

July 2025

## Manual of Rules and Rates NEWFOUNDLAND & LABRADOR

### Revised Rates for Private Passenger, Commercial, Interurban, Various Rule Changes, 2025 CLEAR & Commercial Rate Group Tables Effective October 1, 2025 (New Business and Renewals)

**Effective October 1, 2025** Facility Association is implementing the following update for new business and renewals in Newfoundland & Labrador:

- Revised Private Passenger rates. Overall, there is a change of -8.4%. Rates may vary depending upon individual policy circumstances;
- Revised Commercial rates. Overall, there is a change of -5.0%. Rates may vary depending upon individual policy circumstances;
- Revised Interurban rates. Overall, there is a change of -4.4%. Rates may vary depending upon individual policy circumstances;
- Revised rate pages for Public Bus, Hotel & Country Club Bus, Private Bus, School Bus, Ambulance, Funeral, Historic Vehicles, Motor Homes, Trailers and Camper Units. There is no rate change associated with these classes of business.;
- The Garage Underwriting Supplement Form is no longer in the Garage Section of the manual. There's an updated version available in the **Forms** section of FA's website;
- There are various rule changes in sections of the manual. A summary of the rule changes are attached to the Manual Bulletin on the Facility Association website;
- 2025 Private Passenger CLEAR Rate Group Tables having a range of 1-14 for Accident Benefits Rate Groups;
- 2025 Commercial Rate Group Tables (Tables I and II).

The Facility Association website [www.facilityassociation.com](http://www.facilityassociation.com) has been updated with this information.

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

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<b>PRIVATE PASSENGER SECTION</b>				
Table of Contents	<b>Rule 138: U.S. Exposure Surcharge</b> A. U.S. Exposure Surcharge B. Currency Differential Surcharge	<b>Rule 138: Outside Province Exposure</b> <del>A. U.S. Exposure Surcharge</del> <del>B. Currency Differential Surcharge</del>	Name change update	This will not impact premiums
Rule 111:  Rating Class	<b>Notes: Class 05</b> 1. The vehicle is first rated as if there are no occasional drivers licensed less than 9 years in Canada or the U.S.; premium is then charged for such occasional drivers by adding the Liability, DCPD and Collision premium for Class 05. It is not permissible to issue a policy solely at Class 05 rates.  2. The Liability limit and Collision deductible for Classes 05 drivers must be identical to the limit and deductible provided for the vehicle..	<b>Notes: Class 05</b> 1. The vehicle is first rated as if there are no occasional drivers licensed less than 9 years in Canada or the U.S.; premium is then charged for such occasional drivers by adding the Liability, DCPD and Collision <del>premium</del> coverage for Class 05. It is not permissible to issue a policy solely at Class 05 rates.  2. The Liability limit and Collision deductible for Classes 05 drivers must be identical to the limit and deductible provided for the vehicle.	FA manual update to align wordings across jurisdictions	This will not impact premium
Rule 113: Driving Record  B. Driving Record Entitlement	<b>Notes:</b> 1. A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.  ..... 11. Tourist or Temporary Resident  A. If the principal operator is a non-resident of Canada touring North America, the remarks section of the application must indicate: 1) that the principal operator is a non-resident; 2) the country where the principal operator normally resides; 3) the anticipated length and purpose of the visit If touring, the remarks section must indicate the anticipated itinerary – Refer to Rules 138 U.S. Exposure Surcharge and 144 Vehicles Used Outside Jurisdiction of Registration.	<b>Notes:</b> 1. The driving record established applies to all coverages for which a driving record is a factor. There is no split rating. A chargeable accident will affect the rating of the Liability, DCPD ( <i>Not available in Northwest Territories, Nunavut and Yukon</i> ) and Collision coverages.  ..... 11. Tourist or Temporary Resident  A. If the principal operator is a non-resident of Canada touring North America, the remarks section of the application must indicate: 1) that the principal operator is a non-resident; 2) the country where the principal operator normally resides; 3) the anticipated length and purpose of the visit If touring, the remarks section must indicate the anticipated itinerary – Refer to Rules 138 <del>U.S. Exposure Surcharge</del> and 144 <del>Vehicles</del> <del>Used Outside Jurisdiction of Registration</del> .	Upon a review of FA rule there needs to be an updated to align with current rate pages  FA aims to remove names of rules for simplify the wordings across all jurisdictions	This will not impact premiums

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Rule 131:  Time on Risk  D. Short Term Tables	3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as “Nil” there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.	3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as “Nil” there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for Outside of Province/Territory including U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.	Including reference of U.S. exposure to Outside Province / Territory exposure	This will impact premiums																																																															
Rule 136.C  Accident / Conviction Surcharge Table	<b>C. Accident/Conviction Surcharge Table</b> <b>Maximum surcharge to be applied is 200%</b>  <table><tr><th>Events in the preceding 36 months</th><th>Surcharge</th></tr><tr><td><b>Chargeable Accidents:</b></td><td></td></tr><tr><td>2</td><td>0%</td></tr><tr><td>3</td><td>30%</td></tr><tr><td>Each additional</td><td>10%</td></tr><tr><td><b>Major Convictions</b></td><td></td></tr><tr><td>1</td><td>25%</td></tr><tr><td>Each additional</td><td>25%</td></tr><tr><td><b>Minor Convictions</b></td><td></td></tr><tr><td>2</td><td>5%</td></tr><tr><td>3</td><td>15%</td></tr><tr><td>4</td><td>25%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td><b>Serious Convictions</b></td><td></td></tr><tr><td>1</td><td>50%</td></tr><tr><td>Each additional</td><td>100%</td></tr></table>	Events in the preceding 36 months	Surcharge	<b>Chargeable Accidents:</b>		2	0%	3	30%	Each additional	10%	<b>Major Convictions</b>		1	25%	Each additional	25%	<b>Minor Convictions</b>		2	5%	3	15%	4	25%	Each additional	15%	<b>Serious Convictions</b>		1	50%	Each additional	100%	<b>C. Accident/Conviction Surcharge Table</b> <b>Maximum surcharge to be applied is 250%</b>  <table><tr><th>Events in the preceding 36 months</th><th>Surcharge</th></tr><tr><td><b>Chargeable Accidents:</b></td><td></td></tr><tr><td>2</td><td>20%</td></tr><tr><td>3</td><td>30%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td><b>Major Convictions</b></td><td></td></tr><tr><td>1</td><td>25%</td></tr><tr><td>Each additional</td><td>25%</td></tr><tr><td><b>Minor Convictions</b></td><td></td></tr><tr><td>2</td><td>5%</td></tr><tr><td>3</td><td>15%</td></tr><tr><td>4</td><td>25%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td><b>Serious Convictions</b></td><td></td></tr><tr><td>1</td><td>100%</td></tr><tr><td>Each additional</td><td>100%</td></tr></table>	Events in the preceding 36 months	Surcharge	<b>Chargeable Accidents:</b>		2	20%	3	30%	Each additional	15%	<b>Major Convictions</b>		1	25%	Each additional	25%	<b>Minor Convictions</b>		2	5%	3	15%	4	25%	Each additional	15%	<b>Serious Convictions</b>		1	100%	Each additional	100%	To harmonize with all other jurisdictions,  <
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Rule 138:  U.S. Exposure Surcharge	<p><b>U.S. Exposure Surcharge</b> <b>A. U.S. Exposure Surcharge</b></p> <p>Any vehicle that is operated in the U.S. is subject to the U.S. exposure surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used in the U.S.</p> <p>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p>	<p><del>Outside Province Exposure Surcharge</del> <del>A. Outside Province Exposure Surcharge</del></p> <p>Any vehicle that is operated in another Canadian jurisdiction or the U.S. is subject to the U.S. exposure a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used Outside Province/Territory including U.S. and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 144. <b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and if so, in what amount.</p> <p><del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.</del></p> <p><del>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</del></p> <p><b>Liability, Accident Benefits, Uninsured Automobile, DCPD, END 44</b> If this exposure is 5.0% or less or total mileage in the U.S. or applicable Canadian jurisdiction, a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile, DCPD and END 44</p> <p><del>For each percentage point</del> If this exposure of total mileage in the U.S. or other applicable Canadian jurisdiction, surcharge 1% of the applicable premium. <del>Also, refers to paragraph indicated.</del></p>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This will impact premiums

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Rule 138:  U.S. Exposure Surcharge	<p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</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></table> <p><b>B. Currency Differential Surcharge</b> 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> <p><b>The surcharge percentage is calculated by means of the following formula:</b></p> <p><b>Currency differential x U.S. exposure surcharge</b> <i>For example:</i></p>	U.S. Exposure	Applicable Surcharge	5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	U.S. Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	<p><i>For example:</i></p> <table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of total mileage in the U.S. or other applicable Canadian jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</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></table> <p><del><b>B. Currency Differential Surcharge</b></del> <del>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.</del></p> <p><del>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.</del></p> <p><del><b>The surcharge percentage is calculated by means of the following formula:</b></del> <del><b>Currency differential x U.S. exposure surcharge</b></del> <del><i>For example:</i></del> <del>The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31.</del></p>	Outside Province Exposure	Applicable Surcharge	Up to 5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Province Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This will impact premiums
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Rule 138:  U.S. Exposure Surcharge	<p>The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The U.S. exposure surcharge is 25%.</p> <p><b>Currency differential surcharge: 0.31 X 25% = 7.75%</b></p> <p><b>The Currency differential surcharge is</b></p> <ol style="list-style-type: none"><li>Applied only to the Liability premium (Road/Passenger Hazard), not DCPD</li><li>Not subject to a minimum surcharge</li><li>Additional to but not compounded on the U.S. exposure surcharge.</li></ol> <p><i>Example:</i></p> <table><tr><td>The Liability premium is</td><td>\$1,000</td></tr><tr><td>U.S. Exposure Surcharge is</td><td>25%</td></tr><tr><td>The Currency Differential Surcharge is</td><td>7.75%</td></tr><tr><td>Base Premium</td><td>\$1,000</td></tr><tr><td>U.S. Exposure</td><td>\$1,000 X .25 = \$250</td></tr><tr><td>Currency Differential</td><td>\$1,000 X 7.75 = 77.50 \$78</td></tr><tr><td>Total Liability premium</td><td>\$1,328</td></tr></table> <ol style="list-style-type: none"><li>In addition to the Servicing Carrier's fee for filing proof of insurance.</li><li>Payable only when proof of insurance is required by U.S. authorities.</li><li>The combined dollar value of the currency differential surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.</li></ol> <p><i>For example:</i> Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	The Liability premium is	\$1,000	U.S. Exposure Surcharge is	25%	The Currency Differential Surcharge is	7.75%	Base Premium	\$1,000	U.S. Exposure	\$1,000 X .25 = \$250	Currency Differential	\$1,000 X 7.75 = 77.50 \$78	Total Liability premium	\$1,328	<p><del>The U.S. exposure surcharge is 25%.</del></p> <p><del>Currency differential surcharge: 0.31 X 25% = 7.75%</del></p> <p><del>The Currency differential surcharge is</del></p> <ol style="list-style-type: none"><li><del>Applied only to the Liability premium (Road/Passenger Hazard), not DCPD</del></li><li><del>Not subject to a minimum surcharge</del></li><li><del>Additional to but not compounded on the U.S. exposure surcharge.</del></li></ol> <p><del><i>Example:</i></del></p> <table><tr><td><del>The Liability premium is</del></td><td><del>\$1,000</del></td></tr><tr><td><del>U.S. Exposure Surcharge is</del></td><td><del>25%</del></td></tr><tr><td><del>The Currency Differential Surcharge is</del></td><td><del>7.75%</del></td></tr><tr><td><del>Base Premium</del></td><td><del>\$1,000</del></td></tr><tr><td><del>U.S. Exposure</del></td><td><del>\$1,000 X .25 = \$250</del></td></tr><tr><td><del>Currency Differential</del></td><td><del>\$1,000 X 7.75 = 77.50 \$78</del></td></tr><tr><td><del>Total Liability premium</del></td><td><del>\$1,328</del></td></tr></table> <ol style="list-style-type: none"><li><del>In addition to the Servicing Carrier's fee for filing proof of insurance.</del></li><li><del>Payable only when proof of insurance is required by U.S. authorities.</del></li><li><del>The combined dollar value of the currency differential surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.</del></li></ol> <p><del><i>For example:</i> Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</del></p>	<del>The Liability premium is</del>	<del>\$1,000</del>	<del>U.S. Exposure Surcharge is</del>	<del>25%</del>	<del>The Currency Differential Surcharge is</del>	<del>7.75%</del>	<del>Base Premium</del>	<del>\$1,000</del>	<del>U.S. Exposure</del>	<del>\$1,000 X .25 = \$250</del>	<del>Currency Differential</del>	<del>\$1,000 X 7.75 = 77.50 \$78</del>	<del>Total Liability premium</del>	<del>\$1,328</del>	Currency differential surcharge will be discontinued as FA is working towards modernization and simplify its rating	This will impact premiums
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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 144:  Vehicles Used Outside Jurisdiction of Registration	<p>.....</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"> <li>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.</li> <li>2. If it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</li> </ol> <p><i>For example:</i> The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.</p> <ol style="list-style-type: none"> <li>3. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered. <i>For example:</i> The insured lives in St. John's, is on a sabbatical in California and the vehicle is registered in Newfoundland, St. John's rates apply.</li> <li>4. See Rule 138: U.S. Exposure Surcharge to determine surcharges applicable to commercial/public vehicles. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</li> <li>4. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</li> <li>6. If the vehicle is used in different territories, refer to the section of this manual dealing with the specific class of business e.g. Private Passenger Vehicles.</li> <li>7. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle</li> </ol>	<p>....</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"> <li>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.</li> <li><del>2. If it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</del></li> </ol> <p><del><i>For example:</i> The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.</del></p> <ol style="list-style-type: none"> <li><del>3. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered. <i>For example:</i> The insured lives in St. John's, is on a sabbatical in California and the vehicle is registered in Newfoundland, St. John's rates apply.</del></li> <li><del>2. See Rule 138: U.S. Exposure Surcharge to determine surcharges applicable to commercial/public vehicles.</del> Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</li> <li><del>4. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</del></li> <li><del>6. If the vehicle is used in different territories, refer to the section of this manual dealing with the specific class of business e.g. Private Passenger Vehicles.</del></li> <li><del>7. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</del></li> </ol>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 144:  Vehicles Used Outside Jurisdiction of Registration	<p>is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</p> <p>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</p> <p>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</p> <p>Region 3 – West and North Rate as Alberta Territory 4</p>	<p>3. If the vehicle is operated outside the jurisdiction which it is, registered, including into the U.S. Rates for that jurisdiction are applied along with a surcharge. Refer to Rule 138 to determine the surcharges applicable</p> <p><b>NOTE:</b> At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p><del>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</del></p> <p><del>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</del></p> <p><del>Region 3 – West and North Rate as Alberta Territory 4</del></p>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums
Rule 145:  Purchasing Vehicles in Jurisdictions Where FA Does Not Operate	<p>....</p> <p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for U.S. exposure.</p> <p>The territory to be used is the territory where the insured resides.</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. 100% U.S. Exposure Surcharge applies.</p>	<p>....</p> <p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Province/Territory including U.S. exposure.</p> <p>The territory to be used is the territory where the insured resides.</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. 100% Outside Province /Territory Exposure Surcharge applies.</p>	Including reference of U.S. exposure to Outside Province / Territory exposure	This will impact premiums



# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p><b>A. Definition</b></p> <p>A fleet is a group of 10 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 120 months of Liability insurance in the past 12 months i.e. 10 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 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the insured has 132 months of Liability insurance. If the insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</p> <p>The 120 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><b>A. Definition</b> A fleet is:</p> <ul style="list-style-type: none"> <li>• A group of 10 or more self-propelled vehicles;</li> <li>• Under common ownership or management;</li> <li>• Used for business (incl. Class 07 and vehicles used for dual purposes), commercial or public transportation;</li> <li>• Includes vehicles on a long term lease;</li> <li>• The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</li> </ul> <p><del>A fleet is a group of 10 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 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</del></p> <p><del><i>For example:</i> If the insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the insured has 132 months of Liability insurance. If the insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</del></p> <p><del>The 120 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.</del></p> <p>Notes:</p> <ul style="list-style-type: none"> <li>• The Applicant is required to provide proof of vehicle registration and ownership.</li> </ul>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<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 120 months of liability insurance in the past 12 months for the vehicles insured by FA. If the policy does qualify for experience rating, only the experience on the vehicles insured by 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 120 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 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 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>Vehicles under 'common management' will be considered where the Named Insured has assumed full responsibility for the payment of insurance premiums and agreement is</p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul> <p><del>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 120 months of liability insurance in the past 12 months for the vehicles insured by FA. If the policy does qualify for experience rating, only the experience on the vehicles insured by FA shall be used to promulgate the rate.</del></p> <p><del>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 120 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 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 07 shall be added (with any claims) on the policy and in the experience rating.</del></p> <p><del>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).</del></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</p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149: Fleets	<p>in place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>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, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol> <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 149.</p> <p><b>B. Fleet Rating</b></p> <p>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>place between the Named Insured and Vehicle Owner, demonstrating the following:</p> <ol style="list-style-type: none"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>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, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol> <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 149.</p> <p><b>B. Fleet Rating</b></p> <p>Fleet policies may only be issued on an annual basis.</p> <p>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>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• All losses (At-Fault and Not-at-fault) are 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</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>• Losses falling within any special agreements with the prior Insurer.</li> </ul> <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 21A and 21B 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</p>	<p>Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• All losses (At-Fault and Not-at-fault) are 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;</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>• Losses falling within any special agreements with the prior Insurer.</li> </ul> <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 21A and 21B is not permitted.</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><del>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</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>vehicles are subject to experience rating as outlined in Rule 333:B. Fleet Rating.</p> <p><b>Midterm Rating</b> 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><b>Optional Physical Damage Coverage</b> 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 be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> 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 will be May 1, 1999 to May 1, 2000. The insured had 2 losses between May 1,</p>	<p><del>subject to experience rating as outlined in Rule 333:B. Fleet Rating.</del></p> <p><b>Midterm Rating</b> 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><del>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.</del></p> <p><b>Optional Physical Damage Coverage</b> 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 be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> 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><del><i>For example:</i> The new policy term will be May 1, 1999 to May 1, 2000. The insured had 2 losses between May 1, 1998 and</del></p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>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><b>D. New Applications</b></p> <p><b>1. Forms required for Fleet Submissions</b></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>c) 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><b>2. Incomplete Fleet submission forms</b> 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><b>3. The applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be</p>	<p><del>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.</del></p> <p><b>D. New Applications</b></p> <p><b>1. Forms required for Fleet Submissions</b></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>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>d) Fleet Rating Information Statement or Commercial Vehicle Supplement This form provides additional information about the risk.</p> <p>e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p><b>2. Incomplete Fleet submission forms</b> 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><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be</p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>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 (road hazard, passenger hazard). See Rule 138: U.S. Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 137 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><b>4. Agent/Broker responsibilities:</b> 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 U.S. 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>substantially greater than the base premium quoted by the Agent/Broker.</p> <p><del>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 138: U.S. Exposure.</del></p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 137 <del>Proof of Insurance.</del></p> <p><del>Fleets cannot be issued with a term of 6 months.</del></p> <p><del>The applicant(s) must sign and date all documentation where indicated.</del></p> <p><b>4. Agent/Broker responsibilities:</b> 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>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<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.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> 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><b>6. If the revised premium is not acceptable:</b></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 and the Insured advises he/she wants to cancel the policy. 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.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> 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><b>6. If the revised premium is not acceptable:</b></p> <p>If a promulgated fleet rating is not acceptable to the Applicant, the coverages 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).</p> <p>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><del><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 and the Insured advises he/she wants to cancel the policy. 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.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums



# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<p>If a fleet rating has been established for a risk and the Applicant has rejected the premium, a new application covering any vehicle in the Applicant's name previously on the fleet, must be quoted to the Applicant at the fleet rate not driving record 0. In the event that a policy issued from that new application must be cancelled because the Applicant rejects the premium, the earned premium shall be calculated pro rata of the fleet rate not driving record 0.</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><b>7. Premium Calculation</b> <b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 124 on rating of experience (fleet) rated risk.</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b> 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><del>If a fleet rating has been established for a risk and the Applicant has rejected the premium, a new application covering any vehicle in the Applicant's name previously on the fleet, must be quoted to the Applicant at the fleet rate not driving record 0. In the event that a policy issued from that new application must be cancelled because the Applicant rejects the premium, the earned premium shall be calculated pro rata of the fleet rate not driving record 0.</del></p> <p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, a new application is 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><del><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.</del></p> <p><b>7. Premium Calculation</b> <b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 124 on rating of experience (fleet) rated risk.</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b> 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>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 149:  Fleets	<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. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</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><del>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums
<b>COMMERCIAL SECTION</b>				
Table of Contents	<p><b>Rule 228: Outside Province Exposure</b></p> <p>A. U.S. Exposure Surcharge (excluding Interurban Vehicles)</p> <p>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</p> <p>C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</p>	<p><b>Rule 228: Outside Province Exposure</b></p> <p>A. Outside Province Exposure Surcharge (excluding Interurban Vehicles)</p> <p><del>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</del></p> <p>B. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</p>	Name change update	This will not impact premiums
Rule 200:  Filed Underwriting Rules	<p><b>D. Supplementary Underwriting Documents</b></p> <p>.....</p> <p>*For New Business Risks with 'No Prior Insurance', traveling out-of-province, including into the U.S., refer to Rule 204.G New Policies: No Prior Insurance, for special rating instructions.</p>	<p><b>D. Supplementary Underwriting Documents</b></p> <p>.....</p> <p>*For New Business Risks with 'No Prior Insurance', traveling out-of-province, including into the U.S., refer to Rule 204.F <del>New Policies: No Prior Insurance</del>, for special rating instructions.</p>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums
Rule 206:  Rating Territory	<p>...</p> <p>For vehicles used in other jurisdictions, refer to Rule 228: Outside Province Exposure and Rule 234: Vehicles Used Outside Jurisdiction of Registration. Surcharge and U.S. currency differential surcharge are to be applied where required.</p>	<p>...</p> <p>For vehicles used in other jurisdictions, refer to Rule 228: <del>Outside Province Exposure</del> and Rule 234: <del>Vehicles Used Outside Jurisdiction of Registration</del>. Outside Province /Territory including U.S. exposure surcharge <del>and U.S. currency differential surcharge</del> are to be applied where required.</p>	Currency differential surcharge will be discontinued	This will impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies												
Rule 212.B. Rating of Trailers	<p><b>2. Excess Trailers</b></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>For example: 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 and DCPD premiums for each of those trailers will be reduced by 50%.</p>	<p><b>2. Excess Trailers</b></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>For example: 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 <del>and DCPD</del> premium for each of those trailers will be reduced by 50%.</p>	FA aims to harmonize the wordings across all jurisdictions	This may impact premium if the example is being used for rating												
Rule 215:E  Premium Determination	<p><b>2. Calculating Premium with Outside Province / Territory Exposure:</b></p> <p><b>Towing Vehicles</b></p> <p>Calculate the ‘manual’ premium for the required coverages and deductibles using steps outlined in Rule 215:E.1.</p> <table><tr><th colspan="2">Towing Vehicles</th></tr><tr><th>Coverage</th><th>Description</th></tr><tr><td>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></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.	<p><b>2. Calculating Premium with Outside Province / Territory Exposure:</b></p> <p><b>Towing Vehicles</b></p> <p>Calculate the ‘manual’ premium for the required coverages and deductibles using steps outlined in Rule 215:E.1.</p> <table><tr><th colspan="2">Towing Vehicles</th></tr><tr><th>Coverage</th><th>Description</th></tr><tr><td>Liability</td><td>Calculate the Outside Province/Territory exposure surcharge for Liability <del>and add to that the currency differential surcharge.</del> Apply to the premium. Then apply any accident/conviction surcharge to the resulting premium.</td></tr></table>	Towing Vehicles		Coverage	Description	Liability	Calculate the Outside Province/Territory exposure surcharge for Liability <del>and add to that the currency differential surcharge.</del> Apply to the premium. Then apply any accident/conviction surcharge to the resulting premium.	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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Rule 226.C  Accident / Conviction Surcharge Table	<p><b>C. Accident/Conviction Surcharge Table</b></p> <p>Maximum surcharge to be applied for accidents, serious, major and minor convictions is 200%</p> <table><tr><td><b>Events in the preceding 36 months</b></td><td><b>Surcharge</b></td></tr></table>	<b>Events in the preceding 36 months</b>	<b>Surcharge</b>	<p><b>C. Accident/Conviction Surcharge Table</b></p> <p><del>Maximum surcharge to be applied for accidents, serious, major and minor convictions is 200%</del></p> <table><tr><td><b>Events in the preceding 36 months</b></td><td><b>Surcharge</b></td></tr></table>	<b>Events in the preceding 36 months</b>	<b>Surcharge</b>	To harmonize with all other jurisdictions,	This may impact premiums								
<b>Events in the preceding 36 months</b>	<b>Surcharge</b>															
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# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 226.C  Accident / Conviction Surcharge Table	<p><b>Chargeable Accidents:</b></p> <p>2 0%</p> <p>3 30%</p> <p>Each additional 10%</p> <p><b>Major Convictions</b></p> <p>1 25%</p> <p>Each additional 25%</p> <p><b>Minor Convictions</b></p> <p>2 5%</p> <p>3 15%</p> <p>4 25%</p> <p>Each additional 15%</p> <p><b>Serious Convictions</b></p> <p>1 50%</p> <p>Each additional 100%</p>	<p><b>Chargeable Accidents:</b></p> <p>2 20%</p> <p>3 30%</p> <p>Each additional 15%</p> <p><b>Major Convictions</b></p> <p>1 25%</p> <p>Each additional 25%</p> <p><b>Minor Convictions</b></p> <p>2 5%</p> <p>3 15%</p> <p>4 25%</p> <p>Each additional 15%</p> <p><b>Serious Convictions</b></p> <p>1 100%</p> <p>Each additional 100%</p>	In Nfld., some voluntary markets now charge 100% for a criminal code/serious conviction.	This may impact premiums
Rule 228:  Outside Province Exposure	<p>Any commercial vehicle that is operated in the U.S. is subject to the U.S. exposure surcharge. <i>(Applicable to Newfoundland &amp; Labrador and Ontario only).</i></p> <p>Any 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>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><b>NOTE:</b> 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 a <b>75% Out of</b></p>	<p><del>Any commercial vehicle that is operated in the U.S. is subject to the U.S. exposure surcharge. <i>(Applicable to Newfoundland &amp; Labrador and Ontario only).</i></del></p> <p>Any commercial or 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>If the Named Insured(s) has no prior insurance, refer to Rule 204.F: <del>No Prior Insurance with Out-of-Province including U.S. Exposure</del></p> <p><b>NOTE:</b> 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 a <b>75% Out of</b></p>	Currency differential surcharge will be discontinued as FA is working towards modernizing	This will impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies												
Rule 228:  Outside Province Exposure	<p><b><i>Province/Territory or U.S. Exposure surcharge.</i></b> This applies to both Commercial and Interurban Vehicles.</p> <p><b>A. U.S. Exposure Surcharge (excluding Interurban Vehicles)</b> <b><i>For Interurban vehicles (Class 61, 62, 63, 64, 99), refer to Rule 228.C to determine the applicable surcharges.</i></b></p> <p>The percentage of U.S. Exposure 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 U.S. exposure.</p> <p><b>NOTE:</b> 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><b>Liability, Accident Benefits, Uninsured Automobile, DCPD and END 44</b> If this exposure is 5.0% or less of total mileage in the U.S., a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile, DCPD and END 44.</p> <p>If this exposure is over 5.0% of total mileage in the U.S., surcharge 1.5% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5%</td><td>5%</td></tr><tr><td>10%</td><td>15%</td></tr></table>	U.S. Exposure	Applicable Surcharge	Up to 5%	5%	10%	15%	<p><b><i>Province/Territory or U.S. Exposure surcharge.</i></b> This applies to both Commercial and Interurban Vehicles.</p> <p><b>A. Outside Province Exposure Surcharge (excluding Interurban Vehicles)</b> <b><i>For Interurban vehicles (Class 61, 62, 63, 64, 99), refer to Rule 228.C to determine the applicable surcharges.</i></b></p> <p>The percentage of <del>U.S.</del> 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 <del>U.S.</del> exposure outside the Province, including U.S. exposure.</p> <p><b>NOTE:</b> 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><b>Liability, Accident Benefits, Uninsured Automobile, DCPD and END 44</b> 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, Uninsured Automobile, DCPD and END 44.</p> <p>If this exposure is over 5.0% of total mileage in the U.S. or applicable Canadian jurisdiction, surcharge 1.0% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5%</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr></table>	Outside Province Exposure	Applicable Surcharge	Up to 5%	5%	10%	10%	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
U.S. Exposure	Applicable Surcharge															
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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

