



August 2020

**Manual of Rules and Rates  
NUNAVUT**

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

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

- +27.1% rate increase in Private Passenger fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +34.3% rate increase in Commercial fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +26.2% rate increase in Public Bus fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +27.6% rate increase in Private Bus fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +28.9% rate increase in School Bus fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- +32.6% rate increase in Taxi fleets achieved by moving the base driving record in the fleet calculator from 2 to 0. There are no changes to base rates.
- The base premium on all other fleet rated classes have been amended from driving record 2 to 0. Currently there are no written exposures in the following classes. As such, no average rate level change is available at this time:
  - Interurban
  - Hotel & Country Club Bus
  - Motorcycle
  - All-Terrain Vehicle
  - Snow Vehicle
  - Ambulance & Funeral
  - Motorhome
  - Campers & Personal Trailers

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



**July 2020**

**Manual of Rules and Rates  
NUNAVUT**

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

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

- 2020 Private Passenger CLEAR Rate Group Tables remain at range of 3 to 12 for Accident Benefits rate groups.
- 2020 Commercial Rate Group Tables (Tables I and II)
- There are amended rules in various sections of the manual. A summary of the rule changes is attached to the Manual Bulletin on the Facility Association website.

These tables are now available on the Facility Association website  
[www.facilityassociation.com](http://www.facilityassociation.com).

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

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

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

| Rule   | Current Wording  | Approved Wording  | Change from Current  | Premium Impact                        |
|--|--|---|--|---------------------------------------|
| <b>PRIVATE PASSENGER SECTION</b>                 |  |   |  |                                       |
| <p>128.C</p> <p>Renewals, Renewal Processing</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents <b>(including liability cards)</b> to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewal documents that have been returned to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier:</p> <p style="margin-left: 20px;">a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</p> <p style="margin-left: 20px;">OR</p> <p style="margin-left: 20px;">b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office;</p> <p style="margin-left: 20px;">OR</p> <p style="margin-left: 20px;">c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</p> <p>If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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| Rule  | Current Wording   | Approved Wording  | Change from Current   | Premium Impact                 |
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|   | If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.  | If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.  |   |                                |
| 129.E<br><br>Cancellations, Cancellation Procedures | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 129: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If renewal documents and liability cards are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the renewal documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 129: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 128) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>– No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.<br/><br/>2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat.</p> | Amends the acceptable evidence of renewal refusal for the purposes of cancellation. | This does not impact premiums. |

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| Rule                                      | Current Wording   | Approved Wording  | Change from Current   | Premium Impact                 |
|---|---|---|---|--------------------------------|
|   | 2) If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:   | 3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:   |   |                                |
| <b>COMMERCIAL SECTION</b>                 |   |   |   |                                |
| 218.C<br><br>Renewals, Renewal Processing | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents <b>(including liability cards)</b> to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewal documents that have been returned to the Servicing Carrier for cancellation may not be</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier:</p> <p>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</p> <p>OR</p> <p>b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office;</p> <p>OR</p> <p>c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</p> <p>If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for</p> | Amends the acceptable evidence of renewal refusal for the purposes of cancellation. | This does not impact premiums. |

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|   | <p>reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>   | <p>cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>  |  |                                       |
| <p>219.E<br/>Cancellations,<br/>Cancellation<br/>Procedures</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 219: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If renewal documents and liability cards are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the renewal documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 219: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 218) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>– No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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|--|---|--|--|---------------------------------------|
|  | <p>2) If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p>  | <p>2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat.</p> <p>3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p>  |  |                                       |
| <b>PUBLIC SECTION</b>                              |   |  |  |                                       |
| <p>316.C<br/><br/>Renewals, Renewal Processing</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents <b>(including liability cards)</b> to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier:</p> <ul style="list-style-type: none"> <li>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office;</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</li> </ul> <p>If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis</p> | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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|---|--|---|--|---------------------------------------|
|   | <p>Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewal documents that have been returned to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>  | <p>effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>   |  |                                       |
| <p>317.E<br/>Cancellations,<br/>Cancellation<br/>Procedures</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 317: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If renewal documents and liability cards are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the renewal documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>No longer applicable</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 317: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 316) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>– No longer applicable</p> | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |



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|---|--|---|---|---------------------------------------|
|   | <p><b>6. Flat Cancellation Exceptions</b></p> <p>1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2) If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p>   | <p><b>6. Flat Cancellation Exceptions</b></p> <p>1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat.</p> <p>3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p>   |   |                                       |
| <b>RECREATIONAL SECTION</b>   |  |   |   |                                       |
| <p>411.B.2</p> <p>Off Road Vehicles, Rating &amp; Policy Issuance Notes</p> | <p><b>Physical Damage</b></p> <p>Except as otherwise stated for Pickups, 4x4s and Similar Vehicles Designed for Road Use, rate groups are established as follows:</p> <p>If the value of the vehicle is less than \$15,000 the rate group for physical damage (if purchased) may be based on the limit chosen by the insured subject to END 19 or the rate group may be established using list price new.</p> <p>If the value of the vehicle is \$15,000 or more, the rate group for physical damage (if purchased) must be established based on list price new or where the insured produces at his or her own expense an appraisal acceptable to the Servicing Carrier then the snow vehicle or all terrain vehicle may be rated according to the Actual Cash Value (plus applicable tax) subject to END 19.</p> | <p><b>Optional Physical Damage</b></p> <p>Except as otherwise stated for Pickups, 4x4s and Similar Vehicles Designed for Road Use, rate groups are established as follows:</p> <p>If the value of the vehicle is less than \$15,000 the rate group for optional physical damage (if purchased) may be based on the limit chosen by the insured subject to END 19 or the rate group may be established using list price new.</p> <p>If the value of the vehicle is \$15,000 or more, the rate group for optional physical damage (if purchased) must be established in accordance with the following conditions:</p> <p>a) Where the vehicle is newly acquired from a dealer, a copy of the purchase agreement (dated within the 15 days prior to the effective date of the insurance) must be attached to the application or the change request. The purchase agreement must confirm the vehicle's year, make, model, serial number and purchase price.</p> <p>b) In any other case, the value must be substantiated by a certificate (including photo)</p> | <p>Confirms the additional documents required to rate within specified parameters</p> | <p>This does not impact premiums.</p> |

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|  |   | from an independent appraiser acceptable to the Servicing Carrier. The certificate must be obtained at the Applicant's expense and must be attached to the application or the change request.   |  |                                       |
| <p>417.C</p> <p>Renewals, Renewal Processing</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents <b>(including liability cards)</b> to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewal documents that have been returned to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier:</p> <ul style="list-style-type: none"> <li>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office;</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</li> </ul> <p>If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later</p> | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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|--|---|--|--|---------------------------------------|
|  | <p>date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>   | <p>than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>   |  |                                       |
| <p>418.E</p> <p>Cancellations, Cancellation Procedures</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 418: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If renewal documents and liability cards are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the renewal documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 418: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 417) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>– No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing</p> | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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

| Rule   | Current Wording   | Approved Wording  | Change from Current  | Premium Impact                        |
|--|---|---|--|---------------------------------------|
|  | <p>2) If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p>  | <p>Carrier, prior to the effective date of the policy, may be cancelled flat.</p> <p>3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p>  |  |                                       |
| <b>GARAGE SECTION</b>                            |   |   |  |                                       |
| <p>611.C</p> <p>Renewals, Renewal Processing</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents <b>(including liability cards)</b> to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p>If the documents are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier:</p> <ul style="list-style-type: none"> <li>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office;</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</li> </ul> <p>If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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

| Rule  | Current Wording  | Approved Wording  | Change from Current  | Premium Impact                        |
|---|--|---|--|---------------------------------------|
|   | <p>Renewal documents that have been returned to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>   | <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>   |  |                                       |
| <p>617.E<br/>Cancellations,<br/>Cancellation<br/>Procedures</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 617: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If renewal documents and liability cards are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the renewal documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p><b>5. Flat Cancellation Exceptions</b><br/>1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 617: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 611) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p><b>5. Flat Cancellation Exceptions</b><br/>1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.<br/><br/>2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing</p> | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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

| Rule                                      | Current Wording  | Approved Wording   | Change from Current  | Premium Impact                 |
|---|--|--|--|--------------------------------|
|   | 2) If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:  | Carrier, prior to the effective date of the policy, may be cancelled flat.<br><br>3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:  |  |                                |
| Rule: 624<br><br>Automobile Dealers       | <b>C. Dealer Plates:</b><br><br>If there are dealer plates with no driver to be rated as principal operator of them, then rate each as excess dealer plates as described under Excess Dealer Plates.<br><br>For example:<br>There are two staff units, 3 owned cars and 1 dealer plate. Charge a private passenger rate for each of the three cars, a staff unit rate for the garage exposure and 25% of 07, 0, 1, 2 or 3 for the dealer plate. One of the staff units must be assigned as principal operator of two vehicles. | <b>C. Dealer Plates</b><br><br>If there are dealer plates with no driver to be rated as principal operator of them, then rate each as excess dealer plates as described under D. Excess Dealer Plates.<br><br>a  | Removes an ambiguous example suggesting Excess Dealer Plates are entitled to a Driving Record higher than 0. | No impact on premium.          |
| <b>DRIVERS POLICY SECTION</b>             |  |  |  |                                |
| 717.C<br><br>Renewals, Renewal Processing | <b>Renewal not accepted</b><br><br>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents <b>(including liability cards)</b> to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.   | <b>Renewal not accepted</b><br><br>If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier:<br>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;<br><br>OR<br>b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office;<br><br>OR<br>c) Provide a signed (i.e. written, electronic | Amends the acceptable evidence of renewal refusal for the purposes of cancellation.                          | This does not impact premiums. |

