p>Premiums are to be calculated at Driving Record 0 and must include the Outside Alberta Exposure Surcharge if applicable.</p> <p>If the manual does not provide information for rating a particular risk, the Servicing Carrier will assist the Agent/Broker in establishing a method of rating. The Servicing Carrier will also assist in determining rate groups which are not published.</p> <p>Collect from the Applicant the premium quoted at Driving Record 0 or arrange a premium finance contract. The Agent/Broker is responsible for the pro rata earned premium based on the correct premium calculation at Driving Record 0 in the event of non-payment by the Insured.</p>	<p>3. The Applicant must understand that: The risk is bound from the effective date shown and an earned premium shall be charged. The application is subject to the Facility Association fleet rating formula and the resulting premium may be substantially greater than the base premium quoted by the Agent/Broker.</p> <p>If proof of insurance is required by U.S. authorities, a currency differential surcharge shall be applied to the Liability premium. See Rule 228: Outside Province/Territory Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 227: Proof of Insurance.</p> <p>Fleets cannot be issued with a term of 6 months.</p> <p>The Applicant(s) must sign and date all documentation where indicated.</p> <p>4. Agent/Broker responsibilities: Submit all fully completed and signed fleet submission forms. Items on the binder application dealing with specific vehicles are to be answered 'Fleet Policy'. Incomplete forms shall be returned for completion resulting in policy issuance delays.</p> <p>Premiums are to be calculated at Driving Record 0 and must include the Outside Province/Territory Exposure Surcharge if applicable.</p> <p>If the manual does not provide information for rating a particular risk, the Servicing Carrier will assist the Agent/Broker in establishing a method of rating. The Servicing Carrier will also assist in determining rate groups which are not published.</p> <p>Collect from the Applicant the premium quoted at Driving Record 0 or arrange a premium finance contract. The Agent/Broker is responsible for the pro rata earned premium based on the correct premium calculation at Driving Record 0 in the event of non-payment by the Insured.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 239 Fleets</p>	<p>Issue temporary (30 day) liability cards for each self-propelled vehicle listed on the Fleet Schedule as of the date coverage was bound. It is not permissible to use a 'blanket' wording of any kind. A premium must be quoted and the risk bound before the fleet is submitted.</p> <p>5. Servicing Carrier responsibilities: The Servicing Carrier shall not provide quotations or accept fleet submissions which have not been bound.</p> <p>Upon receipt of the properly completed documents the Servicing Carrier shall verify the information and loss history of the risk with the previous carrier as required and ensure prompt issuance of the policy documents.</p> <p>6. If the revised premium is not acceptable: If a promulgated fleet rating is not acceptable to the Applicant, the policy shall be cancelled without charge if the policy is cancelled by the Applicant no later than the intended effective date (the date coverage was bound). After the effective date, where the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</p> <p><i>For example:</i> The Agent/Broker bound coverage as of June 1 and quoted the Applicant a premium of \$10,000 at Driving Record 0. On June 20, the Agent/Broker receives the fleet policy from the Servicing Carrier. The fleet has been promulgated at a premium of \$12,000. The Agent/Broker advises the Insured of the premium increase. On July 15, the Agent/Broker advises the Insurer to cancel the policy for non-payment. Because the request for cancellation was received within 30 days of June 20, the earned premium will be calculated pro rata on a premium of \$10,000.</p>	<p>Issue temporary (30 day) liability cards for each self-propelled vehicle listed on the Fleet Schedule as of the date coverage was bound. It is not permissible to use a 'blanket' wording of any kind. A premium must be quoted and the risk bound before the fleet is submitted.</p> <p>5. Servicing Carrier responsibilities: The Servicing Carrier shall not provide quotations or accept fleet submissions which have not been bound.</p> <p>Upon receipt of the properly completed documents the Servicing Carrier shall verify the information and loss history of the risk with the previous carrier as required and ensure prompt issuance of the policy documents.</p> <p>6. If the revised premium is not acceptable: If a promulgated fleet rating is not acceptable to the Applicant, the policy shall be cancelled without charge if the policy is cancelled by the Applicant no later than the intended effective date (the date coverage was bound). After the effective date, where the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of the additional premium, the earned premium for cancellation shall be calculated pro rata on the quoted premium calculated at Driving Record 0. Otherwise the earned premium shall be calculated pro rata on the promulgated fleet rating.</p> <p><i>For example:</i> The Agent/Broker bound coverage as of June 1 and quoted the Applicant a premium of \$10,000 at Driving Record 0. On June 20, the Agent/Broker receives the fleet policy from the Servicing Carrier. The fleet has been promulgated at a premium of \$12,000. The Agent/Broker advises the Insured of the premium increase. On July 15, the Agent/Broker advises the Insurer to cancel the policy for non-payment. Because the request for cancellation was received within 30 days of June 20, the earned premium will be calculated pro rata on a premium of \$10,000.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 239 Fleets	<p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, where a new application is submitted within 30 days of the cancellation of the fleet policy, either covering the same vehicles, or covering less than 5 vehicles individually rated, and the Applicant still has at least 5 vehicles insured under different FA policies, then the premium will be quoted at the full rate and not the individual vehicle premium.</p> <p><i>For example:</i> Using the above example, on September 1, the Agent/Broker resubmits substantially the same fleet for the same Insured to the Servicing Carrier, quoting a premium of \$10,000 at Driving Record 0. The policy is issued at a premium of \$12,000 and the Agent/Broker receives it on September 22. The Insured again rejects the additional premium and the Agent/Broker requests cancellation for non-payment on October 10. The earned premium will be calculated pro rata on a premium of \$12,000.</p> <p>7. Premium Calculation</p> <p>These calculations pertain to commercial vehicles only. For other classes, refer to the appropriate section of the manual.</p> <p><u>Liability and DCPD</u> Where the Applicant requires limits in excess of \$2,000,000 the Agent/Broker must discuss the risk with the Servicing Carrier prior to binding. Many risks will not be eligible for limits in excess of \$2,000,000.</p>	<p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, where a new application is submitted within 30 days of the cancellation of the fleet policy, either covering the same vehicles, or covering less than 5 vehicles individually rated, and the Applicant still has at least 5 vehicles insured under different FA policies, then the premium will be quoted at the full rate and not the individual vehicle premium.</p> <p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, a new application submitted within 30 days will remain fleet rated. Individually rating the vehicle will not be permitted, unless the risk no longer meets the definition of a fleet.</p> <p><i>For example:</i> Using the above example, on September 1, the Agent/Broker resubmits substantially the same fleet for the same Insured to the Servicing Carrier, quoting a premium of \$10,000 at Driving Record 0. The policy is issued at a premium of \$12,000 and the Agent/Broker receives it on September 22. The Insured again rejects the additional premium and the Agent/Broker requests cancellation for non-payment on October 10. The earned premium will be calculated pro rata on a premium of \$12,000.</p> <p>7. Premium Calculation</p> <p>Note:</p> <ul style="list-style-type: none"> • Refer to Rule 215 on rating of experience (fleet) rated risk. • For other classes of business, refer to the appropriate section of the manual. <p>These calculations pertain to commercial vehicles only. For other classes, refer to the appropriate section of the manual.</p> <p><u>Liability and DCPD</u> Where the Applicant requires limits in excess of \$2,000,000 the Agent/Broker must discuss the risk with the Servicing Carrier prior to binding. Many risks will not be eligible for limits in excess of \$2,000,000.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p> <p>Refer to Rule 215 on rating of experience (fleet) rated risk.</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 239 Fleets</p>	<p>Note: The application form must indicate the limits or combined limit actually required and the applicable endorsements (END 6(A)/ 6(B)/ 6(C)/ 6(F), 22).</p> <p>Commercial Vehicles Enter the premium applicable to the statutory minimum limit.</p> <p>Optional Physical Damage All Perils a) All Perils coverage is no longer available. Vehicles having All Perils coverage on existing Facility Association policies shall be renewed with Collision and Comprehensive coverage subject to a minimum deductible. b) Record All Perils losses according to the peril under which they were paid i.e. Collision losses under Collision and Comprehensive/Specified Perils losses under Comprehensive/Specified Perils.</p> <p>All other coverages Enter premium and deductibles where indicated.</p> <p>Premium Totals Liability and DCPD a) Total the appropriate premiums and enter the totals under the appropriate tables i.e. Table 1A (Road Hazard Liability), Table 1B (Road Hazard Liability – Hazardous Cargo), b) Apply the increased limit factor for limits up to \$1,000,000. c) Apply the increased limit factor for limits over \$1,000,000 if required. d) Add the final total under each table to the total derived from adding together all other premiums.</p> <p>All Other Coverages Total the premiums in each column.</p>	<p>Note: The application form must indicate the limits or combined limit actually required and the applicable endorsements (END 6(A)/ 6(B)/ 6(C)/ 6(F), 22).</p> <p>Commercial Vehicles Enter the premium applicable to the statutory minimum limit.</p> <p>Optional Physical Damage All Perils a) All Perils coverage is no longer available. Vehicles having All Perils coverage on existing Facility Association policies shall be renewed with Collision and Comprehensive coverage subject to a minimum deductible. b) Record All Perils losses according to the peril under which they were paid i.e. Collision losses under Collision and Comprehensive/Specified Perils losses under Comprehensive/Specified Perils.</p> <p>All other coverages Enter premium and deductibles where indicated.</p> <p>Premium Totals Liability and DCPD a) Total the appropriate premiums and enter the totals under the appropriate tables i.e. Table 1A (Road Hazard Liability), Table 1B (Road Hazard Liability – Hazardous Cargo), b) Apply the increased limit factor for limits up to \$1,000,000. c) Apply the increased limit factor for limits over \$1,000,000 if required. d) Add the final total under each table to the total derived from adding together all other premiums.</p> <p>All Other Coverages Total the premiums in each column.</p>	<p>Refer to Rule 215 on rating of experience (fleet) rated risk.</p> <p>As the information is similar under Rule 215 will be removing from this section</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 239</p> <p>Fleets</p>	<p>E. Renewals</p> <p>Prior to the expiry of experience rated insurance, the Servicing Carrier may ask the Agent/Broker to have certain forms completed to update the information on record.</p> <p>Such a request will usually be made well in advance of the expiry date because of the need to issue the renewal policy/certificate/offer to renew before the insurance expires.</p> <p>The appropriate renewal documents shall not be issued unless and until the required forms, properly completed, have been returned.</p> <p>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued.</p>	<p>E. Renewals</p> <p>Prior to the expiry of experience rated insurance, the Servicing Carrier may ask the Agent/Broker to have certain forms completed to update the information on record.</p> <p>Such a request will usually be made well in advance of the expiry date because of the need to issue the renewal policy/certificate/offer to renew before the insurance expires.</p> <p>The appropriate renewal documents shall not be issued unless and until the required forms, properly completed, have been returned.</p> <p>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued.</p>	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 241</p> <p>Carrying Explosives</p>	<p>The standard policy exclusion for carrying explosives may be modified to permit carriage of specified explosives only, by adding END 4(A). END 4(A) can be applied to all coverages or limited to the mandatory coverages.</p> <p>An Explosive Questionnaire must be completed and signed by the Applicant and submitted to the Servicing Carrier.</p> <ol style="list-style-type: none"> 1. A commercial type vehicle operated by an explosive manufacturer or dealer shall be rated in accordance with the Commercial Section of the manual. 2. For any other vehicle there shall be an additional charge applied to the vehicle premium. Contact your Servicing Carrier for the amount of the additional premium. 	<p>The standard policy exclusion for carrying explosives may be modified to permit carriage of specified explosives only, by adding END 4a/4A/4(A). END 4a/4A/4(A) can be applied to all coverages or limited to the mandatory coverages.</p> <p>An Explosive Questionnaire must be completed and signed by the Applicant and submitted to the Servicing Carrier.</p> <ol style="list-style-type: none"> 1. A commercial type vehicle operated by an explosive manufacturer or dealer shall be rated in accordance with the Commercial Section of the manual. 2. For any other vehicle there shall be an additional charge applied to the vehicle premium. Contact your Servicing Carrier for the amount of the additional premium. 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>
<p>Rule 242</p> <p>Carrying Radioactive Material</p>	<p>The standard policy exclusion for carrying radioactive material may be modified to permit the carriage of specified radioactive material only, by adding END 4(B). END 4(B) can be applied to all coverages or limited to the mandatory coverages.</p> <p>A Radioactive Materials Questionnaire must be completed and signed by the Applicant and submitted to the</p>	<p>The standard policy exclusion for carrying radioactive material may be modified to permit the carriage of specified radioactive material only, by adding END 4b/4B/4(B). END 4b/4B/4(B) can be applied to all coverages or limited to the mandatory coverages.</p> <p>A Radioactive Materials Questionnaire must be completed and signed by the Applicant and submitted to the Servicing</p>	<p>Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 242 Carrying Radioactive Material I	<p>Servicing Carrier. An additional charge shall be applied to the vehicle premium.</p> <p>Contact your Servicing Carrier for the amount of the additional premium.</p>	<p>Carrier. An additional charge shall be applied to the vehicle premium.</p> <p>Contact your Servicing Carrier for the amount of the additional premium.</p>	Aims to harmonize the wordings across all jurisdictions	This will not impact premiums
Rule 243 Endorsements Applicable to POL 1 (Owner's Policy) END 30(B)	<p>Excluding Operation of Attached Machinery Excludes Liability and Accident Benefits coverage in respect of the ownership or use of machinery or apparatus mounted on or attached to the vehicle, while at the site of such use.END30may not be used in conjunction with END 31</p>	<p>Excluding Operation of Attached Machinery Excludes Liability and Accident Benefits coverage in respect of the ownership or use of machinery or apparatus mounted on or attached to the vehicle, while at the site of such use. END30(B)may not be used in conjunction with END 31</p> <p>The description of the machinery or apparatus shall read: "all or any machinery or apparatus designed to perform a function additional to and separate from the function of travel" Where the equipment is used on a public road and the vehicle is subject to compulsory automobile insurance, the END 30(B) must exclude only non road use of the equipment by adding "while the vehicle is not being used upon a public highway".</p>	Information is moved from Rule 214	This will not impact premiums
Rule 243 Endorsements Applicable to POL 1 (Owner's Policy) END 37	<p>END 37 - Limitation to Automobile Sound and Electronic Communication Equipment. Provides that, in the event of loss or damage by theft or attempted theft, the maximum amount of insurance for the equipment or the actual cash value is \$1,500 in total.</p>	<p>END 37 - Limitation to Automobile Sound and Electronic Communication Equipment. Provides that, in the event of loss or damage by theft or attempted theft, the maximum amount of insurance for the equipment or the actual cash value is \$1,500 in total.</p> <p>Where a vehicle is insured for Comprehensive or Specified Perils, this endorsement must be added if the Insured does not wish to purchase additional coverage.</p> <p>This endorsement must be signed by the Insured.</p>	Information has been moved from section with Commonly Used Endorsements	This will not impact premiums
PUBLIC SECTION				
Rule 304.G New Policies	<p>G. Other Insurance</p> <p>If there is any other insurance in force in respect of a risk:</p> <p>a) Binding shall not be made effective before the expiry of that other insurance.</p> <p>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.</p>	<p>G. Other Insurance</p> <p>If there is any other insurance in force in respect of a risk:</p> <p>a) Binding shall not be made effective before the expiry of that other insurance.</p> <p>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.</p>	Based on Statutory Condition 8(1), termination does not require a signed cancellation	This will not impact premiums