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Rule 228:  Outside Province Exposure	<table><tr><td>25%</td><td>37.5%</td></tr><tr><td>50%</td><td>75%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of total mileage in the U.S., surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><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></table> <p><b>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</b> 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> <p><b>The surcharge percentage is calculated by means of the following formula:</b></p> <p><b>Currency differential x Percentage of U.S. Exposure</b></p> <p><i>For example:</i> The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The percentage of U.S. exposure is 25%.</p> <p><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></p> <p><b>The currency differential surcharge is</b></p>	25%	37.5%	50%	75%	U.S. Exposure	Applicable Surcharge	5%	2.5%	10%	5%	25%	12.5%	50%	25%	<table><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> 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><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><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></table> <p><del><b>B. Currency Differential Surcharge (Excluding Interurban Vehicles)</b></del> <del>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.</del></p> <p><del>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.</del></p> <p><del><b>The surcharge percentage is calculated by means of the following formula:</b></del></p> <p><del><b>Currency differential x Percentage of U.S. Exposure</b></del></p> <p><del><i>For example:</i> The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The percentage of U.S. exposure is 25%.</del></p> <p><del><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></del></p> <p><del><b>The currency differential surcharge is</b></del></p>	25%	25%	50%	50%	Outside Province Exposure	Applicable Surcharge	5%	2.5%	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 228:  Outside Province Exposure	<div><div><div>1. Applied only to the Liability premium, not DCPD.</div><div>2. Not subject to a minimum surcharge</div><div>3. This surcharge is additional to but not compounded on the U.S. exposure surcharge.</div></div><div><div>Example:</div><div><div>The Liability premium is</div><div>\$1,000</div></div><div><div>The percentage of U.S. Exposure is:</div><div>25%</div></div><div><div>The Currency Differential Surcharge is</div><div>7.75%</div></div><div><div>Base Premium</div><div>\$1,000</div></div><div><div>U.S. Exposure (\$1,000 x 0.25)</div><div>\$250</div></div><div><div>Currency Differential *\$1,000 x 0.00775)</div><div>\$78</div></div><div><div>Total Liability premium</div><div>\$1,328</div></div></div><div><div>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</div><div>5. Payable only when proof of insurance is required by U.S. authorities.</div><div>6. The combined dollar value of the Currency Differential Surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.</div></div><div><div>For example: Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the Currency Differential Surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</div><div>C. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</div><div>...</div><div>Step 1: Determine the Canadian Out of Province Exposure.</div><div>The Canadian Out of Province exposure is determined by how often the vehicle travels outside the jurisdiction of registration within Canada.</div></div></div>	<div><div><div><del>1. Applied only to the Liability premium, not DCPD.</del></div><div><del>2. Not subject to a minimum surcharge</del></div><div><del>3. This surcharge is additional to but not compounded on the U.S. exposure surcharge.</del></div></div><div><div><del>Example:</del></div><div><div><del>The Liability premium is</del></div><div><del>\$1,000</del></div></div><div><div><del>The percentage of U.S. Exposure is:</del></div><div><del>25%</del></div></div><div><div><del>The Currency Differential Surcharge is</del></div><div><del>7.75%</del></div></div><div><div><del>Base Premium</del></div><div><del>\$1,000</del></div></div><div><div><del>U.S. Exposure (\$1,000 x 0.25)</del></div><div><del>\$250</del></div></div><div><div><del>Currency Differential *\$1,000 x 0.00775)</del></div><div><del>\$78</del></div></div><div><div><del>Total Liability premium</del></div><div><del>\$1,328</del></div></div></div><div><div><del>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</del></div><div><del>5. Payable only when proof of insurance is required by U.S. authorities.</del></div><div><del>6. The combined dollar value of the Currency Differential Surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.</del></div></div><div><div><del>For example: Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the Currency Differential Surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</del></div><div>B. Interurban Outside Province Exposure Surcharge (Excluding Commercial Vehicles)</div><div>...</div><div>Step 1: Determine the Canadian Out of Province Exposure.</div><div>The Canadian Out of Province exposure is determined by how often the vehicle travels outside the jurisdiction of registration within Canada.</div></div></div>	FA aims to harmonize and simplify the wording across all jurisdictions	This will impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies										
Rule 228:  Outside Province Exposure	<p><b><i>a) If Canadian Out of Province Exposure (Operating outside Atlantic Provinces and Quebec) is <u>50% or less</u>:</i></b> Where an Interurban vehicle is registered in Newfoundland &amp; Labrador and reports 50% or less of its total <u>Canadian</u> mileage traveling <b>outside the Atlantic Provinces</b> (New Brunswick, Newfoundland &amp; Labrador, Nova Scotia, Prince Edward Island) <b>and Quebec</b>, <u>no additional surcharge is applicable.</u></p>	<p><b><i>a) If Canadian Out of Province Exposure (Operating outside Atlantic Provinces and Quebec) is <u>50% or less</u>:</i></b> Where an Interurban vehicle is registered in Newfoundland &amp; Labrador and reports 50% or less of its total <u>Canadian</u> mileage traveling <b>outside the Atlantic Provinces</b> (New Brunswick, Newfoundland &amp; Labrador, Nova Scotia, Prince Edward Island) <b>and Quebec</b>, surcharge 1% per percentage (%) of exposure applies to the total Canadian mileage. <del>no additional surcharge is applicable.</del></p> <p><i>Example</i></p> <table><tr><th>Canadian Out of Province Exposure</th><th>Applicable Canadian Mileage Surcharge</th></tr><tr><td>5%</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table>	Canadian Out of Province Exposure	Applicable Canadian Mileage Surcharge	5%	5%	10%	10%	25%	25%	50%	50%	FA aims to harmonize and simplify the wording across all jurisdictions	This will impact premiums
Canadian Out of Province Exposure	Applicable Canadian Mileage Surcharge													
5%	5%													
10%	10%													
25%	25%													
50%	50%													
Rule 239:  Fleets	<p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b> a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy". b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described. c) Fleet Rating Information Statement or Commercial Vehicle Supplement This form provides additional information about the risk. d) Any additional supplements such as drivers list, taxi questionnaire.</p> <p>.....</p> <p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be</p>	<p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b> a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy". b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described. c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage. d) Fleet Rating Information Statement or Commercial Vehicle Supplement This form provides additional information about the risk. e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p>.....</p> <p><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>The application is subject to the Facility Association fleet rating formula and the resulting premium may be</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums										



# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 239: Fleets	substantially greater than the base premium quoted by the Agent/Broker.  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.  The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 227.	substantially greater than the base premium quoted by the Agent/Broker.  <del>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.</del>  The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 227.	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums
<b>PUBLIC SECTION</b>				
Table of Contents	<b>Rule 325: U.S Exposure</b> ..... A. U.S. Exposure Surcharge	<b>Rule 325: Outside Province Exposure</b> <del>A. U.S. Exposure Surcharge</del>	Name change update	This will not impact premiums
Rule 306: Rating Territory	For vehicles used in jurisdictions other than Newfoundland, refer to Rule 330 Vehicles Used Outside Jurisdiction of Registration and Rule 325 U.S Exposure surcharge. U.S exposure surcharge and currency differential surcharge are to be applied where required.	For vehicles used in jurisdictions other than Newfoundland, refer to Rule 330 <del>Vehicles Used Outside Jurisdiction of Registration</del> and Rule 325 <del>Outside U.S. Exposure surcharge</del> . Outside Province/Territory including U.S. exposure surcharge <del>and currency differential surcharge</del> are to be applied where required.	Currency differential surcharge will be discontinued	This will impact premiums
Rule 308: Rating	<b>D. Premium Determination</b> Ensure that the vehicle is a Public Vehicle. 1. Establish the rating territory 2. Establish the rating class, including any special factors. 3. Establish the driving record 4. Establish the rate group and minimum deductible. Refer to the rate page and the rate per vehicle, per seat or percentage of underlying class. 5. Develop the total premium for each coverage 6. Apply any required U.S. exposure and currency differential surcharge. 7. Apply fleet rating or any accident/conviction surcharge.	<b>D. Premium Determination</b> Ensure that the vehicle is a Public Vehicle. 1. Establish the rating territory 2. Establish the rating class, including any special factors. 3. Establish the driving record 4. Establish the rate group and minimum deductible. Refer to the rate page and the rate per vehicle, per seat or percentage of underlying class. 5. Develop the total premium for each coverage 6. Apply any required Outside Province/Territory including U.S. exposure <del>and currency differential surcharge</del> . 7. Apply fleet rating or any accident/conviction surcharge.	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will not impact premiums
Rule 309: Driving Record	<b>Notes:</b> 1. A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.	<b>Notes:</b> 1. The driving record established applies to all coverages for which a driving record is a factor. There is no split rating.	Upon a review of FA rule there	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																																																
B. Driving Record Entitlement		A chargeable accident will affect the rating of the Liability, DCPD ( <i>Not available in Northwest Territories, Nunavut and Yukon</i> ) and Collision coverages.	needs to be an updated to align with current rate pages																																																																	
Rule 318:  Time on Risk  D. Short Term Tables	3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as “Nil” there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.	3. The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as “Nil” there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for Outside of Province/Territory including U.S exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.	Including reference of U.S. exposure to Outside Province / Territory exposure	This will impact premiums																																																																
Rule 323.C  Accident / Conviction Surcharge Table	<p><b>C. Accident/Conviction Surcharge Table</b> Maximum surcharge to be applied for accidents, serious, major and minor convictions is 200%</p> <table><tr><th>Events in the preceding 36 months</th><th>Surcharge</th></tr><tr><td><b>Chargeable Accidents:</b></td><td></td></tr><tr><td>2</td><td>0%</td></tr><tr><td>3</td><td>30%</td></tr><tr><td>Each additional</td><td>10%</td></tr><tr><td><b>Major Convictions</b></td><td></td></tr><tr><td>1</td><td>25%</td></tr><tr><td>Each additional</td><td>25%</td></tr><tr><td><b>Minor Convictions</b></td><td></td></tr><tr><td>2</td><td>5%</td></tr><tr><td>3</td><td>15%</td></tr><tr><td>4</td><td>25%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td><b>Serious Convictions</b></td><td></td></tr><tr><td>1</td><td>50%</td></tr><tr><td>Each additional</td><td>100%</td></tr></table>	Events in the preceding 36 months	Surcharge	<b>Chargeable Accidents:</b>		2	0%	3	30%	Each additional	10%	<b>Major Convictions</b>		1	25%	Each additional	25%	<b>Minor Convictions</b>		2	5%	3	15%	4	25%	Each additional	15%	<b>Serious Convictions</b>		1	50%	Each additional	100%	<p><b>C. Accident/Conviction Surcharge Table</b> <del>Maximum surcharge to be applied for accidents, serious, major and minor convictions is 250%</del></p> <table><tr><th>Events in the preceding 36 months</th><th>Surcharge</th></tr><tr><td><b>Chargeable Accidents:</b></td><td></td></tr><tr><td>2</td><td>20%</td></tr><tr><td>3</td><td>30%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td><b>Major Convictions</b></td><td></td></tr><tr><td>1</td><td>25%</td></tr><tr><td>Each additional</td><td>25%</td></tr><tr><td><b>Minor Convictions</b></td><td></td></tr><tr><td>2</td><td>5%</td></tr><tr><td>3</td><td>15%</td></tr><tr><td>4</td><td>25%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td><b>Serious Convictions</b></td><td></td></tr><tr><td>1</td><td>100%</td></tr><tr><td>Each additional</td><td>100%</td></tr></table>	Events in the preceding 36 months	Surcharge	<b>Chargeable Accidents:</b>		2	20%	3	30%	Each additional	15%	<b>Major Convictions</b>		1	25%	Each additional	25%	<b>Minor Convictions</b>		2	5%	3	15%	4	25%	Each additional	15%	<b>Serious Convictions</b>		1	100%	Each additional	100%	To harmonize with all other jurisdictions,  In Nfld., some voluntary markets now charge 100% for a criminal code/serious conviction.	This may impact premiums
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# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 325:  U.S. Exposure	<p><b>U.S. Exposure</b>  <b>A. U.S. Exposure Surcharge</b>  Any vehicle that is operated in the U.S. is subject to the U.S. exposure surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used in the U.S.</p> <p>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><b>Liability, DCPD Accident Benefits, Uninsured Automobile</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p> <p><i>For example:</i></p>	<p><b>Outside Province Exposure</b>  <del>A. Outside Province Exposure Surcharge</del>  Any vehicle that is operated in another Canadian jurisdiction or the U.S. is subject to the U.S. exposure a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used outside Province/Territory including in the U.S. and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 330.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile.</del></p> <p><del>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</del></p> <p><b>Liability, Accident Benefits, Uninsured Automobile, DCPD</b>  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, Uninsured Automobile and DCPD.</p> <p><del>For each percentage point of</del> If this exposure is over 5.0% of total mileage in the U.S. or other applicable Canadian jurisdiction, surcharge 1% of the applicable premium.  <del>Also, refers to paragraph indicated.</del></p> <p><i>For example:</i></p>	FA aims to harmonize the wordings across all sections and jurisdictions	This will impact premiums

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Rule	Current Wording		Approved Wording		Change from Current	Premium impact on existing policies																																						
Rule 325:  U.S. Exposure	<table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</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></table> <p><b>B. Currency Differential Surcharge</b> 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> <p><b>The surcharge percentage is calculated by means of the following formula:</b></p> <p><b>Currency differential x U.S. exposure surcharge</b> <i>For example:</i> The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31 The U.S. exposure surcharge is 25% <b>Currency differential surcharge: 0.31 X 25% = 7.75%</b> <b>The Currency differential surcharge is</b></p>	U.S. Exposure	Applicable Surcharge	5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	U.S. Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	<table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of total mileage in the U.S. or other applicable Canadian jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</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></table> <p><del><b>B. Currency Differential Surcharge</b></del> <del>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.</del></p> <p><del>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.</del></p> <p><del><b>The surcharge percentage is calculated by means of the following formula:</b></del></p> <p><del><b>Currency differential x U.S. exposure surcharge</b></del> <del><i>For example:</i></del> <del>The rate of exchange for the U.S. dollar is 1.3085 Canadian.</del> <del>Therefore the currency differential is 0.31</del> <del>The U.S. exposure surcharge is 25%</del> <del><b>Currency differential surcharge: 0.31 X 25% = 7.75%</b></del></p>	Outside Province Exposure	Applicable Surcharge	Up to 5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Province Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
U.S. Exposure	Applicable Surcharge																																											
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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																												
Rule 325:  U.S. Exposure	<p>1. Applied only to the Liability premium Road/Passenger Hazard), not DCPD.</p> <p>2. Not subject to a minimum surcharge</p> <p>3. Additional to but not compounded on the U.S. exposure surcharge.</p> <p><i>Example:</i></p> <table><tr><td>The Liability premium is</td><td>\$1,000</td></tr><tr><td>U.S. Exposure Surcharge is</td><td>25%</td></tr><tr><td>The Currency Differential Surcharge is</td><td>7.75%</td></tr><tr><td>Base Premium</td><td>\$1,000</td></tr><tr><td>U.S. Exposure</td><td>\$1,000 X .25 = \$250</td></tr><tr><td>Currency Differential</td><td>\$1,000 X 7.75 = 77.50 \$78</td></tr><tr><td>Total Liability premium</td><td>\$1,328</td></tr></table> <p>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</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 U.S. 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 U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	The Liability premium is	\$1,000	U.S. Exposure Surcharge is	25%	The Currency Differential Surcharge is	7.75%	Base Premium	\$1,000	U.S. Exposure	\$1,000 X .25 = \$250	Currency Differential	\$1,000 X 7.75 = 77.50 \$78	Total Liability premium	\$1,328	<p><del>The Currency differential surcharge is</del></p> <p><del>1. Applied only to the Liability premium Road/Passenger Hazard), not DCPD.</del></p> <p><del>2. Not subject to a minimum surcharge</del></p> <p><del>3. Additional to but not compounded on the U.S. exposure surcharge.</del></p> <p><del><i>Example:</i></del></p> <table><tr><td><del>The Liability premium is</del></td><td><del>\$1,000</del></td></tr><tr><td><del>U.S. Exposure Surcharge is</del></td><td><del>25%</del></td></tr><tr><td><del>The Currency Differential Surcharge is</del></td><td><del>7.75%</del></td></tr><tr><td><del>Base Premium</del></td><td><del>\$1,000</del></td></tr><tr><td><del>U.S. Exposure</del></td><td><del>\$1,000 X .25 = \$250</del></td></tr><tr><td><del>Currency Differential</del></td><td><del>\$1,000 X 7.75 = 77.50 \$78</del></td></tr><tr><td><del>Total Liability premium</del></td><td><del>\$1,328</del></td></tr></table> <p><del>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</del></p> <p><del>5. Payable only when proof of insurance is required by U.S. authorities.</del></p> <p><del>6. The combined dollar value of the currency differential surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.</del></p> <p><del><i>For example:</i> Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</del></p>	<del>The Liability premium is</del>	<del>\$1,000</del>	<del>U.S. Exposure Surcharge is</del>	<del>25%</del>	<del>The Currency Differential Surcharge is</del>	<del>7.75%</del>	<del>Base Premium</del>	<del>\$1,000</del>	<del>U.S. Exposure</del>	<del>\$1,000 X .25 = \$250</del>	<del>Currency Differential</del>	<del>\$1,000 X 7.75 = 77.50 \$78</del>	<del>Total Liability premium</del>	<del>\$1,328</del>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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Rule 330:  Vehicles Used Outside Jurisdiction of Registration	<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> <p>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.</p> <p>2. If it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</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> <p>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.</p> <p><del>2. If it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</del></p>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums																												

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 330:  Vehicles Used Outside Jurisdiction of Registration	<p><i>For example:</i> The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.</p> <p>3. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered. <i>For example:</i> The insured lives in St. John's, is on a sabbatical in California and the vehicle is registered in Newfoundland, St. John's rates apply.</p> <p>4. See Rule 325: U.S. Exposure Surcharge to determine surcharges applicable to commercial/public vehicles. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p>5. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p>6. If the vehicle is used in different territories, refer to the section of this manual dealing with the specific class of business e.g. Private Passenger Vehicles.</p> <p>7. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</p> <p>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</p>	<p><del><i>For example:</i> The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.</del></p> <p><del>3. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered.</del> <del><i>For example:</i> The insured lives in St. John's, is on a sabbatical in California and the vehicle is registered in Newfoundland, St. John's rates apply.</del></p> <p>2. See Rule 325: U.S. Exposure Surcharge to determine surcharges applicable to commercial/public vehicles. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p>4. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p><del>5. If the vehicle is used in different territories, refer to the section of this manual dealing with the specific class of business e.g. Private Passenger Vehicles.</del></p> <p><del>6. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</del></p> <p>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 325 to determine the surcharges applicable</p> <p><b>NOTE:</b> At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p><del>Region 1 – Atlantic Provinces</del> <del>Rate as New Brunswick Territory 3</del></p>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 330:  Vehicles Used Outside Jurisdiction of Registration	Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20  Region 3 – West and North Rate as Alberta Territory 4	<del>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</del>  <del>Region 3 – West and North Rate as Alberta Territory 4</del>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums
Rule 331:  Purchasing Vehicles in Jurisdictions Where FA Does Not Operate	.... <b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.  Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for U.S. exposure.  The territory to be used is the territory where the insured resides.  Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% U.S. Exposure Surcharge applies.	.... <b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.  Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Province/Territory including U.S. exposure.  The territory to be used is the territory where the insured resides.  Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% Outside Province /Territory Exposure Surcharge applies.	Including reference of U.S. exposure to Outside Province / Territory exposure	This will impact premiums
Rule 335:  Fleets	<b>A. Definition</b>          A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles	<b>A. Definition</b> A fleet is: <ul style="list-style-type: none"><li>• A group of 10 or more self-propelled vehicles;</li><li>• Under common ownership or management;</li><li>• Used for business (incl. Class 07 and vehicles used for dual purposes), commercial or public transportation;</li><li>• Includes vehicles on a long term lease;</li><li>• The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</li></ul> <del>A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long term</del>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p>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 120 months of Liability insurance in the past 12 months i.e. 10 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 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the insured has 132 months of Liability insurance. If the insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</p> <p>The 120 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>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 120 months of liability insurance in the past 12 months for the vehicles insured by FA. If the policy does qualify for experience rating, only the experience on the vehicles insured by 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</p>	<p><del>lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</del></p> <p><del><i>For example:</i> If the insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the insured has 132 months of Liability insurance. If the insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</del></p> <p><del>The 120 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.</del></p> <p>Notes:</p> <ul style="list-style-type: none"> <li>• The Applicant is required to provide proof of vehicle registration and ownership.</li> <li>• 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.</li> </ul> <p><del>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 120 months of liability insurance in the past 12 months for the vehicles insured by FA. If the policy does qualify for experience rating, only the experience on the vehicles insured by FA shall be used to promulgate the rate.</del></p> <p><del>The months of Liability insurance for vehicles whose rates are derived from a Class 07 base and for commercial vehicles</del></p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>



# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p>vehicles rated as private passenger (because of dual use), are included in the 120 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 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 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>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"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>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, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol>	<p><del>rated as private passenger (because of dual use), are included in the 120 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 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 07 shall be added (with any claims) on the policy and in the experience rating.</del></p> <p><del>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).</del></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"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> <li>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></li> <li>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, <b>and</b></li> <li>5. Failure to adhere to any of the above will result in the termination of the agreement between the Named Insured and Vehicle Owner.</li> </ol>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<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 335.</p> <p><b>B. Fleet Rating</b></p> <p>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"> <li>• 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;</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>• Losses falling within any special agreements with the prior Insurer.</li> </ul> <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p>	<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 335.</p> <p><b>B. Fleet Rating</b></p> <p>Fleets policies may only be issued on an annual basis</p> <p>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"> <li>• 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;</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> <li>• Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>• Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>• Losses falling within any special agreements with the prior Insurer.</li> </ul> <p>NOTE: Full experience details must be obtained directly from the prior Insurer to ensure all information on the risk is provided.</p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21A and 21B 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 333:B. Fleet Rating.</p> <p><b>Midterm Rating</b> 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><b>Optional Physical Damage Coverage</b> Vehicles may not be covered for Comprehensive/Specified Perils only.</p>	<p>Fleets are to be written on a specified vehicle basis not on a blanket or receipts basis, therefore the use of END 21A and 21B is not permitted.</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><del>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 333:B. Fleet Rating.</del></p> <p><b>Midterm Rating</b> 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><del>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.</del></p> <p><b>Optional Physical Damage Coverage</b> Vehicles may not be covered for Comprehensive/Specified Perils only.</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<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 be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> 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 will be 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><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b></p> <ul style="list-style-type: none"> <li>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</li> <li>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</li> <li>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</li> <li>d) Fleet Rating Information Statement This form provides additional information about the risk.</li> </ul>	<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 be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> 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><del><i>For example:</i> The new policy term will be 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.</del></p> <p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b></p> <ul style="list-style-type: none"> <li>a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</li> <li>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</li> <li>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</li> <li>d) Fleet Rating Information Statement or Commercial Vehicle Supplement This form provides additional information about the risk.</li> </ul>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<p>e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p><b>2. Incomplete Fleet submission forms</b> 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><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>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. If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 325: U.S. Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 324: Proof of Insurance. Fleets cannot be issued with a term of 6 months. The applicant(s) must sign and date all documentation where indicated.</p> <p><b>4. Agent/Broker responsibilities:</b> 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 U.S. 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</p>	<p>e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p><b>2. Incomplete Fleet submission forms</b> 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><b>3. The Applicant must understand that:</b> The risk is bound from the effective date shown and an earned premium shall be charged.</p> <p>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. <del>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 325: U.S. Exposure.</del></p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 324: <del>Proof of Insurance.</del> <del>Fleets cannot be issued with a term of 6 months.</del> <del>The applicant(s) must sign and date all documentation where indicated.</del></p> <p><b>4. Agent/Broker responsibilities:</b> 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</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335: Fleets	<p>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>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.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> 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><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the Applicant, the coverages shall be cancelled without charge if all temporary liability cards are returned and received by the Servicing Carrier no later than the intended effective date (the date coverage was bound). Where the temporary liability cards are not received by the intended effective date and 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>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>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.</p> <p>A premium must be quoted and the risk bound before the fleet is submitted.</p> <p><b>5. Servicing Carrier responsibilities:</b> 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><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the Applicant, the coverages shall be cancelled without charge if the policy is cancelled by the Applicant no later than the <del>all temporary liability cards are returned and received by the Servicing Carrier no later than the</del> intended effective date (the date coverage was bound). <del>Where the temporary liability cards are not received by the intended effective date and 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.</del></p> <p>After the effective date, where the Agent/Broker reports non-payment of the additional premium within 30 days of</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335:  Fleets	<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 and the Insured advises he/she wants to cancel the policy. 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>If a fleet rating has been established for a risk and the Applicant has rejected the premium, a new application covering any vehicle in the Applicant's name previously on the fleet, must be quoted to the Applicant at the fleet rate not driving record 0. In the event that a policy issued from that new application must be cancelled because the Applicant rejects the premium, the earned premium shall be calculated pro rata of the fleet rate not driving record 0.</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><b>7. Premium Calculation</b></p>	<p>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><del><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 and the Insured advises he/she wants to cancel the policy. 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.</del></p> <p><del>If a fleet rating has been established for a risk and the Applicant has rejected the premium, a new application covering any vehicle in the Applicant's name previously on the fleet, must be quoted to the Applicant at the fleet rate not driving record 0. In the event that a policy issued from that new application must be cancelled because the Applicant rejects the premium, the earned premium shall be calculated pro rata of the fleet rate not driving record 0.</del></p> <p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, a new application is 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><del><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.</del></p> <p><b>7. Premium Calculation</b></p> <p><b>Note:</b></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 335: Fleets	<p><b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 313 on rating of experience (fleet) rated risk.</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b> 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. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</p>	<ul style="list-style-type: none"> <li>Refer to Rule 313 on rating of experience (fleet) rated risk.</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b> 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><del>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums
<b>RECREATIONAL SECTION</b>				
Table of Contents	<p><b>Rule 427: Outside U.S Exposure</b></p> <p>A. U.S Exposure Surcharge</p> <p>B. Currency Differential Surcharge</p>	<p><b>Rule 427: Outside Province Exposure</b></p> <p><del>A. U.S Exposure Surcharge</del></p> <p><del>B. Currency Differential Surcharge</del></p>	Name change update	This will not impact premiums
Rule 407: Policy Issuance – General	<p>D. Use Outside Jurisdiction in Which Vehicle is Registered</p> <p>If there is regular or frequent use of a vehicle outside the jurisdiction in which the vehicle is usually garaged, full details must be submitted to the Servicing Carrier so that the appropriate rates may be established. If there is regular or frequent use in the U.S. refer to Rule 427: U.S. Exposure</p>	<p>D. Use Outside Jurisdiction in Which Vehicle is Registered</p> <p>If there is regular or frequent use of a vehicle outside the jurisdiction in which the vehicle is usually garaged, full details must be submitted to the Servicing Carrier so that the appropriate rates may be established. If there is regular or frequent use in the U.S. refer to Rule 427: <del>U.S. Exposure</del></p>	Remove of rule name for simplify the wording across all jurisdictions	This will not impact premiums



# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																																																
Rule 409: Motorcycles & Mopeds  B. Driving Record	<b>1. Driving Record Entitlement</b> .....  The driving record established applies to all coverage. A chargeable accident will affect the rating of the Liability, DCPD and Collision coverages.	<b>1. Driving Record Entitlement</b> .....  The driving record established applies to all coverage for which a 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.	Upon a review of FA rule there needs to be an updated to align with current rate pages	This will not impact premiums																																																																
Rule 419:  Time on Risk  D. Short Term Tables	3. The tables below apply to seasonal use/Canadian conditions. If there is use outside the season or Canada during a month where the table indicates the charges as “Nil” there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.	3. The tables below apply to seasonal use/Canadian conditions. If there is use outside the season or Canada during a month where the table indicates the charges as “Nil” there shall be an additional premium charged for that month equal to pro-rata of the annual premium. The surcharge for Outside of Province/Territory including U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required.	Including reference of U.S. exposure to Outside Province / Territory exposure	This will impact premiums																																																																
Rule 425.C  Accident / Conviction Surcharge Table	<b>C. Accident/Conviction Surcharge Table</b> Maximum surcharge to be applied for accidents, serious, major and minor convictions is 200%  <table><tr><th>Events in the preceding 36 months</th><th>Surcharge</th></tr><tr><td colspan="2"><b>Chargeable Accidents:</b></td></tr><tr><td>2</td><td>0%</td></tr><tr><td>3</td><td>30%</td></tr><tr><td>Each additional</td><td>10%</td></tr><tr><td colspan="2"><b>Major Convictions</b></td></tr><tr><td>1</td><td>25%</td></tr><tr><td>Each additional</td><td>25%</td></tr><tr><td colspan="2"><b>Minor Convictions</b></td></tr><tr><td>2</td><td>5%</td></tr><tr><td>3</td><td>15%</td></tr><tr><td>4</td><td>25%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td colspan="2"><b>Serious Convictions</b></td></tr><tr><td>1</td><td>50%</td></tr><tr><td>Each additional</td><td>100%</td></tr></table>	Events in the preceding 36 months	Surcharge	<b>Chargeable Accidents:</b>		2	0%	3	30%	Each additional	10%	<b>Major Convictions</b>		1	25%	Each additional	25%	<b>Minor Convictions</b>		2	5%	3	15%	4	25%	Each additional	15%	<b>Serious Convictions</b>		1	50%	Each additional	100%	<b>C. Accident/Conviction Surcharge Table</b> <del>Maximum surcharge to be applied for accidents, serious, major and minor convictions</del> is 250%  <table><tr><th>Events in the preceding 36 months</th><th>Surcharge</th></tr><tr><td colspan="2"><b>Chargeable Accidents:</b></td></tr><tr><td>2</td><td>20%</td></tr><tr><td>3</td><td>30%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td colspan="2"><b>Major Convictions</b></td></tr><tr><td>1</td><td>25%</td></tr><tr><td>Each additional</td><td>25%</td></tr><tr><td colspan="2"><b>Minor Convictions</b></td></tr><tr><td>2</td><td>5%</td></tr><tr><td>3</td><td>15%</td></tr><tr><td>4</td><td>25%</td></tr><tr><td>Each additional</td><td>15%</td></tr><tr><td colspan="2"><b>Serious Convictions</b></td></tr><tr><td>1</td><td>100%</td></tr><tr><td>Each additional</td><td>100%</td></tr></table>	Events in the preceding 36 months	Surcharge	<b>Chargeable Accidents:</b>		2	20%	3	30%	Each additional	15%	<b>Major Convictions</b>		1	25%	Each additional	25%	<b>Minor Convictions</b>		2	5%	3	15%	4	25%	Each additional	15%	<b>Serious Convictions</b>		1	100%	Each additional	100%	To harmonize with all other jurisdictions,  In Nfld., some voluntary markets now charge 100% for a criminal code/serious conviction.	This may impact premiums
Events in the preceding 36 months	Surcharge																																																																			
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# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 427:  U.S. Exposure	<p><b>U.S. Exposure</b> <b>A. U.S. Exposure Surcharge</b></p> <p>Any vehicle that is operated in the U.S. is subject to the U.S. exposure surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used in the U.S.</p> <p>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><b>Liability, DPCD, Accident Benefits, Uninsured Automobile, END 44</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p>	<p><b>Outside Province Exposure</b> <del>A. Outside Province Exposure Surcharge</del></p> <p>Any vehicle that is operated in another Canadian jurisdiction or the U.S. is subject to <del>the U.S. exposure</del> a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required <del>and/or</del> where the vehicles are used for business, commercial purposes or are carrying passengers.</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used outside Province/Territory including <del>in</del> the U.S. and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 433.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44.</del></p> <p><del>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</del></p> <p><b>Liability, Accident Benefits, Uninsured Automobile, DCPD, END 44</b></p> <p>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, Uninsured Automobile, DCPD and END 44</p> <p><del>For each percentage point of</del> If this exposure is over 5.0% of total mileage in the U.S. or <del>other</del> applicable Canadian jurisdiction, surcharge 1% of the applicable premium. <del>Also, refers to paragraph indicated.</del></p>	Currency differential surcharge will be discontinued and simply its rating	This will impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																								
Rule 427:  U.S. Exposure	<p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</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></table> <p><b>B. Currency Differential Surcharge</b> 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. 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> <p><b>The surcharge percentage is calculated by means of the following formula:</b> <b>Currency differential x U.S. exposure surcharge</b> <i>For example:</i> The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The U.S. exposure surcharge is 25%.</p>	U.S. Exposure	Applicable Surcharge	5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	U.S. Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	<p><i>For example:</i></p> <table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b> For each percentage point of total mileage in the U.S. or other applicable Canadian jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</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></table> <p><del><b>B. Currency Differential Surcharge</b></del> <del>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.</del> <del>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.</del></p> <p><del><b>The surcharge percentage is calculated by means of the following formula:</b></del> <del><b>Currency differential x U.S. exposure surcharge</b></del> <del><i>For example:</i></del> <del>The rate of exchange for the U.S. dollar is 1.3085 Canadian.</del> <del>Therefore the currency differential is 0.31.</del> <del>The U.S. exposure surcharge is 25%.</del></p>	Outside Province Exposure	Applicable Surcharge	Up to 5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Province Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																												
Rule 427:  U.S. Exposure	<p><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></p> <p><b>The Currency differential surcharge is</b></p> <ol style="list-style-type: none"><li>Applied only to the Liability premium (Road/Passenger Hazard), not DPCD.</li><li>Not subject to a minimum surcharge</li><li>Additional to but not compounded on the U.S. exposure surcharge.</li></ol> <p><i>Example:</i></p> <table><tr><td>The Liability premium is</td><td>\$1,000</td></tr><tr><td>U.S. Exposure Surcharge is</td><td>25%</td></tr><tr><td>The Currency Differential Surcharge is</td><td>7.75%</td></tr><tr><td>Base Premium</td><td>\$1,000</td></tr><tr><td>U.S. Exposure</td><td>\$1,000 X .25 = 250</td></tr><tr><td>Currency Differential</td><td>\$1,000 X 7.75 = 77.50 \$78</td></tr><tr><td>Total Liability premium</td><td>\$1,328</td></tr></table> <ol style="list-style-type: none"><li>In addition to the Servicing Carrier's fee for filing proof of insurance.</li><li>Payable only when proof of insurance is required by U.S. authorities.</li><li>The combined dollar value of the currency differential surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.</li></ol> <p><i>For example:</i> Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	The Liability premium is	\$1,000	U.S. Exposure Surcharge is	25%	The Currency Differential Surcharge is	7.75%	Base Premium	\$1,000	U.S. Exposure	\$1,000 X .25 = 250	Currency Differential	\$1,000 X 7.75 = 77.50 \$78	Total Liability premium	\$1,328	<p><del><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></del></p> <p><del><b>The Currency differential surcharge is</b></del></p> <ol style="list-style-type: none"><li><del>Applied only to the Liability premium (Road/Passenger Hazard), not DPCD.</del></li><li><del>Not subject to a minimum surcharge</del></li><li><del>Additional to but not compounded on the U.S. exposure surcharge.</del></li></ol> <p><del><i>Example:</i></del></p> <table><tr><td><del>The Liability premium is</del></td><td><del>\$1,000</del></td></tr><tr><td><del>U.S. Exposure Surcharge is</del></td><td><del>25%</del></td></tr><tr><td><del>The Currency Differential Surcharge is</del></td><td><del>7.75%</del></td></tr><tr><td><del>Base Premium</del></td><td><del>\$1,000</del></td></tr><tr><td><del>U.S. Exposure</del></td><td><del>\$1,000 X .25 = 250</del></td></tr><tr><td><del>Currency Differential</del></td><td><del>\$1,000 X 7.75 = 77.50 \$78</del></td></tr><tr><td><del>Total Liability premium</del></td><td><del>\$1,328</del></td></tr></table> <ol style="list-style-type: none"><li><del>In addition to the Servicing Carrier's fee for filing proof of insurance.</del></li><li><del>Payable only when proof of insurance is required by U.S. authorities.</del></li><li><del>The combined dollar value of the currency differential surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.</del></li></ol> <p><del><i>For example:</i> Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</del></p>	<del>The Liability premium is</del>	<del>\$1,000</del>	<del>U.S. Exposure Surcharge is</del>	<del>25%</del>	<del>The Currency Differential Surcharge is</del>	<del>7.75%</del>	<del>Base Premium</del>	<del>\$1,000</del>	<del>U.S. Exposure</del>	<del>\$1,000 X .25 = 250</del>	<del>Currency Differential</del>	<del>\$1,000 X 7.75 = 77.50 \$78</del>	<del>Total Liability premium</del>	<del>\$1,328</del>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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Rule 433:  Vehicles Used Outside Jurisdiction of Registration	<p>....</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"><li>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.</li></ol>	<p>....</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"><li>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.</li></ol>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums																												