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

| Rule  | Current Wording  | Approved Wording  | Change from Current  | Premium Impact                        |
|---|--|---|--|---------------------------------------|
|   | <p>If the documents are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewal documents that have been returned to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> | <p>or auto signature) request from the Insured to cancel the policy effective the renewal date.</p> <p>If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> |  |                                       |
| <p>718.E<br/>Cancellations,<br/>Cancellation<br/>Procedures</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 718: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If renewal documents and liability cards are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the renewal documents are not received within 15 days, the renewal shall</p>   | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 718: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 717) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received</p>   | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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

| Rule   | Current Wording  | Approved Wording  | Change from Current                              | Premium Impact   |
|--|--|---|--|--|
|  | <p>be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2) If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p> | <p>within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>– No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat.</p> <p>3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p> |  |  |
| <b>NON OWNED AUTOMOBILE SECTION</b>  |  |   |  |  |
| <p>811.C<br/><br/>Rating, Liability for Damage to Hired Automobiles (END 94)</p> | <p>A copy of every hiring contract/agreement together with the following information must be submitted to the Servicing Carrier so that the appropriate rates may be assessed:</p> <p>a. The type(s) of automobile concerned; whether hired with or without drivers; the period(s) for which the automobiles will be hired; the estimated cost of hire.</p> <p>b. The required coverage and the desired limit of liability and deductible in respect of any one occurrence.</p>  | <p>A copy of every hiring contract/agreement together with the following information must be submitted to the Servicing Carrier so that the appropriate rates may be assessed:</p> <p>a) The type(s) of automobile concerned, including the estimated manufacturer list price new; whether hired with or without drivers; the period(s) for which the automobiles will be hired; the estimated cost of hire.</p> <p>b) The required coverage and the desired limit of liability and deductible in respect of any one occurrence.</p>  | <p>Amends the rating methodology for END 94.</p> | <p>This will impact premiums charged on Non-Owned Automobile policies with END 94.</p> |



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

| Rule   | Current Wording   | Approved Wording   | Change from Current  | Premium Impact                        |
|--|---|--|--|---------------------------------------|
|  | <p><b>Note:</b> In END 94, below the heading "Section B", the words "or assumed by him under any contract or agreement" must be deleted unless a copy of the contract/ agreement is submitted and provision of coverages in respect of the assumed liability is in fact approved by the Servicing Carrier.</p> <p>For private passenger type vehicles, the rate per \$1,000 cost of hire shall be 2.5% of the appropriate Class 07, Driving Record 0 physical damage premium using Rate Group 17.</p> <p>For commercial type vehicles, the rate per \$1,000 cost of hire shall be 2.5% of the Commercial vehicle Driving Record 3 Rating Group 8 premium in the applicable territory.</p> | <p><b>Note:</b> In END 94, below the heading 'Section B', the words 'or assumed by him under any contract or agreement' must be deleted unless a copy of the contract/agreement is submitted and provision of coverages in respect of the assumed liability is in fact approved by the Servicing Carrier.</p> <p>For private passenger type vehicles, the rate per \$1,000 cost of hire shall be 2.5% of the appropriate Class 07, Driving Record 0 physical damage premium in the applicable territory. Rate group shall be determined using Table A, based on manufacturer list price new of the current model year.</p> <p>For commercial type vehicles, the rate per \$1,000 cost of hire shall be 2.5% of the commercial vehicle Driving Record 0 in the applicable territory. Rate group shall be determined using Table II, based on manufacturer list price new of the current model year.</p> |  |                                       |
| <p>816.B<br/><br/>Renewals, Renewal Processing</p> | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the insured, the Agent/Broker must promptly return all the renewal documents <b>(including liability cards)</b> to the Servicing Carrier. A written request from the insured acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p>   | <p><b>Renewal not accepted</b></p> <p>If the renewal is not accepted by the Insured, the Agent/Broker must submit one of the following acceptable evidence of renewal refusal to the Servicing Carrier:</p> <ul style="list-style-type: none"> <li>a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office;</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>c) Provide a signed (i.e. written, electronic or auto signature) request from the</li> </ul>   | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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

| Rule   | Current Wording  | Approved Wording  | Change from Current  | Premium Impact                        |
|--|--|---|--|---------------------------------------|
|  | <p>If the documents are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewal documents that have been returned to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> | <p>Insured to cancel the policy effective the renewal date.</p> <p>If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p> |  |                                       |
| <p>817.E<br/><br/>Cancellations, Cancellation Procedures</p> | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 817: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If renewal documents and liability cards are received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If the renewal documents are not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the</p>   | <p><b>4. Flat Cancellation New Policy</b><br/>Flat cancellation of a new policy is not allowed except as provided under Rule 817: Flat Cancellation Exceptions.</p> <p><b>Additional Premium Policy Change</b><br/>Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b><br/>If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 816) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by</p>   | <p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p> | <p>This does not impact premiums.</p> |

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

| Rule | Current Wording  | Approved Wording  | Change from Current | Premium Impact |
|------|--|---|---------------------|----------------|
|      | <p>Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of renewal documents.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1) Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2) If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p> | <p>the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b><br/>– No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b><br/>1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat.</p> <p>3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p> |                     |                |



**June 2020**

**Manual of Rules and Rates  
NUNAVUT**

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

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

- There are amended rules in Commercial section of the manual. A summary of the rule changes is attached to the Manual Bulletin on the Facility Association website.

These tables are now available on the Facility Association website:

[www.facilityassociation.com](http://www.facilityassociation.com).

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

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

| Rule  | Current Wording  | Approved Wording   | Change from Current  | Premium impact                                       |
|---|--|--|--|--|
| <b>COMMERCIAL SECTION</b>   |  |  |  |  |
| <p>Rule 200.A:<br/><br/>Filed Underwriting Rules, The Insurer's rules for declining to issue, terminating or refusing to renew a contract</p> | <p><b>A. The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</b></p> <ol style="list-style-type: none"> <li>1. The risk does not meet the object of the Facility Association which is to ensure the availability of automobile insurance, as required by law, in those provinces and territories of Canada in which the Association operates, to the owners and licensed drivers of motor vehicles who would otherwise have difficulty obtaining such insurance.</li> <li>2. The Applicant does not have an insurable interest in the vehicle.</li> <li>3. The vehicle is registered in a jurisdiction other than one in which the application for coverage is being completed or the vehicle is not operated at any time in a jurisdiction in which the Association operates. If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction.</li> <li>4. The driver of the vehicle does not hold a valid operator's licence. If the licence of the only driver is suspended, Facility Association shall provide a policy covering Comprehensive or Specified Perils cover only until there is a driver holding a valid operator's licence. See Rule 232: Suspension of Operator's Licence and Rule 201: Minimum Coverage.</li> <li>5. The application is incomplete, has not been signed by the Applicant, or has not been bound by the Agent/Broker.</li> <li>6. The Applicant/Agent/Broker refuses to provide the sufficient valid information to write the risk. 'Sufficient valid information to write the risk' includes data to properly rate the risk and to report the risk information in accordance with the Automobile Statistical Plan.</li> </ol> | <p><b>A. The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</b></p> <ol style="list-style-type: none"> <li>1. The risk does not meet the object of the Facility Association which is to ensure the availability of automobile insurance, as required by law, in those provinces and territories of Canada in which the Association operates, to the owners and licensed drivers of motor vehicles who would otherwise have difficulty obtaining such insurance.</li> <li>2. The Named Insured does not have an insurable interest in the vehicle.</li> <li>3. The vehicle is registered in a jurisdiction other than one in which the application for coverage is being completed or the vehicle is not operated at any time in a jurisdiction in which the Association operates. If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction.</li> <li>4. The driver of the vehicle does not hold a valid operator's licence, based on the class of vehicle insured.</li> <li>5. The application is incomplete, or has not been signed by the Named Insured, or the risk has not been bound by the Agent/Broker.</li> <li>6. Failure or refusal to supply underwriting information as identified under Rule 200.D: Supplementary Underwriting Information, necessary to underwrite the risk or underwriting information is incomplete, or underwriting information received is outside the 'oldest report date permitted', or where indicated, information is not issued by the Federal or Provincial Authority of the jurisdiction of registration.</li> </ol> | <p>Revises the criteria that will permit FA to cancel or non-renew</p> | <p>This may impact coverage offered to Insureds.</p> |

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| Rule   | Current Wording  | Approved Wording  | Change from Current   | Premium impact                                       |
|--|--|---|---|--|
| <p>Rule 200.A:<br/>Filed Underwriting Rules, The Insurer's rules for declining to issue, terminating or refusing to renew a contract (Continued)</p> | <p>7. The vehicle is not in the possession of the Applicant (i.e. has been stolen or cannot be located). This restriction is not intended to be used as a denial of a valid theft claim.</p> <p>8. A certificate of mechanical fitness and road worthiness has not been provided in accordance with the Manual of Rules and Rates.</p> <p>9. Non-payment of premium for the current policy period (for purposes of termination only).</p> <p>10. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police.</p> | <p>7. The vehicle is not in the possession of the Named Insured (i.e. has been stolen or cannot be located). This restriction is not intended to be used as a denial of a valid theft claim.</p> <p>8. Non-payment of premium for the current policy period (for purposes of termination only).</p> <p>9. Any risk where abusive or threatening behaviour of the Insured/Applicant/Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police.</p> <p>NOTE: Certain Endorsements require a signature. Where no signature is obtained, the policy may be:<br/> a) Cancelled in accordance with the Statutory Conditions;<br/> b) Issued without the endorsement;<br/> c) Removed and policy re-rated accordingly.</p> <p>See Rule 213: Endorsement Forms/Wordings</p> | <p>Wording relocated from Rule 213.</p>   | <p>This will not impact premium.</p>                 |
| <p>Rule 200.B:<br/>Filed Underwriting Rules, Rules for refusing to provide or continue a coverage</p>  | <p><b>B. Rules for refusing to provide or continue a coverage are:</b></p> <p>1. Optional physical damage coverage shall not be provided where an Applicant or any person who is a regular or frequent operator of the vehicle, has, within the immediately preceding thirty-six months:</p> <p>a) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer;<br/> <b>or</b></p>   | <p><b>B. Rules for refusing to provide or continue a coverage are:</b></p> <p>1. Where a Named Insured or any person who is a regular or frequent operator of the vehicle, has, within the immediately preceding thirty six months:</p> <p>a) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer;<br/> <b>or</b><br/> b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;</p>   | <p>Revises coverage available to Insureds with a prior misrepresentation, non-disclosure or Insurance Fraud conviction within the</p> | <p>This may impact coverage offered to Insureds.</p> |