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 312 Endorsements	<p>END 20 - Loss of Use Facility Association does not provide this coverage for public vehicles.</p> <p>After Market Sound and Electronic Communication Equipment Where the vehicle is equipped with sound or electronic communication equipment, other than factory installed equipment, application of either END 37 or END 38 is mandatory in those jurisdictions where the endorsements and the END 38 rate have been approved. Refer to Rule 338: Endorsements Applicable to POL 1 (Owner's Policy).</p> <p>END 37 - Limitation to Automobile Sound and Electronic Communication Equipment This endorsement limits the amount of coverage on such equipment to \$1,500. Where a vehicle is covered for Comprehensive or Specified Perils, this endorsement must be added if the Applicant does not wish to purchase additional coverage. The endorsement must be signed by the Insured.</p> <p>END 38 - Increased Limit, Automobile Sound and Electronic Communication Equipment Where a vehicle is covered for Comprehensive or Specified Perils, and the Applicant wishes to purchase additional coverage for the equipment, this endorsement may be added. Additional coverage may be purchased at a rate of \$30 per \$1,000 of value or part thereof in excess of \$1,500. Documentation (appraisal or receipts) is necessary to substantiate the value stated in the endorsement. The endorsement must be signed by the Insured.</p> <p><i>For example:</i> END 38 has a limit of \$4,300. The premium for END 38 shall be \$90.</p>	<p>REMOVE AS THE SAME INFORMATION IS LISTED UNDER</p> <p>Rule 338: ENDORSEMENTS APPLICABLE TO POL 1 (OWNER'S POLICY)</p> <p>This is how it will be labelled in the manual after approval: Rule 312: Not applicable</p>	<p>FA is reviewing rules in the Commercial Section.</p> <p>This section is a duplication</p>	<p>This will not impact premiums</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 317.E.4</p> <p>Cancellations, Procedures</p> <p>Flat Cancellations</p>	<p>Renewal</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p>	<p>Renewal</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p>	<p>Based on Statutory Condition 8(1), termination does not require a written request</p>	<p>This will not impact premiums</p>
<p>Rule 327</p> <p>Suspension and Reinstatement Of Coverages – END 16/17</p>	<p>Liability, DCPD, Accident Benefits and Collision as they relate to the use and operation of the described vehicles, new vehicles or temporary substitute vehicles may be suspended by means of END 16.</p> <p>This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the ownership of the vehicle. This means that END 16 does not suspend coverages related to 'drive other vehicles'; while a pedestrian; or while the vehicle is in storage. This endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.</p> <p>No refund is allowed in respect of Comprehensive and Specified Perils.</p> <p>If Liability, DCPD and Accident Benefits coverages are removed or suspended more than twice a year, then removal of these coverages is not permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while these coverages are removed or suspended.</p> <p>END 16/17 is not available for the following:</p> <ol style="list-style-type: none"> 1. Vehicles for which proof of insurance is issued or filed. 2. Experience rated risks 	<p>Liability, DCPD (<i>not available in Northwest Territories Nunavut and Yukon</i>), Accident Benefits, Uninsured Automobile (<i>not available in Alberta, Northwest Territories, Nunavut and Yukon</i>) and Collision as they relate to the use and operation of the described vehicles, new vehicles or temporary substitute vehicles may be suspended by means of END 16.</p> <p>This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the ownership of the vehicle. This means that END 16 does not suspend coverages related to 'drive other vehicles'; while a pedestrian; or while the vehicle is in storage. This endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.</p> <p>No refund is allowed in respect of Comprehensive and Specified Perils.</p> <p>If Liability, DCPD (<i>not available in Northwest Territories and Nunavut and Yukon</i>) and Accident Benefits coverages are removed or suspended twice in one year, then removal of those coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while coverage is removed or suspended.</p> <p>END 16/17 is not available for the following:</p> <ol style="list-style-type: none"> 1. Vehicles for which proof of insurance is issued or filed. 2. Experience rated risks 	<p>FA is reviewing rules in the Commercial Section. Aims to harmonize the wordings across all jurisdictions</p>	<p>This will not impact premiums</p>