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 433:  Vehicles Used Outside Jurisdiction of Registration	<p>2. If it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</p> <p><i>For example:</i> The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.</p> <p>3. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered.</p> <p><i>For example:</i> The insured lives in St. John's, is on a sabbatical in California and the vehicle is registered in Newfoundland, St. John's rates apply.</p> <p>4. See Rule 427: U.S. Exposure Surcharge to determine surcharges applicable to commercial/public vehicles. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p>5. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p>6. If the vehicle is used in different territories, refer to the section of this manual dealing with the specific class of business e.g. Private Passenger Vehicles.</p> <p>7. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</p>	<p><del>2. If it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</del></p> <p><i>For example:</i> The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.</p> <p><del>3. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered.</del></p> <p><i>For example:</i> The insured lives in St. John's, is on a sabbatical in California and the vehicle is registered in Newfoundland, St. John's rates apply.</p> <p>2. See Rule 427: U.S. Exposure Surcharge to determine surcharges applicable to commercial/public vehicles. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p><del>4. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</del></p> <p><del>5. If the vehicle is used in different territories, refer to the section of this manual dealing with the specific class of business e.g. Private Passenger Vehicles.</del></p> <p><del>6. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</del></p> <p>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 427 to determine the surcharges applicable</p>	FA aims to harmonize and simplify the wording 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
Rule 433:  Vehicles Used Outside Jurisdiction of Registration	<p>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</p> <p>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</p> <p>Region 3 – West and North Rate as Alberta Territory 4</p>	<p><b>NOTE:</b> At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p><del>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</del></p> <p><del>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</del></p> <p><del>Region 3 – West and North Rate as Alberta Territory 4</del></p>	FA aims to harmonize and simplify the wording across all jurisdictions	This will not impact premiums
Rule 434:  Purchasing Vehicles in Jurisdictions Where FA Does Not Operate	<p>....</p> <p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for U.S. exposure.</p> <p>The territory to be used is the territory where the insured resides.</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. 100% U.S. Exposure Surcharge applies.</p>	<p>....</p> <p><b>Premium Calculation</b> The premium is to be calculated in accordance with Short Term tables subject to minimum premium.</p> <p>Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for Outside Province/Territory including U.S. exposure.</p> <p>The territory to be used is the territory where the insured resides.</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. 100% Outside Province /Territory Exposure Surcharge applies.</p>	Including reference of U.S. exposure to Outside Province / Territory exposure	This will impact premiums
Rule 438:  Fleets	<b>A. Definition</b>	<p><b>A. Definition</b> A fleet is:</p> <ul style="list-style-type: none"> <li>• A group of 10 or more self-propelled vehicles;</li> <li>• Under common ownership or management;</li> <li>• Used for business (incl. Class 07 and vehicles used for dual purposes), commercial or public transportation;</li> <li>• Includes vehicles on a long term lease;</li> </ul>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>A fleet is a group of 10 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 120 months of Liability insurance in the past 12 months i.e. 10 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 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the insured has 132 months of Liability insurance. If the insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</p> <p>The 120 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>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</p>	<ul style="list-style-type: none"> <li>The Applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</li> </ul> <p><del>A fleet is a group of 10 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 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.</del></p> <p><del><i>For example:</i> If the insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the insured has 132 months of Liability insurance. If the insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.</del></p> <p><del>The 120 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.</del></p> <p>Notes:</p> <ul style="list-style-type: none"> <li>The Applicant is required to provide proof of vehicle registration and ownership.</li> <li>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.</li> </ul> <p><del>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</del></p>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>

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Rule 438:  Fleets	<p>be experience rated if there has been 120 months of liability insurance in the past 12 months for the vehicles insured by FA. If the policy does qualify for experience rating, only the experience on the vehicles insured by 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 120 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 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 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>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"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> </ol>	<p><del>insured through FA, the FA policy shall only be experience rated if there has been 120 months of liability insurance in the past 12 months for the vehicles insured by FA. If the policy does qualify for experience rating, only the experience on the vehicles insured by FA shall be used to promulgate the rate.</del></p> <p><del>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 120 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 120 month calculation. However, once it has been established that a risk is to be experience rated, private passenger vehicles other than those rated 07 shall be added (with any claims) on the policy and in the experience rating.</del></p> <p><del>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).</del></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"> <li>1. The Named Insured is responsible for the assignment of driver schedules and routes, ensuring compliance with hours of work regulations <b>and</b></li> <li>2. The Named Insured maintains records of and deems acceptable all drivers who may operate a Vehicle <b>and</b></li> </ol>	<p>FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk</p>	<p>This will not impact premiums</p>



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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></p> <p>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, <b>and</b></p> <p>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> <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 438.</p> <p><b>B. Fleet Rating</b></p> <p>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. Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> </ul>	<p>3. Vehicles and all associated drivers adhere to the vehicle and driver safety standards of the Named Insured, <b>and</b></p> <p>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, <b>and</b></p> <p>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> <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 438.</p> <p><b>B. Fleet Rating</b></p> <p>Fleet policies may only be issued on an annual basis.</p> <p>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. Experience rating includes the following:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• Claims (paid by the previous Insurer, reimbursed to the previous Insurer or paid by the Insured) outside the coverage on the application;</li> <li>• Any amount paid back by the Insured due to an END 8 on the policy with the prior Insurer;</li> </ul>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<ul style="list-style-type: none"> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>Losses falling within any special agreements with the prior Insurer.</li> </ul> <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 21A and 21B 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 333:B. Fleet Rating.</p> <p><b>Midterm Rating</b> 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</p>	<ul style="list-style-type: none"> <li>Claims falling within a specific deductible not offered by FA e.g. on an occurrence basis regardless of the coverage involved in the loss;</li> <li>Amounts above FA deductibles when the prior Insurer had higher deductibles;</li> <li>Losses falling within any special agreements with the prior Insurer.</li> </ul> <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 21A and 21B is not permitted.</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><del>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 333:B. Fleet Rating.</del></p> <p><b>Midterm Rating</b> 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</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>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><b>Optional Physical Damage Coverage</b> 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. Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the claims shall be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> 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 will be 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><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b> a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</p>	<p>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><del>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.</del></p> <p><b>Optional Physical Damage Coverage</b> 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. Where Collision claims that have occurred in the past three years cannot be allocated to specific vehicles, the claims shall be assigned to the highest rated vehicles, one to each in descending order.</p> <p><b>C. Loss Information</b> 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><del><i>For example:</i> The new policy term will be 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.</del></p> <p><b>D. New Applications</b> <b>1. Forms required for Fleet Submissions</b> a) Facility Association application The application form fully completed and signed. Under vehicle items show "Fleet Policy".</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438: Fleets	<p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>c) 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><b>2. Incomplete Fleet submission forms</b> 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><b>3. The Applicant must understand that:</b> 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 (road hazard, passenger hazard). See Rule 427: U.S. Exposure.</p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 426: Proof of Insurance.</p> <p>Fleets cannot be issued with a term of 6 months. The applicant(s) must sign and date all documentation where indicated.</p>	<p>b) Automobile Fleet Schedule All vehicles including trailers for which insurance is required must be fully described.</p> <p>c) Fleet Vehicle Count Calculation Must be completed to determine the number of vehicles insured by coverage.</p> <p>d) Fleet Rating Information Statement or Commercial Vehicle Supplement This form provides additional information about the risk.</p> <p>e) Any additional supplements such as drivers list, taxi questionnaire.</p> <p><b>2. Incomplete Fleet submission forms</b> 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><b>3. The Applicant must understand that:</b> 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><del>If proof of insurance is required by U.S. authorities, a Currency differential surcharge shall be applied to the Liability premium (road hazard, passenger hazard). See Rule 427: U.S. Exposure.</del></p> <p>The Servicing Carrier may require payment of additional fees if proof of insurance has to be issued. See Rule 426: <del>Proof of Insurance.</del></p> <p><del>Fleets cannot be issued with a term of 6 months. The applicant(s) must sign and date all documentation where indicated.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p><b>4. Agent/Broker responsibilities:</b> 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 U.S. Exposure Surcharge if applicable. 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>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><b>5. Servicing Carrier responsibilities:</b> 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><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the Applicant, the coverages shall be cancelled without charge if all temporary liability cards are returned and received by the Servicing Carrier no later than the intended effective date (the date coverage was bound). Where the</p>	<p><b>4. Agent/Broker responsibilities:</b> 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. 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>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><b>5. Servicing Carrier responsibilities:</b> 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><b>6. If the revised premium is not acceptable:</b> If a promulgated fleet rating is not acceptable to the Applicant, the coverages shall be cancelled without charge if the policy is cancelled by the Applicant no later than the <del>at</del> temporary liability cards are returned and received by the</p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<p>temporary liability cards are not received by the intended effective date and 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 and the Insured advises he/she wants to cancel the policy. 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>If a fleet rating has been established for a risk and the Applicant has rejected the premium, a new application covering any vehicle in the Applicant's name previously on the fleet, must be quoted to the Applicant at the fleet rate not driving record 0. In the event that a policy issued from that new application must be cancelled because the Applicant rejects the premium, the earned premium shall be calculated pro rata of the fleet rate not driving record 0.</p>	<p><del>Servicing Carrier no later than the intended effective date (the date coverage was bound). Where the temporary liability cards are not received by the intended effective date and 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.</del></p> <p>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><del><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 and the Insured advises he/she wants to cancel the policy. 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.</del></p> <p><del>If a fleet rating has been established for a risk and the Applicant has rejected the premium, a new application covering any vehicle in the Applicant's name previously on the fleet, must be quoted to the Applicant at the fleet rate not driving record 0. In the event that a policy issued from that new application must be cancelled because the Applicant rejects the premium, the earned premium shall be calculated pro rata of the fleet rate not driving record 0.</del></p> <p>If a fleet rate has been established and the policy is cancelled because the Applicant rejects the premium, a new application is 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>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 438:  Fleets	<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><b>7. Premium Calculation</b> <b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 414 on rating of experience (fleet) rated risk</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b> 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. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</p>	<p><del><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.</del></p> <p><b>7. Premium Calculation</b> <b>Note:</b></p> <ul style="list-style-type: none"> <li>Refer to Rule 414 on rating of experience (fleet) rated risk</li> <li>For other classes of business, refer to the appropriate section of the manual.</li> </ul> <p><b>E. Renewals</b> 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><del>Fleet renewals cannot be issued with 6 month terms. Annual renewals only will be issued. Policies currently having 6 month terms will be renewed as annual policies on their next renewal.</del></p>	FA aims to harmonize the wordings across all sections and jurisdictions for the fleet rating of risk	This will not impact premiums