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|---|--|--|------------------------|----------------|--------------------|--|--|--|---|--|
| <p>Rule 200.B:<br/>Filed Underwriting Rules, Rules for refusing to provide or continue a coverage (Continued)</p> | <p>b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;<br/><b>or</b></p> <p>c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto;<br/><b>or</b></p> <p>d) Wilfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'.</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p> | <p>* Misrepresentation means a Named Insured has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p><b>or</b></p> <p>c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto;<br/><b>or</b></p> <p>d) Wilfully made a false statement in respect of a claim;</p> <p>Will be subject to the following coverage limitations:<br/>i) Maximum \$1 million Third Party Liability limit;<br/>ii) Optional physical damage coverage shall not be provided;<br/>iii) Completion of U.S. Filings shall not be provided.</p> <p>2. Physical damage coverage shall not be provided where an application for a salvage motor vehicle is submitted without a subsisting salvage motor vehicle inspection. Where the inspection is not completed and provided within 30 days from the effective date, the policy shall be cancelled by registered letter.</p> <p><b>NOTE:</b> No policy shall be written for vehicles branded 'nonrepairable'</p> <p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided.</p> | <p>last 36 months.</p> |                |                    |  |  |  |   |  |
| <p>Rule 200.D:<br/>Filed Underwriting Rules, Supplementary Underwriting Documents</p>                             | <p><b>NEW</b></p>  | <p><b>D. Supplementary Underwriting Documents</b></p> <p>The following documents are to be supplied to the Servicing Carrier in the circumstances described below, for the frequency specified. Failure to supply the following may result in policy cancellation, in accordance with Rule 200.A.6.</p> <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="text-align: center;">Document Type</th> <th style="text-align: center;">Oldest Report</th> <th style="text-align: center;">Frequency required</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"> </td> <td> </td> <td> </td> </tr> </tbody> </table>  | Document Type          | Oldest Report  | Frequency required |  |  |  | <p>Specifies the types of documents and frequency of updates required to underwrite a risk.</p> | <p>This will not impact premiums, but may impact coverage offered to Insureds.</p> |
| Document Type   | Oldest Report  | Frequency required   |                        |                |                    |  |  |  |   |  |
|   |  |  |                        |                |                    |  |  |  |   |  |

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| Rule  | Current Wording | Approved Wording   |   |                         | Change from Current                            | Premium impact  |
|---|-----------------|--|---|-------------------------|--|---|
| Rule 200.D:<br><br>Filed Underwriting Rules, Supplementary Underwriting Documents (Continued) |                 |  | <b>date permitted</b>   |                         | This document will confirm insurable interest. | This will not impact premiums, but may impact coverage offered to Insureds. |
|   |                 | <b>Articles of Incorporation:</b><br>Where the Named Insured is an incorporated entity, or is a limited liability company.   | Date of last revision   | New Business            |  |   |
|   |                 | <b>FMCSA SMS "Complete" Carrier Profile (with full documentation), including U.S. DOT and MC Numbers:</b><br>On all Heavy Commercial Vehicles with a Gross Vehicle Weight exceeding 4,500kg on vehicles traveling into the U.S.  | 90 days from date report was generated  | New Business*, Renewals |  |   |
|   |                 | <b>International Fuel Tax Assessment (IFTA):</b> On all vehicles with 'IRP' plates, traveling outside the jurisdiction of registration, including into the U.S. Documents supplied must be issued by the Federal Authority, or Provincial Authority of the jurisdiction of vehicle registration. | Prior four (4) quarters, including any reassessments, immediately preceding the effective date of the policy. | New Business*, Renewals |  |   |
|   |                 | <b>NSC Carrier Profile (CVOR 'Level 2' in</b>  | 90 days from date   | New Business*,          |  |   |



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|---|-----------------|--|---|---------------------------------|--|---|
| Rule 200.D:<br><br>Filed Underwriting Rules, Supplementary Underwriting Documents (Continued) |                 | <p><b>Ontario or Equivalent with full profile information):</b> On all Heavy Commercial vehicles with a Gross Vehicle Weight exceeding 4,500kg. Documents supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.</p>   | report was generated                          | Renewals                        | This document will evaluate a carrier's safety rating, mileage and loss history in Canada and the U.S. | This will not impact premiums, but may impact coverage offered to Insureds. |
|   |                 | <p><b>Prior Insurance Carrier Loss History/Experience Reports (Fleet Rated policies only):</b> For prior insurance policies issued under the same Named Insured. Documents must be issued on Prior Carriers Letterhead, if the Servicing Carrier does not already have prior experience on file.</p> <p>Refer to Rule 209: Driving Record, for Individually-Rated Commercial Policies.</p> | 30 days from date report/letter was generated | New Business                    |  |   |
|   |                 | <p><b>Safety Fitness Certificate:</b> On vehicles with a Gross Vehicle Weight exceeding 4,500kg.</p>   | 365 days from date report was generated       | New Business, Vehicle Additions | This document will confirm that insured  | This will not impact premiums,  |

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| <p>Rule 200.D:<br/><br/>Filed Underwriting Rules, Supplementary Underwriting Documents (Continued)</p>   |   | <p>Document supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.</p>  |                              |  | <p>vehicle(s) meet provincial safety requirements.</p>  | <p>but may impact coverage offered to Insureds.</p>  |
|  |   | <p><b>Vehicle Registration:</b><br/>Complete document with vehicle plate/permit portions indicating that vehicle is registered to the Named Insured. Document supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.</p>  | <p>Date of last revision</p> | <p>New Business, Vehicle Additions</p> | <p>This document will confirm insurable interest, registered gross vehicle weight, vehicle branding and type of plating (i.e. Commercial, IRP, and Unplated).</p> | <p>This will not impact premiums, but may impact coverage offered to Insureds. This will not impact premiums, but may impact coverage offered to Insureds.</p> |
| <p>Rule 201.A:<br/><br/>Coverages Available and Minimum Deductibles, Liability Rule 201.A:<br/><br/>Coverages Available and Minimum Deductibles, Liability (Continued)</p> | <p><b>A. Liability</b><br/>Not more than \$2,000,000 except:<br/>• When required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required.<br/><br/>• Where the Insured is required to have limits higher than \$2,000,000 but not exceeding \$5,000,000 in order to obtain a contract of work or obtain employment and where failure to do so will result in loss of the contract or employment. The Insured will be required to provide documentation of the contract requirements or employment requirements for limits</p> | <p><b>A. Liability</b><br/>Not more than \$2,000,000 except:<br/>•When required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required.<br/><br/>•Where the Named Insured is required to have limits higher than \$2,000,000 but not exceeding \$5,000,000 in order to obtain a contract of work or obtain employment and where failure to do so will result in loss of the contract or employment. The Insured will be required to provide documentation of the contract requirements or employment requirements for limits</p> |                              |  | <p>Replaces the term "Applicant" with "Named Insured"</p>   | <p>This will not impact premiums.</p>  |

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|--|---|---|---|--|
|  | <p>no higher than \$5,000,000. This documentation is required at the time the higher limit is requested but not for subsequent renewal terms.</p> <p>The amounts shown on any proof of insurance may not exceed those required by the authority concerned.</p> <p>For example: The Liability limit chosen by the Applicant is \$1,000,000. Proof of insurance is required for \$500,000. The policy will be issued at \$1,000,000 but the proof of insurance shall only show \$500,000.</p> <p>The policy states that an automobile and trailer are held to be one vehicle; a trailer and any towing vehicle must be insured for the same Liability limit.</p> <p>If it is necessary to provide a Liability limit that falls between two limits for which premiums or limit factors are indicated in this manual, the premium or limit factor applicable to the higher of those two limits shall be used.</p> <p>Where it is <b>required and permissible</b> to provide a higher Liability limit, and the manual does not provide the necessary increased limit factor, contact your Servicing Carrier.</p> | <p>no higher than \$5,000,000. This documentation is required at the time the higher limit is requested but not for subsequent renewal terms.</p> <p>The Servicing Carrier reserves the right to decline the application of a liability limit over \$2 million.</p> <p>NOTE: At no time may the liability limit shown on any proof of insurance exceed those required by the authority concerned.</p> <p>For Example: If the Liability limit chosen by the Named Insured is \$1,000,000 and proof of insurance is required for \$500,000. The policy will be issued at \$1,000,000 but the proof of insurance shall only show \$500,000.</p> <p>The policy states that an automobile and trailer are held to be one vehicle. A trailer and any attached vehicle must be insured for the same Liability limit.</p> <p>If it is necessary to provide a Liability limit that falls between two limits for which premiums or limit factors are indicated in this manual, the premium or limit factor applicable to the higher of those two limits shall be used.</p> <p>Where it is <b>required and permissible</b> to provide a higher Liability limit and the manual does not provide the necessary increased limit factor, contact your Servicing Carrier.</p> | <p>Allows the Servicing Carrier to decline the application of a liability limit over \$2 million.</p> <p>Replaces the term "towing" with "attached"</p> | <p>This will not impact premiums, but may impact coverage offered to Insureds.</p> <p>This will not impact premiums.</p> |
| <p>Rule 201.C:<br/>Coverages Available and Minimum Deductibles, Physical Damage</p> <p>Rule 201.C:<br/>Coverages Available and</p> | <p><b>C. Physical Damage</b></p> <p>Physical damage shall not be provided or continued for any vehicle valued at \$1,000,000 or more.</p> <p>Physical damage shall not be provided for off-road commercial vehicles e.g. logging trucks used solely in the bush.</p>  | <p><b>C. Optional Physical Damage Coverage and Deductibles</b></p> <p>All Perils coverage is no longer available.</p> <p>No optional physical damage coverage shall be provided or offered for commercial vehicles valued at \$1,000,000 or more.</p> <p>Optional physical damage coverage shall not be provided for off-road commercial vehicles e.g. logging trucks used solely in the bush.</p>  |   |  |