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SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																										
<p>Rule 327</p> <p>Suspension and Reinstatement Of Coverages – END 16/17</p>	<p>3. Recreational vehicles rated in the Recreational Vehicle section</p> <p>4. Vehicles that were never intended to be driven.</p> <p>5. Vehicles held for sale whether or not on an auto dealer’s lot.</p> <p>Rating The refund for the period of cancellation is calculated according to the short rate table, refer to Rule 131:C.</p> <p>In no event shall a refund be granted for any suspension period of less than forty five (45) consecutive days.</p>	<p>3. Recreational vehicles rated in the Recreational Vehicle Section</p> <p>4. Vehicles that were never intended to be driven.</p> <p>5. Vehicles held for sale whether or not on an auto dealer’s lot.</p> <p>Rating The refund for the period of coverage suspension/cancellation is calculated according to the table below (<i>except Ontario</i>):</p> <table border="1" data-bbox="974 591 1612 971"> <thead> <tr> <th>Period of Suspension/Cancellation</th> <th>% of Annual Premium</th> </tr> </thead> <tbody> <tr> <td>Less than 45 days**</td> <td>Nil</td> </tr> <tr> <td>Less than 2 months</td> <td>Nil</td> </tr> <tr> <td>45 days and less than 2 ½ months**</td> <td>15%</td> </tr> <tr> <td>2 months and less than 2 ½ months</td> <td>15%</td> </tr> <tr> <td>2 ½ months and less than 3 months</td> <td>19%</td> </tr> <tr> <td>3 months and less than 3 ½ months</td> <td>22%</td> </tr> <tr> <td>3 ½ months and less than 4 months</td> <td>26%</td> </tr> <tr> <td>4 months and less than 4 ½ months</td> <td>30%</td> </tr> <tr> <td>4 ½ months and less than 5 months</td> <td>34%</td> </tr> <tr> <td>5 months and less than 5 ½ months</td> <td>38%</td> </tr> <tr> <td>5 ½ months and less than 6 months</td> <td>41%</td> </tr> <tr> <td>6 months or more</td> <td>45%</td> </tr> </tbody> </table> <p><i>**Applies to Alberta only</i></p> <p>In no event shall a refund be granted for any suspension period of less than forty five (45) consecutive days (<i>Applies to Alberta and Ontario only</i>) or sixty (60) consecutive days.</p>	Period of Suspension/Cancellation	% of Annual Premium	Less than 45 days**	Nil	Less than 2 months	Nil	45 days and less than 2 ½ months**	15%	2 months and less than 2 ½ months	15%	2 ½ months and less than 3 months	19%	3 months and less than 3 ½ months	22%	3 ½ months and less than 4 months	26%	4 months and less than 4 ½ months	30%	4 ½ months and less than 5 months	34%	5 months and less than 5 ½ months	38%	5 ½ months and less than 6 months	41%	6 months or more	45%	<p>Upon review of END 16. FA noticed that not all jurisdictions have the table printed on the forms anymore. Information was verified and a table was created to be added to the manual.</p>	<p>This will not impact premiums</p>
Period of Suspension/Cancellation	% of Annual Premium																													
Less than 45 days**	Nil																													
Less than 2 months	Nil																													
45 days and less than 2 ½ months**	15%																													
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2 ½ months and less than 3 months	19%																													
3 months and less than 3 ½ months	22%																													
3 ½ months and less than 4 months	26%																													
4 months and less than 4 ½ months	30%																													
4 ½ months and less than 5 months	34%																													
5 months and less than 5 ½ months	38%																													
5 ½ months and less than 6 months	41%																													
6 months or more	45%																													
<p>Rule 329</p> <p>Home-Made Vehicles / Reconstruction / Imported Right Hand Drive / Imported Vehicles</p>	<p>The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle.</p> <p>This rule does not apply to vehicles with a manufacturer assigned VIN and a status of ‘rebuilt’ which are to be rated using CLEAR rate groups.</p> <p>A. Liability, DCPD, and Accident Benefits No coverage shall be offered until the following is provided to the Servicing Carrier: A subsisting salvage motor vehicle inspection should accompany the application to the Servicing Carrier.</p>	<p>The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle.</p> <p>This rule does not apply to vehicles with a manufacturer assigned VIN and a status of ‘rebuilt’ which are to be rated using CLEAR rate groups.</p> <p>A. Liability, DCPD, and Accident Benefits No coverage shall be offered until the following is provided to the Servicing Carrier: A subsisting salvage motor vehicle inspection should accompany the application to the Servicing Carrier.</p>	<p>Public and Recreational vehicles do not have rate groups. This remark has been changed to reflect that</p> <p>Public and Recreational</p>	<p>This will not impact premiums</p>																										