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<b>GARAGE SECTION</b>				
Table of Contents	Rule 607: Territory and U.S. Exposure	Rule 607: Outside Province Exposure	Name change update	This will not impact premiums
Rule 607:  Territory and U.S. Exposure	<p><b>Territory and U.S. Exposure</b></p> <p>Policies may only be issued for those locations in a jurisdiction in which FA operates.</p> <p>If vehicles are operated regularly i.e. more than 12 trips per year to or through more than one rating territory in Newfoundland, the highest rated of those territories is to be used.</p> <p><b>U.S. Exposure Surcharge</b> Any garage risk with exposure for operations in the U.S. is subject to the U.S. exposure surcharge. This surcharge shall apply to garage risks where proof of insurance is required.</p> <p>NOTE: Where vehicles/dealer plates associated with the garage risk are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>The surcharge does not apply where the exposure involves a vehicle used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of the total mileage that vehicles/dealer plates will be used in the U.S.</p> <p>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will</p>	<p><del><b>Territory and U.S. Outside Province Exposure</b></del></p> <p><del>Policies may only be issued for those locations in a jurisdiction in which FA operates.</del></p> <p><del>If vehicles are operated regularly i.e. more than 12 trips per year to or through more than one rating territory in Newfoundland, the highest rated of those territories is to be used.</del></p> <p><b>Outside Province Exposure Surcharge</b> <del>Any garage risk with exposure for operations in the U.S. is subject to the U.S. exposure surcharge. This surcharge shall apply to garage risks where proof of insurance is required.</del></p> <p>Any vehicle that is operated in another Canadian jurisdiction or the U.S. is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required or where the vehicles are used for business, commercial purposes or carrying passengers.</p> <p><del>NOTE: Where vehicles/dealer plates associated with the garage risk are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</del></p> <p>The surcharge does not apply where the <del>exposure involves a</del> vehicle is used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of the total mileage that vehicles/dealer plates will be used outside the Province/Territory including in the U.S. and the jurisdiction(s) into where the vehicle is and will be driven.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p><del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply</del></p>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums



# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																																								
Rule 607:  Territory and U.S. Exposure	<p>apply to the Basic Garage Premium for Liability, DPCD, Accident Benefits and Uninsured Automobile.</p> <p><b>Basic Garage Premium - Liability, DCPD, Accident Benefits, Uninsured Automobile</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><td>U.S. Exposure</td><td>Applicable Surcharge</td></tr><tr><td>Up to 5% and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><td>U.S. Exposure</td><td>Applicable Surcharge</td></tr><tr><td>6%</td><td>3.0%</td></tr><tr><td>10%</td><td>5.0%</td></tr><tr><td>25%</td><td>12.50%</td></tr><tr><td>50%</td><td>25%</td></tr></table> <p>At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p>	U.S. Exposure	Applicable Surcharge	Up to 5% and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	U.S. Exposure	Applicable Surcharge	6%	3.0%	10%	5.0%	25%	12.50%	50%	25%	<p><del>to the Basic Garage Premium for Liability, DPCD, Accident Benefits and Uninsured Automobile.</del></p> <p><b>Basic Garage Premium - Liability, Accident Benefits, Uninsured Automobile, DCPD, END 81</b></p> <p>If the 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, Uninsured Automobile, DCPD and END 81.</p> <p><del>For each percentage point</del> If this exposure is over 5.0% of total mileage in the U.S. or <del>other</del> applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><td>Outside Province Exposure</td><td>Applicable Surcharge</td></tr><tr><td>Up to 5% and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Basic Garage Premium – Optional Physical Damage</b></p> <p>For each percentage point of total mileage in the U.S. or <del>other</del> applicable Canadian jurisdiction, surcharge .50% of the applicable premium</p> <p><i>For example:</i></p> <table><tr><td>Outside Province Exposure</td><td>Applicable Surcharge</td></tr><tr><td>6%</td><td>3%</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></table> <p>At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p>	Outside Province Exposure	Applicable Surcharge	Up to 5% and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	Outside Province Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																												
Rule 608:  Proof of Insurance Where Notice of Cancellation or Deletion is Required	<p><b>B. Currency Differential Surcharge</b></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> <p>The currency differential surcharge is:</p> <ul style="list-style-type: none"><li>• Applied only to the Liability premium (Not DCPD)</li><li>• Not subject to a minimum surcharge.</li><li>• Additional to but not compounded on the U.S. Exposure surcharge (See Rule 607: Territory and U.S. Exposure).</li><li>• Additional to the Servicing Carrier's fee for filing proof of insurance.</li><li>• Payable only when proof of insurance is required by U.S. authorities.</li><li>• Subject to a minimum of \$50 per policy term for the combined dollar value of the currency differential surcharge and the U.S. Exposure surcharge.</li></ul> <p><i>Sample Calculation:</i> Rate of exchange for U.S. dollar is 1.3085 Canadian</p> <p>Therefore the Currency Differential is 0.31 U.S. Exposure Surcharge is 25% (.25 factor) Currency Differential Surcharge is 0.31 X .25 = .0775</p> <table><tr><td>Liability premium</td><td>\$1,000</td></tr><tr><td>U.S. Exposure Surcharge</td><td>.25</td></tr><tr><td>Currency Differential Surcharge</td><td>.0775</td></tr><tr><td>Base premium</td><td>\$1,000</td></tr><tr><td>U.S. Exposure \$1,000 X .25</td><td>\$250</td></tr><tr><td>Currency Differential \$1,000 X .0775</td><td>\$78</td></tr><tr><td>Total Liability premium</td><td>\$1,328</td></tr></table> <p><b>C. Renewal or Offer to Renew</b> <b>D. Policy Cancellation, Vehicle Deletion</b></p>	Liability premium	\$1,000	U.S. Exposure Surcharge	.25	Currency Differential Surcharge	.0775	Base premium	\$1,000	U.S. Exposure \$1,000 X .25	\$250	Currency Differential \$1,000 X .0775	\$78	Total Liability premium	\$1,328	<p><del><b>B. Currency Differential Surcharge</b></del></p> <p><del>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.</del></p> <p><del>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.</del></p> <p><del>The currency differential surcharge is:</del></p> <ul style="list-style-type: none"><li>• <del>Applied only to the Liability premium (Not DCPD)</del></li><li>• <del>Not subject to a minimum surcharge.</del></li><li>• <del>Additional to but not compounded on the U.S. Exposure surcharge (See Rule 607: Territory and U.S. Exposure).</del></li><li>• <del>Additional to the Servicing Carrier's fee for filing proof of insurance.</del></li><li>• <del>Payable only when proof of insurance is required by U.S. authorities.</del></li><li>• <del>Subject to a minimum of \$50 per policy term for the combined dollar value of the currency differential surcharge and the U.S. Exposure surcharge.</del></li></ul> <p><del><i>Sample Calculation:</i> Rate of exchange for U.S. dollar is 1.3085 Canadian</del></p> <p><del>Therefore the Currency Differential is 0.31 U.S. Exposure Surcharge is 25% (.25 factor) Currency Differential Surcharge is 0.31 X .25 = .0775</del></p> <table><tr><td>Liability premium</td><td>\$1,000</td></tr><tr><td>U.S. Exposure Surcharge</td><td>.25</td></tr><tr><td>Currency Differential Surcharge</td><td>.0775</td></tr><tr><td>Base premium</td><td>\$1,000</td></tr><tr><td>U.S. Exposure \$1,000 X .25</td><td>\$250</td></tr><tr><td>Currency Differential \$1,000 X .0775</td><td>\$78</td></tr><tr><td>Total Liability premium</td><td>\$1,328</td></tr></table> <p><b>B. Renewal or Offer to Renew</b> <b>C. Policy Cancellation, Vehicle Deletion</b></p>	Liability premium	\$1,000	U.S. Exposure Surcharge	.25	Currency Differential Surcharge	.0775	Base premium	\$1,000	U.S. Exposure \$1,000 X .25	\$250	Currency Differential \$1,000 X .0775	\$78	Total Liability premium	\$1,328	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies																		
Rule 622:  Additional Charges to the Basic Garage Premium	<p><b>3. Accident Surcharge</b></p> <p>All at fault accidents arising out of the use of vehicles in the business stated in item 3 of the application and all at fault accidents arising out of the use of any vehicle by a person listed as a driver are to be counted.</p> <p>At fault accidents of a listed driver will first be counted against the individually rated vehicles (includes service/parts trucks, tow trucks, END 70, 76 and 80, dealer plates) to which they have been assigned in accordance with the section of the manual in which they are rated.</p> <p>If accidents cannot be counted in this manner because the driver has not been assigned an individually rated vehicle, then the accidents will be counted against the Basic Garage Premium.</p> <p>Accidents for which a charge has been made on another policy written through Facility Association with the same Servicing Carrier are not included when determining the surcharge amount for the Basic Garage Premium.</p> <p>The surcharge for at fault accidents applied to Liability, DCPD, Owned Automobiles Collision and Legal Liability for Customers' Automobiles is 10% for each at fault accident up to and including 5. For each additional accident above 5, the surcharge is 20%. Accidents will only be considered if they occurred in the 36 months preceding the commencement date of the policy term.</p>	<p><b>3. Accident Surcharge</b></p> <p>All at fault accidents arising out of the use of vehicles in the business stated in item 3 of the application and all at fault accidents arising out of the use of any vehicle by a person listed as a driver are to be counted.</p> <p>At fault accidents of a listed driver will first be counted against the individually rated vehicles (includes service/parts trucks, tow trucks, END 70, 76 and 80, dealer plates) to which they have been assigned in accordance with the section of the manual in which they are rated.</p> <p>If accidents cannot be counted in this manner because the driver has not been assigned an individually rated vehicle, then the accidents will be counted against the Basic Garage Premium.</p> <p>Accidents for which a charge has been made on another policy written through Facility Association with the same Servicing Carrier are not included when determining the surcharge amount for the Basic Garage Premium.</p> <p><del>The surcharge for at fault accidents applied to Liability, DCPD, Owned Automobiles Collision and Legal Liability for Customers' Automobiles is 10% for each at fault accident up to and including 5. For each additional accident above 5, the surcharge is 20%. Accidents will only be considered if they occurred in the 36 months preceding the commencement date of the policy term.</del></p>	The Accident Conviction has been changed and moved to Rule 623	This will not impact premiums																		
Rule 623.A  Accident and Conviction Surcharges	<p><b>Maximum surcharge to be applied for Accidents and Convictions is 250%.</b></p> <p><b>A. Conviction Surcharge Table</b></p> <table><tr><th>Events in the preceding 36 months</th><th>Percentage</th></tr><tr><td>Serious Convictions</td><td></td></tr><tr><td>1</td><td>50%</td></tr><tr><td>Each additional</td><td>100%</td></tr></table>	Events in the preceding 36 months	Percentage	Serious Convictions		1	50%	Each additional	100%	<p><del><b>Maximum surcharge to be applied for Accidents and Convictions is 250%.</b></del></p> <p><b>A. Accident/Conviction Surcharge Table</b></p> <p><b>Maximum surcharge to be applied is 250%</b></p> <table><tr><th>Events in the preceding 36 months</th><th>Surcharge</th></tr><tr><td><b>Chargeable Accidents:</b></td><td></td></tr><tr><td>2</td><td>20%</td></tr><tr><td>3</td><td>30%</td></tr><tr><td>Each additional</td><td>15%</td></tr></table>	Events in the preceding 36 months	Surcharge	<b>Chargeable Accidents:</b>		2	20%	3	30%	Each additional	15%	To align accident surcharge sections of the manual in all jurisdictions	This will impact premiums
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**FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL**  
**SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025**