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|--|---|------------------|--|---|-------|---------|---------|---------|---------|-------------|---|---------|---|--|-------------|--------------------|--------------|-------|---------|---------|---------|---------|-------------|--|--------|--|----------------|--------------------|--|---|-----------|-----------------------|-------------------|-----------------------|---|---|
| Minimum Deductibles, Physical Damage (Continued)               | <p>Under this coverage, a motor vehicle and one or more trailers are separate automobiles, consequently, different deductibles for trailers and towing vehicles are permitted.</p> <p>All Perils coverage is no longer available.</p> <p><b>Minimum Deductibles</b><br/>The following table indicates the minimum deductibles.</p> <table border="1" data-bbox="443 618 1024 984"> <thead> <tr> <th>Rate Groups</th> <th>Minimum Deductible Collision / Comprehensive /Specified Perils</th> </tr> </thead> <tbody> <tr> <td>15 and under</td> <td>\$500</td> </tr> <tr> <td>16 - 18</td> <td>\$1,000</td> </tr> <tr> <td>19 - 21</td> <td>\$2,500</td> </tr> <tr> <td>22 and over</td> <td>5% of LPN rounded to the nearest \$250 (minimum deductible \$2,500).*</td> </tr> <tr> <td>All RGs</td> <td>END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months</td> </tr> </tbody> </table> | Rate Groups      | Minimum Deductible Collision / Comprehensive /Specified Perils                     | 15 and under  | \$500 | 16 - 18 | \$1,000 | 19 - 21 | \$2,500 | 22 and over | 5% of LPN rounded to the nearest \$250 (minimum deductible \$2,500).* | All RGs | END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months | <p>Under this coverage, a motor vehicle and one or more trailers are separate automobiles; consequently, different deductibles for trailers and towing vehicles are permitted.</p> <p><b>a) Minimum Deductibles for Light Commercial Vehicles (Gross Vehicle Weight Up To 4,500 kg)</b></p> <p>The deductibles are to be no less than:</p> <table border="1" data-bbox="1045 670 1627 954"> <thead> <tr> <th>Rate Groups</th> <th>Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td>15 and under</td> <td>\$500</td> </tr> <tr> <td>16 – 18</td> <td>\$1,000</td> </tr> <tr> <td>19 – 21</td> <td>\$2,500</td> </tr> <tr> <td>22 and over</td> <td>10% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).</td> </tr> <tr> <td>END 40</td> <td>END 40 is mandatory on any vehicles with prior fire claims within the past 60 months</td> </tr> </tbody> </table> <p><b>b) Minimum Deductibles for Heavy Commercial Vehicles (Gross Vehicle Weight Over 4,500kg)</b></p> <p>The following deductibles are based on Vehicle List Price New, including the cost of any customizations and attached equipment. Deductibles are to be rounded to the nearest \$500 and are to be no less than:</p> <table border="1" data-bbox="1045 1214 1627 1409"> <thead> <tr> <th>List Price New</th> <th>Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td>Vehicle Make and Model listed in Commercial Rate Group Table I</td> <td>10% of List Price New (minimum deductible \$5,000).</td> </tr> <tr> <td>&lt;\$50,001</td> <td>10% of List Price New</td> </tr> <tr> <td>\$50,001-\$75,000</td> <td>12% of List Price New</td> </tr> </tbody> </table> | Rate Groups | Minimum Deductible | 15 and under | \$500 | 16 – 18 | \$1,000 | 19 – 21 | \$2,500 | 22 and over | 10% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000). | END 40 | END 40 is mandatory on any vehicles with prior fire claims within the past 60 months | List Price New | Minimum Deductible | Vehicle Make and Model listed in Commercial Rate Group Table I | 10% of List Price New (minimum deductible \$5,000). | <\$50,001 | 10% of List Price New | \$50,001-\$75,000 | 12% of List Price New | <p>Splits Optional Physical Damage deductibles between LCV and HCV. Minimum deductible offered.</p> | <p>This may impact premiums of clients who now require an increased deductible.</p> |
| Rate Groups  | Minimum Deductible Collision / Comprehensive /Specified Perils  |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| 15 and under   | \$500   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| 16 - 18  | \$1,000   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| 19 - 21  | \$2,500   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| 22 and over  | 5% of LPN rounded to the nearest \$250 (minimum deductible \$2,500).*   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| All RGs  | END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| Rate Groups  | Minimum Deductible  |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| 15 and under   | \$500   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| 16 – 18  | \$1,000   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| 19 – 21  | \$2,500   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| 22 and over  | 10% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).  |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| END 40   | END 40 is mandatory on any vehicles with prior fire claims within the past 60 months  |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| List Price New   | Minimum Deductible  |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| Vehicle Make and Model listed in Commercial Rate Group Table I | 10% of List Price New (minimum deductible \$5,000).   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| <\$50,001  | 10% of List Price New   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
| \$50,001-\$75,000  | 12% of List Price New   |                  |  |   |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |
|  |   |                  | <p>Outlines the minimum deductible requirements for Heavy Commercial Vehicles.</p> | <p>This may impact premiums of clients who now require an increased deductible.</p> |       |         |         |         |         |             |   |         |   |  |             |                    |              |       |         |         |         |         |             |  |        |  |                |                    |  |   |           |                       |                   |                       |   |   |

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

| Rule   | Current Wording   | Approved Wording   |  | Change from Current | Premium impact   |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
|--|---|--|--|---------------------|--|--------------------|--------------------|--|---|---|---|---------|---|---|---|---------|---|---|---|---------|---|-----------|---|-----------------------------|--|--|-----------|-------------|---|----------------------|-----------------------|-----------------------|-----------------------|--------------------|-----------------------|--------|--|--|--|--|--|--------------------|--------------------|--|---|---|---|---------|---|---|---|---------|---|---|---|--|--|--|
| <p>Rule 201.C:</p> <p>Coverages Available and Minimum Deductibles, Physical Damage (Continued)</p>                 | <p>*Example: If the list price new is \$123,000 5% is \$6,150. The deductible shall be \$6,250 and the rating factor for \$2,500 or more applies.</p> <p><b>NOTE: For risks with claims, refer to the following chart. Where a risk is eligible for one deductible based on rate group/vehicle and another based on claims, the higher deductible applies.</b></p> <table border="1" data-bbox="443 927 1010 1427"> <thead> <tr> <th colspan="3">Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)</th> <th rowspan="2">Deductible amount applicable to the coverage under which the claims were made*</th> </tr> <tr> <th>In prior 12 months</th> <th>In prior 36 months</th> <th>In prior 60 months (fire and/or total theft)</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>-</td> <td>2</td> <td>\$2,500</td> </tr> <tr> <td>-</td> <td>3</td> <td>-</td> <td>\$1,000</td> </tr> <tr> <td>-</td> <td>4</td> <td>-</td> <td>\$2,500</td> </tr> <tr> <td>-</td> <td>5 or more</td> <td>-</td> <td>5% of LPN (minimum \$5,000)</td> </tr> <tr> <td></td> <td></td> <td>3 or more</td> <td>No coverage</td> </tr> </tbody> </table> | Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils) |  |                     | Deductible amount applicable to the coverage under which the claims were made* | In prior 12 months | In prior 36 months | In prior 60 months (fire and/or total theft) | 3 | - | 2 | \$2,500 | - | 3 | - | \$1,000 | - | 4 | - | \$2,500 | - | 5 or more | - | 5% of LPN (minimum \$5,000) |  |  | 3 or more | No coverage | <table border="1" data-bbox="1045 277 1625 480"> <tr> <td>\$75,001 - \$100,000</td> <td>15% of List Price New</td> </tr> <tr> <td>\$100,001 - \$125,000</td> <td>20% of List Price New</td> </tr> <tr> <td>\$125,001 and Over</td> <td>25% of List Price New</td> </tr> <tr> <td>END 40</td> <td>END 40 is mandatory on any vehicles with prior fire claims within the past 60 months</td> </tr> </table> <p>Example: If list price new of a Class 42 Sand &amp; Gravel truck is \$122,000, 20% is \$24,400. The deductible shall be \$24,500 and the rating factor for \$2,500 or more applies.</p> <p><b>c) Minimum Deductibles based on Prior Loss Experience</b></p> <p>For risks with claims, refer to the chart below. Where a risk is eligible for one deductible based on rate group and another based on claims, the higher deductible applies.</p> <table border="1" data-bbox="1058 870 1625 1386"> <thead> <tr> <th colspan="3">Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils)</th> <th rowspan="2">Deductible amount applicable to the coverage under which the claims were made*</th> </tr> <tr> <th>In prior 12 months</th> <th>In prior 36 months</th> <th>In prior 60 months (fire and/or total theft)</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>-</td> <td>2</td> <td>\$5,000</td> </tr> <tr> <td>-</td> <td>3</td> <td>-</td> <td>\$2,500</td> </tr> <tr> <td>-</td> <td>4</td> <td>-</td> <td>5% of List Price New rounded to the nearest \$500 (minimum</td> </tr> </tbody> </table> | \$75,001 - \$100,000 | 15% of List Price New | \$100,001 - \$125,000 | 20% of List Price New | \$125,001 and Over | 25% of List Price New | END 40 | END 40 is mandatory on any vehicles with prior fire claims within the past 60 months | Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils) |  |  | Deductible amount applicable to the coverage under which the claims were made* | In prior 12 months | In prior 36 months | In prior 60 months (fire and/or total theft) | 3 | - | 2 | \$5,000 | - | 3 | - | \$2,500 | - | 4 | - | 5% of List Price New rounded to the nearest \$500 (minimum | <p>Updates an example based on proposed rule</p> <p>Section created for clarity and updates the minimum deductible offered based on prior claims experience.</p> | <p>This will not impact premiums.</p> <p>This may impact premiums of clients who now require an increased deductible, or who may no longer qualify for coverage.</p> |
| Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils) |   |  | Deductible amount applicable to the coverage under which the claims were made* |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| In prior 12 months   | In prior 36 months  | In prior 60 months (fire and/or total theft)   |  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| 3  | -   | 2  | \$2,500  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| -  | 3   | -  | \$1,000  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| -  | 4   | -  | \$2,500  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| -  | 5 or more   | -  | 5% of LPN (minimum \$5,000)  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
|  |   | 3 or more  | No coverage  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| \$75,001 - \$100,000   | 15% of List Price New   |  |  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| \$100,001 - \$125,000  | 20% of List Price New   |  |  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| \$125,001 and Over   | 25% of List Price New   |  |  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| END 40   | END 40 is mandatory on any vehicles with prior fire claims within the past 60 months  |  |  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| Number of Automobile Insurance claims under each coverage (All Perils, Collision, Comprehensive, Specified Perils) |   |  | Deductible amount applicable to the coverage under which the claims were made* |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| In prior 12 months   | In prior 36 months  | In prior 60 months (fire and/or total theft)   |  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| 3  | -   | 2  | \$5,000  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| -  | 3   | -  | \$2,500  |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |
| -  | 4   | -  | 5% of List Price New rounded to the nearest \$500 (minimum                     |                     |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |         |   |           |   |                             |  |  |           |             |   |                      |                       |                       |                       |                    |                       |        |  |  |  |  |  |                    |                    |  |   |   |   |         |   |   |   |         |   |   |   |  |  |  |