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 329</p> <p>Home-Made Vehicles / Reconstruction / Imported Right Hand Drive / Imported Vehicles</p>	<p>Where the inspection is not completed and provided within 30 days from the coverage effective date, the policy shall be cancelled by registered letter.</p> <p>Rate group 10 is to be used for Accident Benefits where vehicles are rated by value.</p> <p>B. Optional Physical Damage Coverage</p> <p>1. No optional physical damage coverage (for any value) shall be provided for:</p> <p>a) 'Home-made' / reconstruction vehicles until the construction, reconstruction, restoration has been completed; an authorized mechanic has inspected the vehicles and values of the vehicles have been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p>b) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p>2. The premium is based on the appraised amount.</p> <p>3. The insurance shall be subject to END 19(B) which must be attached to the policy and a copy signed by the Insured. END 19A is not available.</p>	<p>Where the inspection is not completed and provided within 30 days from the coverage effective date, the policy shall be cancelled by registered letter.</p> <p>Charge the normal rate for the type of vehicle concerned for Accident Benefits.</p> <p>B. Optional Physical Damage Coverage</p> <p>1. No optional physical damage coverage (for any value) shall be provided for:</p> <p>a) 'Home-made' / reconstruction vehicles until the construction, reconstruction, restoration has been completed; an authorized mechanic has inspected the vehicles and values of the vehicles have been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p>b) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p>2. The premium is based on the appraised amount.</p> <p>3. The insurance shall be subject to END 19(B) which must be attached to the policy and a copy signed by the Insured. END 19A is not available.</p>	<p>vehicles do not have rate groups. This remark has been changed to reflect that</p>	<p>This will not impact premiums</p>
<p>Rule 335.D.7</p> <p>Fleet</p>	<p>7. Premium Calculation</p> <p>Liability and DCPD Where the Applicant requires limits in excess of \$1,000,000 the Agent/Broker must discuss the risk with</p>	<p>7. Premium Calculation</p> <p>Note:</p> <ul style="list-style-type: none"> Refer to Rule 313 on rating of experience (fleet) rated risk. For other classes of business, refer to the appropriate section of the manual. <p>Liability and DCPD Where the Applicant requires limits in excess of \$1,000,000 the Agent/Broker must discuss the risk with the Servicing</p>	<p>Refer to Rule 313 on rating of experience (fleet) rated risk.</p> <p>As the information is similar</p>	<p>This will not impact premiums</p>

FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335.D.7 Fleet	<p>the Servicing Carrier prior to binding. Many risks will not be eligible for limits in excess of \$1,000,000.</p> <p>Public Vehicle - Road Hazard and Passenger Hazard</p> <p>a) Enter the premium applicable to the minimum statutory limit for Road Hazard.</p> <p>b) If one premium applies to both Road and Passenger B.I., or if a combined Road and Passenger B.I. limit is to be provided, enter the combined base premium for the two coverages. If separate premiums apply for Road Hazard and Passenger B.I. show each premium separately.</p> <p><i>For example:</i></p> <p>a) The Insured requires a combined Road Hazard and Passenger B.I. limit of \$1,000,000. The premium for \$200,000 Road Hazard is \$400 and the premium for \$200,000 Passenger B.I. is \$300. The premium shall be entered on the fleet schedule as \$700 because the same Liability limit will apply to both coverages.</p> <p>b) The Insured requires \$1,000,000 Road Hazard and \$2,000,000 Passenger B.I. The premium for \$200,000 Road Hazard is \$400 and the premium for \$200,000 Passenger B.I. is \$300. The premium will be entered on the fleet schedule as \$400/\$300 because different Liability limits apply to each coverage.</p> <p>c) If Passenger Property Damage is to be insured, enter the premium for the required limit in the Endorsement column.</p> <p>Note: The application form must indicate the limits or combined limit actually required and the applicable endorsements (END 6(A)/6(B)/6(C)/6(F), 22).</p> <p>Every other vehicle Enter the premium applicable to the statutory minimum limit.</p> <p><u>Optional Physical Damage Coverages</u> All Perils</p> <p>a) All Perils coverage is no longer available. Vehicles having All Perils coverage on existing</p>	<p>Carrier prior to binding. Many risks will not be eligible for limits in excess of \$1,000,000.</p> <p>Public Vehicle - Road Hazard and Passenger Hazard</p> <p>a) Enter the premium applicable to the minimum statutory limit for Road Hazard.</p> <p>b) If one premium applies to both Road and Passenger B.I., or if a combined Road and Passenger B.I. limit is to be provided, enter the combined base premium for the two coverages. If separate premiums apply for Road Hazard and Passenger B.I. show each premium separately.</p> <p><i>For example:</i></p> <p>a) The Insured requires a combined Road Hazard and Passenger B.I. limit of \$1,000,000. The premium for \$200,000 Road Hazard is \$400 and the premium for \$200,000 Passenger B.I. is \$300. The premium shall be entered on the fleet schedule as \$700 because the same Liability limit will apply to both coverages.</p> <p>b) The Insured requires \$1,000,000 Road Hazard and \$2,000,000 Passenger B.I. The premium for \$200,000 Road Hazard is \$400 and the premium for \$200,000 Passenger B.I. is \$300. The premium will be entered on the fleet schedule as \$400/\$300 because different Liability limits apply to each coverage.</p> <p>c) If Passenger Property Damage is to be insured, enter the premium for the required limit in the Endorsement column.</p> <p>Note: The application form must indicate the limits or combined limit actually required and the applicable endorsements (END 6(A)/6(B)/6(C)/6(F), 22).</p> <p>Every other vehicle Enter the premium applicable to the statutory minimum limit.</p> <p><u>Optional Physical Damage Coverages</u> All Perils</p> <p>a) All Perils coverage is no longer available. Vehicles having All Perils coverage on existing Facility</p>	<p>under Rule 313 will be removing from this section</p> <p>Refer to Rule 313 on rating of experience</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>Facility Association policies shall be renewed with Collision and Comprehensive coverage subject to a minimum deductible.</p> <p>b) Record All Perils losses according to the peril under which they were paid i.e. Collision losses under Collision and Comprehensive/Specified Perils losses under Comprehensive/Specified Perils.</p> <p>All Optional Physical Damage Coverages Enter premium and deductibles where indicated.</p> <p>Premium Totals Liability and DCPD</p> <p>a) Total the appropriate premiums and enter the totals under the appropriate Tables i.e. Table 1A (Road Hazard Liability), Table 1B (Road Hazard Liability – Hazardous Cargo), Table 2 (Passenger Hazard B.I.) and Table 3 (Road Hazard and Passenger B.I. Combined)</p> <p>b) Apply the increased limit factor for limits up to \$1,000,000. See the Rating Notes at the beginning of the rate pages in this section.</p> <p>c) Apply the increased limit factor for limits over \$1,000,000 if required. See the Rating Notes at the beginning of the rate pages in this section.</p> <p>d) Add the final total under each table to the total derived from adding together all other premiums.</p> <p>All Other Coverages Total the premiums in each column.</p>	<p>Association policies shall be renewed with Collision and Comprehensive coverage subject to a minimum deductible.</p> <p>b) Record All Perils losses according to the peril under which they were paid i.e. Collision losses under Collision and Comprehensive/Specified Perils losses under Comprehensive/Specified Perils.</p> <p>All Optional Physical Damage Coverages Enter premium and deductibles where indicated.</p> <p>Premium Totals Liability and DCPD</p> <p>a) Total the appropriate premiums and enter the totals under the appropriate Tables i.e. Table 1A (Road Hazard Liability), Table 1B (Road Hazard Liability – Hazardous Cargo), Table 2 (Passenger Hazard B.I.) and Table 3 (Road Hazard and Passenger B.I. Combined)</p> <p>b) Apply the increased limit factor for limits up to \$1,000,000. See the Rating Notes at the beginning of the rate pages in this section.</p> <p>c) Apply the increased limit factor for limits over \$1,000,000 if required. See the Rating Notes at the beginning of the rate pages in this section.</p> <p>d) Add the final total under each table to the total derived from adding together all other premiums.</p> <p>All Other Coverages Total the premiums in each column.</p>	<p>(fleet) rated risk.</p> <p>As the information is similar under Rule 313 will be removing from this section</p>	<p>This will not impact premiums</p>
<p>Rule 338</p> <p>Endorsements Applicable to POL 1 (Owner's Policy)</p>	<p>END 37 - Limitation to Automobile Sound and Electronic Communication Equipment.</p> <p>Provides that, in the event of loss or damage by theft or attempted theft, the maximum amount of insurance for the equipment or the actual cash value is \$1,500 in total.</p>	<p>END 37 - Limitation to Automobile Sound and Electronic Communication Equipment.</p> <p>Provides that, in the event of loss or damage by theft or attempted theft, the maximum amount of insurance for the equipment or the actual cash value is \$1,500 in total.</p> <p>Where a vehicle is insured for Comprehensive or Specified Perils, this endorsement must be added if the Insured does not wish to purchase additional coverage.</p> <p>This endorsement must be signed by the Insured.</p>	<p>Information has been moved from section with Commonly Used Endorsements</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
RECREATIONAL SECTION				
Rule 404.G New Policies	<p>G. Other Insurance</p> <p>If there is any other insurance in force in respect of a risk:</p> <p>a) Binding shall not be made effective before the expiry of that other insurance.</p> <p>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.</p>	<p>G. Other Insurance</p> <p>If there is any other insurance in force in respect of a risk:</p> <p>a) Binding shall not be made effective before the expiry of that other insurance.</p> <p>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.</p>	Based on Statutory Condition 8(1), termination does not require a signed cancellation	This will not impact premiums
Rule 418.E.4 Cancellations, Procedures Flat Cancellations	<p>Renewal</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p>	<p>Renewal</p> <p>Where an Insured has received renewal documents prior to the effective date of the renewal, if evidence of renewal refusal is supplied by the Agent/Broker (per Rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p>	Based on Statutory Condition 8(1), termination does not require a written request	This will not impact premiums
Rule 429	<p>END 16 is not available for the following:</p> <ol style="list-style-type: none"> 1. Vehicles for which proof of insurance is issued or filed. 2. Experience rated risks 3. Recreational vehicles rated in the Recreational Section 4. Vehicles that were never intended to be driven. 5. Vehicles held for sale whether or not on an auto dealer's lot. 	Not applicable	This endorsement is not available on Recreational Vehicles described in the Recreational Section of the manual	This will not impact premiums