Rule	Current Wording		Approved Wording		Change from Current	Premium impact on existing policies
Rule 623.A  <b>Accident and Conviction Surcharges</b>	Major Convictions 1 Each additional  Minor Convictions 2 3 4 Each additional	25% 15%  5% 15% 25% 15%	<b>Major Convictions</b> 1 Each additional  <b>Minor Convictions</b> 2 3 4 Each additional  <b>Serious Convictions</b> 1 Each additional	25% 25%  5% 15% 25% 15%  100% 100%	In Nfld., some voluntary markets now charge 100% for a criminal code/serious conviction.	This will impact premiums
<b>DRIVER'S POLICY SECTION FOR INFORMATION ONLY</b>						
Table of Contents	<b>Rule 726: U.S. Exposure</b> A. U.S. Exposure Surcharge B. Currency Differential Surcharge		<b>Rule 726: Outside Province Exposure</b> <del>A. U.S. Exposure Surcharge</del> <del>B. Currency Differential Surcharge</del>		Name change update	This will not impact premiums
Rule 724.C  Accident / Conviction Surcharge Table	<b>C. Accident/Conviction Surcharge Table</b> Maximum surcharge to be applied for accidents, serious, major and minor convictions is 200%  <b>Events in the preceding 36 months</b>  <b>Chargeable Accidents:</b> 2 3 Each additional  <b>Major Convictions</b> 1 Each additional  <b>Minor Convictions</b> 2 3 4 Each additional		<b>C. Accident/Conviction Surcharge Table</b> <b>Maximum surcharge to be applied for accidents, serious, major and minor convictions is 250%</b>  <b>Events in the preceding 36 months</b>  <b>Chargeable Accidents:</b> 2 3 Each additional  <b>Major Convictions</b> 1 Each additional  <b>Minor Convictions</b> 2 3 4 Each additional		To harmonize with all other jurisdictions,	This may impact premiums
		0% 30% 10%  25% 25%  5% 15% 25% 15%		20% 30% 15%  25% 25%  5% 15% 25% 15%		

# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 724.C  Accident / Conviction Surcharge Table	<b>Serious Convictions</b> 1 50% Each additional 100%	<b>Serious Convictions</b> 1 100% Each additional 100%	In Nfld., some voluntary markets now charge 100% for a criminal code/serious conviction.	This may impact premiums
Rule 726:  U.S. Exposure	<b>U.S. Exposure</b> <b>A. U.S. Exposure Surcharge</b>  Any driver operating a non-owned vehicle is operated in the U.S. is subject to the U.S. exposure surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.  The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.  The insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used.     If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile and END 44.  NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.	<b>Outside Province Exposure</b> <del>A. Outside Province Exposure Surcharge</del>  Any driver operating a non-owned vehicle <del>is operated in</del> another Canadian jurisdiction or the U.S. is subject to <del>the U.S. exposure</del> a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required <del>and/or</del> where the vehicles are used for business, commercial purposes or are carrying passengers.  The surcharge does not apply where the non-owned vehicle is used for personal use only and proof of insurance is not required.  The Insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used outside Province/Territory including U.S. and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 728.  <b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.  <del>If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile and END 44.</del>  <del>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</del>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums

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Rule 726:  U.S. Exposure	<p><b>Liability, Accident Benefits, Uninsured Automobile, END 44</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p> <p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>5% or less and proof of insurance required</td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Physical Damage (END 60 – Legal Liability for Damage to Non-Owned Automobile)</b></p> <p>For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>U.S. Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</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></table> <p><b>B. Currency Differential Surcharge</b></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>	U.S. Exposure	Applicable Surcharge	5% or less and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	U.S. Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	<p><b>Liability, Accident Benefits, Uninsured Automobile, END 44</b></p> <p>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, Uninsured Automobile and END 44.</p> <p><del>For each percentage point of</del> If this exposure is over 5.0% of total mileage in the U.S. or <del>other</del> applicable Canadian jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.</p> <p><i>For example:</i></p> <table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>Up to 5% <del>or less and proof of insurance required</del></td><td>5%</td></tr><tr><td>10%</td><td>10%</td></tr><tr><td>25%</td><td>25%</td></tr><tr><td>50%</td><td>50%</td></tr></table> <p><b>Optional Physical Damage (END 60 – Legal Liability for Damage to Non-Owned Automobile)</b></p> <p>For each percentage point of total mileage in the U.S. or <del>other</del> applicable Canadian jurisdiction, surcharge .50% of the applicable premium.</p> <p><i>For example:</i></p> <table><tr><th>Outside Province Exposure</th><th>Applicable Surcharge</th></tr><tr><td>6%</td><td>3%</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></table> <p><b>B. Currency Differential Surcharge</b></p> <p><del>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.</del></p>	Outside Province Exposure	Applicable Surcharge	Up to 5% <del>or less and proof of insurance required</del>	5%	10%	10%	25%	25%	50%	50%	Outside Province Exposure	Applicable Surcharge	6%	3%	10%	5%	25%	12.5%	50%	25%	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

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Rule 726:  U.S. Exposure	<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> <p><b>The surcharge percentage is calculated by means of the following formula:</b></p> <p><b>Currency differential x U.S. exposure surcharge</b></p> <p><i>For example:</i> The rate of exchange for the U.S. dollar is 1.3085 Canadian. Therefore the currency differential is 0.31. The U.S. exposure surcharge is 25%.</p> <p><b>Currency differential surcharge:</b> <b>0.31 X 25% = 7.75%</b></p> <p><b>The Currency differential surcharge is</b></p> <p>1. Applied only to the Liability premium (Road/Passenger Hazard)</p> <p>2. Not subject to a minimum surcharge</p> <p>3. Additional to but not compounded on the U.S. exposure surcharge.</p> <p><i>Example:</i></p> <table><tr><td>The Liability premium is</td><td>\$1,000</td></tr><tr><td>U.S. Exposure Surcharge is</td><td>25%</td></tr><tr><td>The Currency Differential Surcharge is</td><td>7.75%</td></tr><tr><td>Base Premium</td><td>\$1,000</td></tr><tr><td>U.S. Exposure</td><td>\$1,000 X .25 = \$250</td></tr><tr><td>Currency Differential</td><td>\$1,000 X 7.75 = 77.50 \$78</td></tr><tr><td>Total Liability premium</td><td>\$1,328</td></tr></table> <p>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</p> <p>5. Payable only when proof of insurance is required by U.S. authorities.</p>	The Liability premium is	\$1,000	U.S. Exposure Surcharge is	25%	The Currency Differential Surcharge is	7.75%	Base Premium	\$1,000	U.S. Exposure	\$1,000 X .25 = \$250	Currency Differential	\$1,000 X 7.75 = 77.50 \$78	Total Liability premium	\$1,328	<p><del>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.</del></p> <p><del>The surcharge percentage is calculated by means of the following formula:</del></p> <p><del>Currency differential x U.S. exposure surcharge</del></p> <p><del>For example:</del> <del>The rate of exchange for the U.S. dollar is 1.3085 Canadian.</del> <del>Therefore the currency differential is 0.31.</del> <del>The U.S. exposure surcharge is 25%.</del></p> <p><del>Currency differential surcharge:</del> <del>0.31 X 25% = 7.75%</del></p> <p><del>The Currency differential surcharge is</del></p> <p><del>1. Applied only to the Liability premium (Road/Passenger Hazard)</del></p> <p><del>2. Not subject to a minimum surcharge</del></p> <p><del>3. Additional to but not compounded on the U.S. exposure surcharge.</del></p> <p><del>Example:</del></p> <table><tr><td><del>The Liability premium is</del></td><td><del>\$1,000</del></td></tr><tr><td><del>U.S. Exposure Surcharge is</del></td><td><del>25%</del></td></tr><tr><td><del>The Currency Differential Surcharge is</del></td><td><del>7.75%</del></td></tr><tr><td><del>Base Premium</del></td><td><del>\$1,000</del></td></tr><tr><td><del>U.S. Exposure</del></td><td><del>\$1,000 X .25 = \$250</del></td></tr><tr><td><del>Currency Differential</del></td><td><del>\$1,000 X 7.75 = 77.50 \$78</del></td></tr><tr><td><del>Total Liability premium</del></td><td><del>\$1,328</del></td></tr></table> <p><del>4. In addition to the Servicing Carrier's fee for filing proof of insurance.</del></p> <p><del>5. Payable only when proof of insurance is required by U.S. authorities.</del></p>	<del>The Liability premium is</del>	<del>\$1,000</del>	<del>U.S. Exposure Surcharge is</del>	<del>25%</del>	<del>The Currency Differential Surcharge is</del>	<del>7.75%</del>	<del>Base Premium</del>	<del>\$1,000</del>	<del>U.S. Exposure</del>	<del>\$1,000 X .25 = \$250</del>	<del>Currency Differential</del>	<del>\$1,000 X 7.75 = 77.50 \$78</del>	<del>Total Liability premium</del>	<del>\$1,328</del>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
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# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 726: U.S. Exposure	<p>6. The combined dollar value of the currency differential surcharge and the U.S. 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 U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</p>	<p><del>6. The combined dollar value of the currency differential surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.</del></p> <p><del><i>For example:</i> Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total combined dollar value is \$328, well exceeding the minimum required.</del></p>	Currency differential surcharge will be discontinued as FA is working towards modernizing and simply its rating	This will impact premiums
Rule 728: Vehicles Used Outside Jurisdiction of Registration	<p>... <i>For example:</i> The Insured resides in Newfoundland and will be travelling in Alberta for the next year.</p> <p>1. The policy must be issued in the jurisdiction where the Insured resides even if the non-owned vehicle is chiefly used in another jurisdiction.</p> <p>2. If the non-owned vehicle is operated outside Newfoundland and it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</p> <p><i>For example:</i> The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.</p> <p>3. Surcharges do not apply to non-owned private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p>4. If the U.S. exposure is 5.0% or less of total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile and END 44 only.</p>	<p>... <i>For example:</i> The Insured resides in Newfoundland and will be travelling in Alberta for the next year.</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> <p>1. The policy must be issued in the jurisdiction where the Insured resides even if the non-owned vehicle is chiefly used in another jurisdiction.</p> <p><del>2. If the non-owned vehicle is operated outside Newfoundland and it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</del></p> <p><del><i>For example:</i> The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.</del></p> <p>2. Surcharges do not apply to non-owned private passenger vehicles that are used for personal use only and where proof of insurance is not required.</p> <p><del>4. If the U.S. exposure is 5.0% or less of total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile and END 44 only.</del></p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums



# FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULE & RATES MANUAL

## SUMMARY OF APPROVED RULE CHANGES EFFECTIVE OCTOBER 1, 2025

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
Rule 728:  Vehicles Used Outside Jurisdiction of Registration	<p>5. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p>6. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</p> <p>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</p> <p>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</p> <p>Region 3 – West and North Rate as Alberta Territory 4.</p>	<p><del>5. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</del></p> <p><del>6. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.</del></p> <p>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 427 to determine the surcharges applicable</p> <p><b>NOTE:</b> At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.</p> <p><del>Region 1 – Atlantic Provinces Rate as New Brunswick Territory 3</del></p> <p><del>Region 2 – Central (Ontario and Quebec) Rate as Ontario Territory 20</del></p> <p><del>Region 3 – West and North Rate as Alberta Territory 4.</del></p>	FA aims to harmonize and simplify the wordings across all jurisdictions	This will not impact premiums