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

| Rule   | Current Wording  | Approved Wording   | Change from Current  | Premium impact |  |                      |   |           |   |                     |   |   |           |                     |   |   |
|--|--|--|----------------------|----------------|--|----------------------|---|-----------|---|---------------------|---|---|-----------|---------------------|---|---|
| <p>Rule 201.C:</p> <p>Coverages Available and Minimum Deductibles, Physical Damage (Continued)</p> | <p>*Claims that have occurred under All Perils coverage shall be assigned to the appropriate section of the coverage i.e. Collision or Comprehensive.</p> <p>Higher deductibles based on claims shall only be imposed when there have been a sufficient number of claims under any given coverage to warrant such application.</p> <p>For example one Collision loss and three Comprehensive losses in the previous 12 months will result in the application of a \$2,500 deductible on Comprehensive only. Only if the Insured has sustained three Collision losses as well, would \$2,500 deductible be applied to the Collision coverage.</p> | <table border="1" data-bbox="1058 282 1619 505"> <tr> <td></td> <td></td> <td></td> <td>deductible \$5,000).</td> </tr> <tr> <td>-</td> <td>5 or more</td> <td>-</td> <td>No coverage offered</td> </tr> <tr> <td>-</td> <td>-</td> <td>3 or more</td> <td>No coverage offered</td> </tr> </table> <p>*Claims that have occurred under All Perils coverage shall be assigned to the appropriate section of the coverage i.e. Collision or Comprehensive.</p> <p>Any higher minimum deductibles provided for in this manual shall override these amounts.</p> <p>Higher deductibles shall only be imposed when there have been a sufficient number of claims under any given coverage to warrant such application.</p> <p>For example, one Collision loss and three Comprehensive losses in the previous 12 months shall result in the application of a \$5,000 deductible on Comprehensive only. Only if the Insured has sustained three Collision losses as well, would \$5,000 deductible be applied to the Collision coverage.</p> <p><b>d) Vehicles Insured for Comprehensive or Specified Perils Coverage Only</b></p> <p>If Statutory coverages (Liability, Accident Benefits, Uninsured Automobile) are removed or suspended by way of END 16 twice in one year, subsequent requests will not be permitted until the following renewal. It is not necessary to remove the license plate from the vehicle while coverage is removed or suspended.</p> <p>If Statutory coverages are not added to the vehicle by the renewal date, the vehicle shall be renewed once with Comprehensive or Specified Perils Coverages only, then lapsed at the next renewal if there is no other vehicle with Statutory coverage on the policy.</p> |                      |                |  | deductible \$5,000). | - | 5 or more | - | No coverage offered | - | - | 3 or more | No coverage offered | <p>Paragraph inserted for consistency across all Provinces</p> <p>Updates an example based on proposed rule</p> <p>New section created, for consistency across all provinces. Wording relocated from Rule 201.E, Clarifies existing rule regarding vehicles insured for</p> | <p>This will not impact premiums.</p> <p>This will not impact premiums.</p> <p>This will not impact premiums.</p> |
|  |  |  | deductible \$5,000). |                |  |                      |   |           |   |                     |   |   |           |                     |   |   |
| -  | 5 or more  | -  | No coverage offered  |                |  |                      |   |           |   |                     |   |   |           |                     |   |   |
| -  | -  | 3 or more  | No coverage offered  |                |  |                      |   |           |   |                     |   |   |           |                     |   |   |

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

| Rule  | Current Wording   | Approved Wording   | Change from Current   | Premium impact   |
|---|---|--|---|--|
| Rule 201.C:<br><br>Coverages Available and Minimum Deductibles, Physical Damage (Continued) |   | Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.   | Comp/S.P. only.   |  |
| Rule 201.E:<br><br>Coverages Available and Minimum Deductibles, Minimum Coverage            | <p><b>E: Minimum Coverage</b><br/>Policies are required to provide at least the statutory minimum coverage applicable to the jurisdiction in which the vehicle is registered except as indicated below:</p> <p><b>Exception:</b><br/>When an automobile is temporarily out of use and in storage:</p> <p>(a)Coverage other than Comprehensive or Specified Perils may be suspended by means of END 16 for those vehicles that are temporarily laid up. This endorsement does not suspend coverages that relate to 'driving other vehicles'. The endorsement may be used in respect of most private passenger and commercial-type vehicles.</p> <p>END 44 may remain on a policy where 'moving' coverages have been suspended by means of END 16.</p> <p>Suspended coverages are reinstated by means of END 17. In no event shall a refund be granted for any suspension of less than sixty (60) consecutive days.</p> <p>(b)In the case of an existing policy that includes Comprehensive or Specified Perils coverage,</p> | <p><b>E: Minimum Coverage</b><br/>Individually rated commercial policies are required to provide at least the statutory minimum coverage applicable to the jurisdiction in which the vehicle is registered except when an automobile is temporarily out of use and in storage.</p> <p>Coverage other than Comprehensive or Specified Perils may be suspended by means of END 16 for those vehicles that are temporarily laid up. This endorsement does not suspend coverages that relate to 'driving other vehicles'.</p> <p>The endorsement may be used in respect of most private passenger and commercial-type vehicles. In no event shall a refund be granted for any suspension of less than sixty (60) consecutive days.</p> <p>Suspended coverages are reinstated by means of END 17.</p> <p><b>Note:</b> END 44 may remain on a policy only where 'moving' coverages have been suspended by means of END 16. END 16/17 is not available on experience rated risks.</p> <p>For Light Commercial vehicles only, in the case of an existing policy that includes Comprehensive or Specified Perils coverage, coverages other than</p> | <p>Clarifies existing rule to indicate that it applies to individually rated commercial policies only.</p> <p>Revises rule to indicate that coverages</p> | <p>This will not impact premiums.</p> <p>This may impact premium if suspension is required</p> |

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

| Rule   | Current Wording  | Approved Wording   | Change from Current  | Premium impact  |
|--|--|--|--|---|
| Rule 201.E:<br><br>Coverages Available and Minimum Deductibles, Minimum Coverage (Continued) | coverages other than Comprehensive or Specified Perils may be deleted.<br><br>Notes:<br>1. Neither (a) nor (b) above is applicable for the following: <ul style="list-style-type: none"> <li>• Vehicles for which proof of insurance is issued or filed</li> <li>• Recreational vehicles to which the Recreational Section applies</li> <li>• Vehicles that were never intended to be driven (e.g. vehicles in a collection)</li> <li>• Vehicles for sale whether or not on an auto dealer's lot.</li> <li>• Experience rated risks</li> </ul> 2. If Liability and Accident Benefits coverages are removed or suspended twice in one year, then removal of those coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while coverage is removed or suspended.<br><br>3. If Liability and Accident Benefits coverages are not added to the vehicle by the renewal date, the vehicle shall be renewed once and then lapsed at the next renewal if there is no other vehicle with Liability and Accident Benefits coverages on the policy.<br><br>4. In the case of a new application, a policy may not be issued for Comprehensive or Specified Perils only. | Comprehensive or Specified Perils may be deleted for a maximum of 90 consecutive days. <i>Refer to Rule 201.C.d: Vehicles Insured for Comprehensive or Specified Perils Coverage Only, for conditions.</i><br><br><b>Note:</b> If all coverages except Comprehensive or Specified Perils are deleted entirely, END 44 must be deleted as well.<br><br>Statutory Minimum coverage is to be maintained at all times on policies where the following conditions exist: <ul style="list-style-type: none"> <li>• Vehicles for which proof of insurance is issued or filed;</li> <li>• Recreational vehicles to which the Recreational Section applies;</li> <li>• Vehicles that were never intended to be driven (e.g. vehicles in a collection);</li> <li>• Vehicles held for sale whether or not on an auto dealer's lot;</li> <li>• Experience rated risks</li> </ul><br><br><b>Definitions:</b><br><b>Temporarily:</b> May be defined as 'a limited time only, as distinguished from that which is perpetual or indefinite in duration'. There is an anticipated end point to the vehicle being out of use. Agent/Broker must indicate on the application or policy change | can be suspended for a maximum of 90 days.<br><br>Clarifies rule to indicate under which conditions suspension of coverage will not be permitted.<br><br>Wording relocated to proposed Rule 201.C,d)<br><br>Wording inserted for clarity and consistency across all manuals. | for a period over 90 days.<br><br>This has no impact on premium<br><br>This has no impact on premium.<br><br>This has no impact on premium. |



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|--|---|--|--|--------------------------------|
| Rule 201.E:<br><br>Coverages Available and Minimum Deductibles, Minimum Coverage (Continued)       |   | request what the anticipated end date is, whether that is 3, 8 or 36 months from the date of the request.<br><br><b>Out of use:</b> The vehicle will not be driven either by the Insured or by garage personnel or potential purchasers.<br><br><b>In storage:</b> The vehicle is not readily available for use e.g. the plates have been removed, the battery has been removed etc. The Agent/Broker must confirm on the application or policy change request that the vehicle is out of use and in storage.  |  |                                |
| Rule 203.A.:<br>Binding Coverage – New Policies, Requirements/ Procedures for Binding New Policies | <b>A. Requirements/Procedures for binding new policies</b><br><br>1) The Agent/Broker must have a fully complete application signed by the registered owner(s) of the vehicle(s) detailing all information on the risk.<br><br>Supplementary questionnaires, if required, must be completed and signed by the Applicant. If the Servicing Carrier is required to have a driver's permission to obtain a driver record abstract, that written authorization must accompany the application | <b>A. Requirements/Procedures for Binding New Policies</b><br><br>1) The Agent/Broker must have a fully completed application signed by the Named Insure(s) of the vehicle(s) detailing all information on the risk.<br><br>Supplementary questionnaires, if required, must be completed and signed by the Named Insured(s). If the Servicing Carrier is required to have a driver's permission to obtain a driver record abstract, that written authorization must accompany the application.<br><br>Refer to Rule 204: New Policies for additional Information as to who may enter into a contract of Insurance. | Replaces the term "Applicant" with "Named Insured"   | This has no impact on premium. |
| Rule 204: New Policies   |   | <b>A. Name of the Insured and Who may Apply for Insurance</b><br><br>The contract of Insurance may be in the name of:<br>a) An Individual; OR<br>b) Partnership (unincorporated); OR<br>c) Limited Liability Company (incorporated).<br><br>Insurance contracts must be made with individuals who have the capacity to enter into a contract and have the authority to enter into a contract on behalf of a Partnership, Joint Venture or Limited Liability Company. Upon the Servicing Carriers request,  | Relocated from Rule 204, Section F and adds language to clarify who may apply for a contract of Insurance, and who is considered | This has no impact on premium. |