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>Rule 432</p> <p>Home-Made Vehicles / Reconstruction / Imported Right Hand Drive / Imported Vehicles</p>	<p>The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle.</p> <p>This rule does not apply to vehicles with a manufacturer assigned VIN and a status of 'rebuilt' which are to be rated using CLEAR rate groups.</p> <p>A. Liability, DCPD, and Accident Benefits</p> <p>No coverage shall be offered until the following is provided to the Servicing Carrier:</p> <p style="padding-left: 20px;">A subsisting salvage motor vehicle inspection should accompany the application to the Servicing Carrier.</p> <p style="padding-left: 20px;">Where the inspection is not completed and provided within 30 days from the coverage effective date, the policy shall be cancelled by registered letter.</p> <p>Rate group 10 is to be used for Accident Benefits where vehicles are rated by value.</p> <p>B. Optional Physical Damage Coverage</p> <p>1. No optional physical damage coverage (for any value) shall be provided for:</p> <p style="padding-left: 40px;">c) 'Home-made' / reconstruction vehicles until the construction, reconstruction, restoration has been completed; an authorized mechanic has inspected the vehicles and values of the vehicles have been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p style="padding-left: 40px;">d) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p>2. The premium is based on the appraised amount.</p> <p>3. The insurance shall be subject to END 19(B) which must be attached to the policy and a copy signed by the Insured. END 19(A) is not available.</p>	<p>The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle.</p> <p>This rule does not apply to vehicles with a manufacturer assigned VIN and a status of 'rebuilt' which are to be rated using CLEAR rate groups.</p> <p>A. Liability, DCPD, and Accident Benefits</p> <p>No coverage shall be offered until the following is provided to the Servicing Carrier:</p> <p style="padding-left: 20px;">A subsisting salvage motor vehicle inspection should accompany the application to the Servicing Carrier.</p> <p style="padding-left: 20px;">Where the inspection is not completed and provided within 30 days from the coverage effective date, the policy shall be cancelled by registered letter.</p> <p>Charge the normal rate for the type of vehicle concerned for Accident Benefits.</p> <p>B. Optional Physical Damage Coverage</p> <p>1. No optional physical damage coverage (for any value) shall be provided for:</p> <p style="padding-left: 40px;">c) 'Home-made' / reconstruction vehicles until the construction, reconstruction, restoration has been completed; an authorized mechanic has inspected the vehicles and values of the vehicles have been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p style="padding-left: 40px;">d) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.</p> <p>2. The premium is based on the appraised amount.</p> <p>3. The insurance shall be subject to END 19(B) which must be attached to the policy and a copy signed by the Insured. END 19(A) is not available.</p>	<p>Public and Recreational vehicles do not have rate groups. This remark has been changed to reflect that</p>	<p>This will not impact premiums</p>