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|------|-----------------|--|-------------------------|----------------|
|      |                 | <p>Articles of Incorporation will be required to confirm insurable interest.</p> <p>The Name of Insured must reflect the full name, including all "operating as" and/or "Trade" names of the individual or the business as registered with the appropriate municipal, provincial or federal authority and must be the same as the name on the vehicle registration.</p> <p><b>Two or More Names as Named Insured:</b></p> <p>Where an application is received for vehicle(s) registered in two or more individual names or a Partnership, the application must be signed by all parties. In the event the policy is to be cancelled at the Insured's request, all parties are required to sign the request for cancellation.</p> <p>Where an application is received for vehicle(s) registered in two or more limited liability companies, separate policies may be required. Copies of the Articles of Incorporation for all registered entities must be reviewed by the Servicing Carrier to establish common ownership.</p> <p>The Servicing Carrier reserves the right to require separate applications for policies where common ownership cannot be established.</p> <p>Two or more limited liability companies linked by common management will require separate policies if rated individually. Refer to Rule 239: Fleets, if policy is fleet rated.</p> <p>Separate policies may not be required if the policy insures a combination of owned and leased vehicles. Refer to Rule 237: Long Term Leases-Specified Lessees - Leases Exceeding 30 Days.</p> <p>Where it is discovered in the middle of the policy term, that a single policy has been issued with two (or more) unrelated individuals or limited liability entities, both signatures shall be required on any subsequent</p> | <p>a Named Insured.</p> |                |

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| Rule  | Current Wording   | Approved Wording   | Change from Current   | Premium impact  |
|---|---|--|---|---|
| <p>Rule 204: New Policies<br/>(Continued)</p> | <p><b>A. Application Form</b></p> <p>Every application for insurance must be made on a current approved Standard Application Form and must be fully completed and signed by both the Applicant and Agent/Broker where required or as prescribed under Rule 204: D. Computer Generated Application Forms.</p> <p>Commercial, garage, public, experience rated and some specially rated risks will require completion of supplementary questionnaires.</p> <p>A copy of the valid registration for all owned vehicles being insured, regardless of vehicle type or use, will be required with the application. If the registration cannot be submitted with the application, a copy of the registration is required within 30 days of binding coverage.</p> <p>Where a copy of the valid registration is not provided, the following shall apply:</p> <ul style="list-style-type: none"> <li>• Policy shall be issued with all vehicles at the correct premium.</li> <li>• If any registration is not provided within 30 days from the date requested by the Servicing Carrier, the policy shall be cancelled by registered letter.</li> <li>• If the missing registration is provided before the cancellation takes effect, the policy may be reinstated.</li> <li>• Agent/Broker may submit a new application for the vehicles meeting the registration requirement.</li> </ul> <p><b>B. Owners Policy (APP 1)</b><br/>A current approved Standard Application Form (APP 1) is required. The Agent/Broker must indicate the time and date that coverage is bound.</p> <p><b>C. Faxed Applications</b></p> | <p>request for cancellation of the policy or deletion of a vehicle or coverage. Separate policies must be issued at the time of next renewal.</p> <p><b>B. Application Form</b></p> <p>Every application for insurance must be made on the current approved Standard Application Form and must be fully completed and signed by the Named Insured(s) and Agent/Broker where required. See also Rule 204:E. Computer Generated Application Forms.</p> <p>Commercial, garage, public, experience rated and some specially rated risks will require completion of supplementary questionnaires.</p> <p>A copy of the valid registration for all owned vehicles being insured, regardless of vehicle type or use, will be required with the application.</p> <p>Refer to Rule 200.D for a list of Supplementary Underwriting documents that may be required when binding a new risk.</p> <p><b>C. Owners Policy (APP 1)</b><br/>A current approved Standard Application Form (APP 1) is required. The Agent/Broker must indicate the time and date that coverage is bound.</p> <p><b>D. Faxed Applications</b></p> | <p>Renumbers section and replaces the term "Applicant" with "Named Insured"</p> <p>Refers Users back to Rule 200 for a complete list of supplementary info that may be required to underwrite a risk.</p> | <p>This has no impact on premium.</p> <p>This has no impact on premium.</p> |



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| Rule                                      | Current Wording  | Approved Wording   | Change from Current  | Premium impact   |
|---|--|--|--|--|
| <p>Rule 204: New Policies (Continued)</p> | <p><b>F. Name of the Insured</b><br/>Insurance contracts must be made with individuals who have both the capacity to contract and are legal entities. If the Applicant is not an individual(s), the name(s) appearing on the policy must be that of a legal entity i.e. a limited company or partnership.</p> <p>The name of the Insured must include or be the same as the name on the vehicle registration.</p> <p>Two or More Names as Registered Owner of the Vehicle:</p> | <p><b>G. No Prior Insurance with Out of Province including U.S. Exposure</b></p> <p>In the event that Named Insured has no prior insurance with insured vehicles traveling outside of the province, including into the U.S., supplementary underwriting documents (as outlined under Rule 200.D) required to evaluate out of province exposure, may not be immediately available for review at New Business.</p> <p>Where required supplementary underwriting information is unavailable when binding a new risk, as the Named Insured has not previously traveled outside of the Province or into the U.S., the vehicle(s) shall be underwritten with <b>75% Out-of-Province exposure</b>.</p> <p>If during the first term of insurance, the Named Insured(s) claim entitlement to a lower Out-of-Province/U.S. Exposure amount and submits the required Supplementary Underwriting Documents as outlined under Rule 200.D to the satisfaction of the Servicing Carrier, the Out-of-Province/U.S. Exposure surcharge shall be adjusted effective the date the documentation was submitted. Backdating any adjustment to the Out-of-Province/U.S. Exposure surcharge is not permitted.</p> | <p>take place in the event that a Named Insured has no prior insurance and is unable to supply the documentation outlined under Rule 200.D.</p> <p>Section removed as wording has been updated for clarity. Refer to Rule 201.A.</p> | <p>with no prior insurance and travel out-of-province, including into the U.S.</p> |

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| Rule  | Current Wording  | Approved Wording  | Change from Current          | Premium impact            |
|---|--|---|------------------------------|---------------------------|
| <p>Rule 204: New Policies<br/>(Continued)</p> | <p>Where an application is received for vehicle(s) registered in two names, such as husband's and wife's names, the application must be signed by both parties. In the event the policy is to be cancelled at the Insured's request, both signatures are required on the request for cancellation.</p> <p>Two or More Vehicles Registered to Different Names:<br/>If the Applicant has vehicles leased from different leasing companies, or, one vehicle registered for example in the father's name and one in the son's name, separate policies must be maintained.</p> <p>If the vehicles are separately registered to an Applicant and his or her spouse only, they may be insured under the same policy. Both must sign the application and any subsequent request to cancel a policy or delete a vehicle or coverage.<br/>If the Applicant has vehicle(s) leased from the same leasing company and owned vehicle(s), separate policies may not be necessary.</p> <p>Where it is discovered in the middle of the policy term, that a single policy has been issued with two (or more) vehicles, one registered in one name and one in another name, both signatures shall be required on any subsequent request for cancellation of the policy or deletion of a vehicle or coverage. Separate policies must be issued at the time of next renewal.</p> <p><b>G. Other Insurance</b><br/>If there is any other insurance in force in respect of a risk:<br/>a) Binding shall not be made effective before the expiry of that other insurance.<br/>b) If that other insurance is to be cancelled, a liability card may not be prepared before the Insurer concerned has issued the notice of cancellation, or the insured has signed the request for cancellation.</p> <p><b>H. Variation in Coverage</b></p> | <p><b>H. Other Insurance</b><br/>If there is any other insurance in force in respect of a risk:<br/>a) Binding shall not be made effective before the expiry of that other insurance.<br/>b) If that other insurance is to be cancelled, a liability card may not be prepared before the Insurer concerned has issued the notice of cancellation, or the Insured has signed the request for cancellation as the case may be.</p> <p><b>I. Variation in Coverage</b></p> | <p>Clarifies that notice</p> | <p>This has no impact</p> |

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| Rule                                  | Current Wording   | Approved Wording  | Change from Current  | Premium impact   |
|---------------------------------------|---|---|--|--|
| Rule 204: New Policies<br>(Continued) | <p>To conform to the Insurance Act, the Insured must be advised if the coverage provided by the policy is not as requested in the application.</p> <p><b>H. Verification of Driving History</b><br/>           In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium:</p> <p>a) Driver record abstract obtained from the appropriate government department in each Canadian or U.S. jurisdiction in which the driver has been licensed in the previous three years.</p> <p>On experience (fleet) rated risks, the abstract is not required.</p> <p>b) All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Applicant claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance, the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> | <p>To conform to the Insurance Act, the Named Insured(s) must be advised if the coverage provided by the policy is not as requested in the application.</p> <p>If the information received on supplementary underwriting documents is different from that reported on the application, to the extent that premium or coverage changes, the Servicing Carrier shall issue the policy based on the revised premium and/or coverage in accordance with the Manual of Rules and Rates, and notify the Agent/Broker of the applicable changes.</p> <p><b>J. Verification of Driving History</b><br/>           In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium:</p> <p>a) Driver record abstract obtained from the appropriate government department in each Canadian or U.S. jurisdiction in which the driver has been licensed in the previous three years. The report date on the Driver Abstract shall not exceed 90 days prior to the effective date of the policy.</p> <p>b) All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Named Insured(s) claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> | <p>is to be given to the Insured when variation of coverage or premium occurs.</p> <p>Clarifies the oldest date permitted on an MVR for the purposes of verification of driver history and removes repetitive language</p> <p>Replaces the term "Applicant" with "Named Insured"</p> | <p>on premium.</p> <p>This has no impact on premium.</p> <p>This has no impact on premium.</p> |