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438.D.7 Fleet	<p>7. Premium Calculation</p> <p>These calculations pertain to recreational vehicles only. For other classes, refer to the appropriate section of the manual.</p> <p><u>Liability and DCPD</u> Where the Applicant requires limits in excess of \$2,000,000 the Agent/Broker must discuss the risk with the Servicing Carrier prior to binding. Many risks will not be eligible for limits in excess of \$2,000,000.</p> <p>Note: The application form must indicate the limits or combined limit actually required and the applicable endorsements (END 6(A)/6(B)/6(C)/6(F), 22).</p> <p>Recreational Vehicles Enter the premium applicable to the statutory minimum limit.</p> <p><u>Optional Physical Damage</u> All Perils</p> <p>a) All Perils coverage is no longer available. Vehicles having All Perils coverage on existing Facility Association policies shall be renewed with Collision and Comprehensive coverage subject to a minimum deductible.</p> <p>b) Record All Perils losses according to the peril under which they were paid i.e. Collision losses under Collision and Comprehensive/Specified Perils losses under Comprehensive/Specified Perils.</p> <p>All Other Coverages Enter premium and deductibles where indicated.</p>	<p>7. Premium Calculation</p> <p>Note:</p> <ul style="list-style-type: none"> Refer to Rule 414 on rating of experience (fleet) rated risk. For other classes of business, refer to the appropriate section of the manual. <p>These calculations pertain to recreational vehicles only. For other classes, refer to the appropriate section of the manual.</p> <p><u>Liability and DCPD</u> Where the Applicant requires limits in excess of \$2,000,000 the Agent/Broker must discuss the risk with the Servicing Carrier prior to binding. Many risks will not be eligible for limits in excess of \$2,000,000.</p> <p>Note: The application form must indicate the limits or combined limit actually required and the applicable endorsements (END 6(A)/6(B)/6(C)/6(F), 22).</p> <p>Recreational Vehicles Enter the premium applicable to the statutory minimum limit.</p> <p><u>Optional Physical Damage</u> All Perils</p> <p>a) All Perils coverage is no longer available. Vehicles having All Perils coverage on existing Facility Association policies shall be renewed with Collision and Comprehensive coverage subject to a minimum deductible.</p> <p>b) Record All Perils losses according to the peril under which they were paid i.e. Collision losses under Collision and Comprehensive/Specified Perils losses under Comprehensive/Specified Perils.</p> <p>All Other Coverages Enter premium and deductibles where indicated.</p>	Refer to Rule 414 on rating of experience (fleet) rated risk. As the information is similar under Rule 414 removed	This will not impact premiums