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| Rule   | Current Wording   | Approved Wording   | Change from Current  | Premium impact                 |
|--|---|--|--|--------------------------------|
| Rule 204: New Policies<br>(Continued)                  | <p>Previous Insurance History is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or applicants with only an international licence. See special instructions under Fleet and the Garage section.</p> <p>If the information received is different from that reported on the application, to the extent that the premium requires amendment, the policy shall be issued at the revised premium and coverage or the Servicing Carrier shall promptly issue a correcting endorsement.</p>  | <p>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or Named Insured(s) with only an international licence. See special instructions under Fleets and the Garage section.</p> <p>See special instructions under Rule 239: Fleets.</p> | Relocates paragraph to proposed Rule 204.1, for consistency across all Provinces | This has no impact on premium. |
| Rule 207.A: Rating Class, Rating for More than One Use | <p><b>A. Rating for More Than One Use</b></p> <p>If the vehicle is used for more than one purpose, the highest rated class (based on premium) must be used regardless of the percentage of exposure.</p> <p>Since private passenger Classes 01, 02, 03 and 07 exclude commercial use, vehicles used for both private passenger and commercial use must be rated commercially.</p> <p>Examples</p> <p>a) The insured has a mini van used for courier purposes and for pleasure. Rate the vehicle for courier delivery.</p> <p>b) The insured has a light pickup truck. During the day he makes business calls to clients of the company he works for as a salesman. During the night he works for another company delivering pizza. Rate the vehicle for pizza delivery.</p> <p>NOTE: For short term rentals and driver training vehicles, refer to Rules 236 and 238.</p> | <p><b>A. Rating for More Than One Use</b></p> <p>Refer to Rule 208: Rating for More than One Use</p>   | Wording relocated for consistency across all manuals.                            | This has no impact on premium. |





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|---|--|--|--|--------------------------------|
| Rule 207.C:<br>Rating Class,<br>Radius<br>(Continued)           | <p>2. For policies issued for less than 6 months, Note 1 shall apply if the percentage of mileage used beyond 80 km (50 miles) for the policy period, exceeds 5%.</p> <p>Note 2 does not apply if the vehicle is in transit and is not being used to transport goods or for the specialized purpose for which it was designed.</p> | <p>For policies issued for less than 6 months, the use of Special increased limits (for Chemical Products, Explosives, Petroleum Products, Radioactive Materials) classifications shall apply if the percentage of mileage used beyond 80 km (50 miles) for the policy period, exceeds 5%.</p> <p>The use of Special increased limits (for Chemical Products, Explosives, Petroleum Products, Radioactive Materials) classifications does not apply if the vehicle is in transit and is not being used to transport goods or for the specialized purpose for which it was designed.</p>  | Update to rule for clarity and consistency across all Provinces  | This has no impact on premium. |
| Rule 207.E:<br>Rating Class,<br>Road Tractor<br>Without Trailer | <p><b>E. Road Tractor Without Trailer</b><br/>When a road tractor is insured it is presumed that it will be used with one or more trailers. Accordingly, the semi-trailer Liability premium (see Rule 212: Rating of Trailers) must be charged even if no specific trailer is described.</p>                                       | <p><b>E. Road Tractor Without Trailer</b><br/>When a road tractor not used in connection with a farm is insured, it is presumed that it will be used with one or more trailers. Accordingly, the semi-trailer Liability premium (see Rule 212: Rating of Trailers) must be charged even if no specific trailer is described.</p> <p>For tractors used in connection with a Farm, refer to Rule 207.I: Farm Trucks.</p>   | Clarifies this section does <u>not</u> apply to farming operations   | This has no impact on premium. |
| Rule 208: Rating for More Than One Use                          | <b>NEW</b>   | <p><b>Rule 208: Rating for More Than One Use</b></p> <p>If the vehicle is used for more than one commercial purpose, the highest rated class (based on premium) must be used regardless of the percentage of exposure.</p> <p>Since private passenger Classes 01, 02, 03 and 07 exclude commercial use, vehicles used for both private passenger and commercial use must be rated commercially.</p> <p>Examples:</p> <p>a) The insured has a minivan used for courier purposes and for pleasure. Rate the vehicle for courier delivery.</p> <p>b) The insured has a light pickup truck. During the day he makes business calls to clients of the company</p> | <p>Wording relocated from Rule 207.A for consistency across all provinces.</p> <p>Clarifies that this pertains to vehicles used for more than one commercial purpose</p> | This has no impact on premium. |

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|--|--|--|--|---|
| Rule 208: Rating for More Than One Use (Continued) |  | <p>he works for as a salesman. During the night he works for another company delivering pizza. Rate the vehicle for pizza delivery.</p> <p>c) The Insured owns and operates a courier business with one Straight Truck currently rated for courier services. The Insured successfully bids on a contract to transport radioactive medical isotopes to local hospitals one day per month. Rate the vehicle for the transportation of dangerous goods.</p> <p>Slip Tanks <u>not</u> carrying petroleum products are to be rated based on commodity hauled, Class 48 (Dangerous Goods) must not be used.</p> <p>Refer to Rule 236 for instructions on how to rate Driver Training Vehicles.</p> <p>Refer to Rule 238 for instructions on how to rate Short Term Leases.</p>         | <p>Updates example based on proposed language</p> <p>Updates rule to create consistency across all Provinces</p> | <p>This has no impact on premium.</p> <p>This has no impact on premium.</p> |
| Rule 209: Driving Record                           | <p>Driving record is the number of years of verified 'Clear Record'. This rule does not apply to coverages that are fleet rated.</p> <p>All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Applicant claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> | <p>Driving record for individually rated policies are the number of years of verified 'Clear Record'. This rule does not apply to coverages that are experience (fleet) rated.</p> <p>See special instructions under Rule 239: Fleets.</p> <p>All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the Named Insured(s) claim entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance details to the satisfaction of the Servicing Carrier, the re-rating shall then be backdated appropriately.</p> | <p>Updates rule to create consistency across all Provinces.</p>  | <p>This has no impact on premium.</p>                                       |

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| Rule  | Current Wording   | Approved Wording  | Change from Current                                | Premium impact                 |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
|---|---|---|--|--------------------------------|---|-----------------|---|------------------|---|------------------|---|---|---|----------------------------|------------------|---|-----------------|---|------------------|---|------------------|---|--|--------------------------------|
|   | <p><b>A. Clear Record</b><br/> Throughout the period concerned:<br/> 1. There has been no accident involving the described vehicle or one for which it has been substituted;<br/> <b>and</b><br/> 2. The Applicant has owned the described vehicle or one of a similar type for which it has been substituted.</p> <p>Ownership is established from the date on which the Applicant takes possession of the vehicle.</p> <p>There is no requirement that drivers are accident free on other vehicles. The rating is determined from the vehicle history not the driver's history.</p>   | <p><b>A. Clear Record</b><br/> Throughout the period concerned:<br/> 1. There has been no accident involving the described vehicle or one for which it has been substituted;<br/> <b>and</b><br/> 2. The Named Insured(s) has owned the described vehicle or one of a similar type for which it has been substituted.</p> <p>Ownership is established from the date on which the Applicant takes possession of the vehicle.</p> <p>There is no requirement that drivers be accident free on other vehicles; the rating is determined from the vehicle history not the driver's history.</p> | Replaces the term "Applicant" with "Named Insured" | This has no impact on premium. |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| Rule 209.B:<br>Driving Record, Driving Record Entitlement   | <p><b>B. Driving Record Entitlement</b></p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance</th> <th style="text-align: center;">Driving Record Entitlement</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Less than 1 year</td> <td style="text-align: center;">0</td> </tr> <tr> <td style="text-align: center;">At least 1 year</td> <td style="text-align: center;">1</td> </tr> <tr> <td style="text-align: center;">At least 2 years</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">At least 3 years</td> <td style="text-align: center;">3</td> </tr> </tbody> </table> <p><b>Notes:</b><br/> A chargeable accident will affect the rating of the Liability and Collision coverages.</p> <p>2. Where an Applicant owns more than one vehicle, each vehicle's driving record is established separately. Where an additional vehicle is acquired, it shall develop its own driving record (initially at Driving Record 0). Where a vehicle is deleted, an accident charged for on the deleted vehicle shall be transferred to a remaining vehicle with the best rated driving record.</p> | Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance   | Driving Record Entitlement                         | Less than 1 year               | 0 | At least 1 year | 1 | At least 2 years | 2 | At least 3 years | 3 | <p><b>B. Driving Record Entitlement</b></p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance</th> <th style="text-align: center;">Driving Record Entitlement</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Less than 1 year</td> <td style="text-align: center;">0</td> </tr> <tr> <td style="text-align: center;">At least 1 year</td> <td style="text-align: center;">1</td> </tr> <tr> <td style="text-align: center;">At least 2 years</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">At least 3 years</td> <td style="text-align: center;">3</td> </tr> </tbody> </table> <p><b>Notes:</b><br/> 1. A chargeable accident will affect the rating of the Liability and Collision coverages.</p> <p>2. Where the Named Insured(s) owns more than one vehicle, each vehicle's driving record is established separately. Where an additional vehicle is acquired it shall develop its own driving record (initially at Driving Record 0). Where a vehicle is deleted, an accident charged for on the deleted vehicle shall be transferred to a remaining vehicle with the best rated driving record.</p> | Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance | Driving Record Entitlement | Less than 1 year | 0 | At least 1 year | 1 | At least 2 years | 2 | At least 3 years | 3 | Replaces the term "Applicant" with "Named Insured" | This has no impact on premium. |
| Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance | Driving Record Entitlement  |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| Less than 1 year  | 0   |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| At least 1 year   | 1   |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| At least 2 years  | 2   |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| At least 3 years  | 3   |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| Period of confirmed claims free experience and vehicle ownership immediately preceding the commencement date of the period of insurance | Driving Record Entitlement  |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| Less than 1 year  | 0   |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| At least 1 year   | 1   |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| At least 2 years  | 2   |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| At least 3 years  | 3   |   |  |                                |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |
| Rule 209.D:<br>Driving Record,  | <p><b>D. Incorrect Class of License</b><br/> Some heavy commercial vehicles require the operator to maintain a specific class of licence in order to</p>  | (Removed)   | Removed Section D. As updated                      | This will not impact premiums, |   |                 |   |                  |   |                  |   |   |   |                            |                  |   |                 |   |                  |   |                  |   |  |                                |

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|--|---|--|---|---|
| Incorrect Class of License                               | operate such vehicles. Where the operator fails to have the proper class of licence for the vehicle to be insured, the policy will be issued at Driving Record 0. If evidence of the correct class of licence is not provided to the Servicing Carrier within 30 days, the policy will be cancelled by registered letter.   |  | rule proposed under Rule 200.   | but may impact coverage offered to Insureds.  |
| Rule 213: Endorsement (Policy Change) Forms and Wordings | <p>Changes to standard approved forms are not permitted.</p> <p>Rule 243: Endorsements Applicable to POL 1 (Owner's Policy) provides certain details and rating instructions for approved endorsement forms. The descriptions are brief and reference must be made to the actual wordings of these forms to ascertain the full provisions and restrictions.</p> <p>Certain endorsements require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the Statutory Conditions or the endorsement may be deleted and the policy re-rated accordingly.</p> <p>If a vehicle is registered in both the husband's name and the wife's name, endorsements that require signature must be signed by both husband and wife. If it is discovered that a policy is covering two vehicles (one registered in the husband's name and one in the wife's name), both signatures shall be required on any endorsements that require signature.</p> <p>Provided the endorsement form does not indicate the expiry date of the policy and continues to refer to a particular vehicle (policy vehicle item number did not change), once an endorsement form has been signed, it need not be signed again on subsequent policy renewal terms.</p> | <p>Changes to standard approved forms are not permitted.</p> <p>Rule 243: Endorsements Applicable to POL 1 (Owner's Policy) provides certain details and rating instructions for approved endorsement forms. The descriptions are brief and reference must be made to the actual wordings of these forms to ascertain the full provisions and restrictions.</p> <p>Provided the endorsement form does not indicate the expiry date of the policy term, once an endorsement form has been signed, it need not be signed again on subsequent policy renewal terms.</p> | <p>Removes 3<sup>rd</sup> paragraph, as relocated to Rule 200.</p> <p>Removes redundant example.</p> <p>Removes requirement for vehicle item numbers to remain unchanged.</p> | <p>This has no impact on premium.</p> <p>This has no impact on premium.</p> <p>This has no impact on premium.</p> |

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| Rule                                  | Current Wording   | Approved Wording  | Change from Current  | Premium impact  |
|---------------------------------------|---|---|--|---|
| Rule 228:<br>Outside Nunavut Exposure | <p><b>A. Outside Nunavut Exposure Surcharge</b></p> <p>Any vehicle that is operated in another Canadian jurisdiction (excluding Northwest Territories and Yukon) or the U.S. is subject to a surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.</p> <p>The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.</p> <p>The Insured must advise the Agent/Broker the percentage of the total mileage that the vehicle will be used outside Nunavuts and the jurisdiction(s) into which the vehicle is and will be driven.</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, Accident Benefits and END 44 only.</p> <p>NOTE: Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> | <p><b>A. Outside Nunavut Exposure Surcharge</b></p> <p>Any commercial vehicle that is operated in another Canadian jurisdiction or the U.S. is subject to a surcharge.</p> <p>The surcharge does not apply where the vehicle is used for personal use only 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>The percentage of U.S. Exposure will be determined based on the International Fuel Tax Assessment (IFTA) reports from the last four (4) quarters immediately preceding the effective date of the policy or endorsement.</p> <p>If the Named Insured(s) has no prior insurance, refer to Rule 204.G: No Prior Insurance with Out-of-Province including U.S. Exposure</p> <p>If the Named Insured does not participate in IFTA, please contact your Servicing Carrier for the documents required to confirm the percentage of U.S. exposure.</p> <p>If this exposure is 5.0% or less of total mileage, a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile, and END 44.</p> <p><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</p> | <p>Amends territorial boundaries for surcharge to apply.</p> <p>Refers Users back to Rule 200 for list of documents that may be required when an Insured travels out of Province, how exposure is determined and revised to indicate that surcharge will not be waived if exposure is 5% or less.</p> <p>Clarifies that U.S. filings will be</p> | <p>This may impact premiums of Insured's who outside Nunavut.</p> <p>This may impact premiums on Insured's who travel less than 5% out of Province.</p> <p>This will not impact premiums.</p> |

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

| Rule  | Current Wording  | Approved Wording  | Change from Current   | Premium impact                           |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
|---|--|---|---|--|----|-----|-----|-----|-----|-----|-----|---|--------------------------|----------------------|----------|----|-----|-----|-----|-----|-----|-----|---|---------------------------------------|
| <p>Rule 228:<br/>Outside Nunavut Exposure<br/>(Continued)</p>           | <p><b>Liability, Accident Benefits, END 44</b></p> <p>For each percentage point of total mileage in another applicable Canadian jurisdiction or the U.S., surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Outside Nunavut Exposure</th> <th style="text-align: left;">Applicable Surcharge</th> </tr> </thead> <tbody> <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> </tbody> </table>  | Outside Nunavut Exposure  | Applicable Surcharge  | Up to 5% and proof of insurance required | 5% | 10% | 10% | 25% | 25% | 50% | 50% | <p>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, END 44</b></p> <p>For each percentage point of total mileage in another applicable Canadian jurisdiction or the U.S., surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Outside Nunavut Exposure</th> <th style="text-align: left;">Applicable Surcharge</th> </tr> </thead> <tbody> <tr> <td>Up to 5%</td> <td>5%</td> </tr> <tr> <td>10%</td> <td>10%</td> </tr> <tr> <td>25%</td> <td>25%</td> </tr> <tr> <td>50%</td> <td>50%</td> </tr> </tbody> </table> | Outside Nunavut Exposure | Applicable Surcharge | Up to 5% | 5% | 10% | 10% | 25% | 25% | 50% | 50% | <p>completed using the minimum required limit.</p> <p>Update example based on proposed rule</p> | <p>This will not impact premiums.</p> |
| Outside Nunavut Exposure  | Applicable Surcharge   |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| Up to 5% and proof of insurance required                                | 5%   |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| 10%   | 10%  |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| 25%   | 25%  |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| 50%   | 50%  |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| Outside Nunavut Exposure  | Applicable Surcharge   |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| Up to 5%  | 5%   |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| 10%   | 10%  |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| 25%   | 25%  |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| 50%   | 50%  |   |   |  |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |
| <p>Rule 234:<br/>Vehicles Used Outside Jurisdiction of Registration</p> | <p>Rule 200: Filed Underwriting Rules requires that the vehicle must be registered in the jurisdiction in which the policy is issued. 'If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction.'</p> <p>When an Insured takes up residence in another jurisdiction, the Insured is required to register the vehicle in the new jurisdiction. The existing policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction.</p> <p>There are circumstances under which the vehicle may be used for a period of time in another jurisdiction where vehicle registration in that jurisdiction is not required.</p> <p>For example: The Insured resides in Nunavut and the vehicle is registered in that jurisdiction; however, the</p> | <p>When a Named Insured takes up permanent residence, or registers the business in another jurisdiction, the Named Insured is required to register the vehicle(s) in the new jurisdiction. The existing policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction.</p> | <p>Updates rule to create consistency across all Provinces and removes duplicate language addressed in other rules.</p> | <p>This has no impact on premium.</p>    |    |     |     |     |     |     |     |   |                          |                      |          |    |     |     |     |     |     |     |   |                                       |

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

| Rule  | Current Wording   | Approved Wording  | Change from Current   | Premium impact                        |
|---|---|---|---|---------------------------------------|
| <p>Rule 234:<br/>Vehicles Used Outside Jurisdiction of Registration<br/>(Continued)</p> | <p>Insured will be travelling the Atlantic provinces for the next year.</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 the vehicle is operated outside Nunavut rates from the jurisdiction of registration and a surcharge apply. Refer to Rule 228: Outside Nunavut Exposure.</li> <li>3. If the out of jurisdiction exposure is 5.0% or less of total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability, Accident Benefits and END 44 only.</li> </ol> <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> <ol style="list-style-type: none"> <li>4. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered.</li> </ol> <p>For example: the Insured lives in Iqaluit, is on sabbatical in California and the vehicle is registered in Nunavut, Iqaluit rates apply.</p> | <p>Facility Association shall not provide insurance for vehicles that are never operated in the jurisdiction in which they were registered.</p> <p>When a vehicle is registered in one jurisdiction but garaged or chiefly used in another, the following is to be used as a guide for rating purposes:</p> <ol style="list-style-type: none"> <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 in which territory the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.</li> <li>3. If the vehicle is operated outside Nunavut, including into the U.S., Nunavut rates and a surcharge apply. Refer to Rule 228: Outside Nunavut Exposure to determine the surcharges applicable.</li> </ol> | <p>Updates rule to create consistency across all Provinces and removes duplicate language addressed in other rules.</p> | <p>This has no impact on premium.</p> |





**January 2020**

**Manual of Rules and Rates  
NUNAVUT**

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

**Effective May 1, 2020** Facility Association is implementing the following updates for new business and renewals in Nunavut:

- There is an amended rule in various sections of the manual for ordering of driver abstracts on renewal. A summary of the rule changes is attached to the Manual Bulletin on the Facility Association website.

These tables are now available on the Facility Association website  
[www.facilityassociation.com](http://www.facilityassociation.com).

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

**FACILITY ASSOCIATION NUNAVUT RULE AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES EFFECTIVE MAY 1, 2020**

| Rule   | Current Wording  | Proposed Wording   | Change from Current  | Premium impact on existing policies |
|--|--|--|--|-------------------------------------|
| <b>MULTIPLE SECTIONS (FOR CONSISTENCY)</b>                         |  |  |  |                                     |
| 128<br>218<br>316<br>417<br><br>Renewals, Before Issuing a Renewal | A driver record abstract must be obtained for those risks where eligibility or rating is dependent upon driving history. These must be ordered on all drivers prior to every renewal (for six month policies every other renewal). | A driver record abstract must be obtained for those risks where eligibility or rating is dependent upon driving history. These must be ordered on all drivers prior to every second renewal (for six month policies every fourth renewal). | Amends the frequency of ordering driver abstract on renewal business only. | This does not impact premiums.      |