**FACILITY ASSOCIATION ALBERTA RULE & RATES MANUAL
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE JUNE 1, 2024**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438.D.7 Fleet	<p><u>Premium Totals</u> <u>Liability and DCPD</u></p> <p>a) Total the appropriate premiums and enter the totals under the appropriate tables</p> <p>b) Apply the increased limit factor for limits up to \$1,000,000.</p> <p>c) Apply the increased limit factor for limits over \$1,000,000 if required.</p> <p>d) Add the final total under each Table to the total derived from adding together all other premiums.</p> <p><u>All Other Coverages</u> Total the premiums in each column.</p>	<p><u>Premium Totals</u> <u>Liability and DCPD</u></p> <p>d) Total the appropriate premiums and enter the totals under the appropriate tables</p> <p>e) Apply the increased limit factor for limits up to \$1,000,000.</p> <p>f) Apply the increased limit factor for limits over \$1,000,000 if required.</p> <p>d) Add the final total under each Table to the total derived from adding together all other premiums.</p> <p><u>All Other Coverages</u> Total the premiums in each column.</p>	<p>Refer to Rule 414 on rating of experience (fleet) rated risk.</p> <p>As the information is similar under Rule 414 will be removing from this section</p>	<p>This will not impact premiums</p>

January 2024

Manual of Rules and Rates
ALBERTA

Revised Private Passenger Grid Rates
Effective May 1, 2024 (New Business and Renewals)

Effective May 1, 2024 Facility Association is implementing the following updates for new business and renewals in Alberta:

- In accordance with the Alberta Automobile Insurance Rate Board's Order No. 01-2024, Private Passenger Grid premiums have been increased by +12.0% **effective May 1, 2024 for New Business and Renewals.**

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

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

January 2024

**Manual of Rules and Rates
ALBERTA**

**Good Driver Protection (Private Passenger Section only)
Effective April 1, 2024 (Renewals)**

Effective April 1, 2024 Facility Association is implementing the following update for renewals in Alberta:

- Ministerial Order 38/2023 dated November 7, 2023 introduced “Good Driver” protection criteria on renewal business. This update confirms that Facility Association Servicing Carriers has provisions put in place to comply with this order on eligible Residual Market Private Passenger Vehicles.
- A “Good Driver” is anyone without the following:
 - any at-fault accidents in the last six years;
 - any Criminal Code traffic convictions in the last four years;
 - any major traffic convictions in the last three years; and
 - more than one minor traffic conviction in the last three years.

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

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