



**September 2020**

**Manual of Rules and Rates  
PRINCE EDWARD ISLAND**

**Various Rule Changes  
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 Prince Edward Island:

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

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

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

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES JANUARY 1, 2021 (NEW BUSINESS & RENEWALS)**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
<b>PRIVATE PASSENGER SECTION</b>				
<p>128</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> <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 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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	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  Cancellations, Cancellation Procedures	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> – No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.  2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.





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<p>Rule 200.B:  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; <b>or</b> b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;</p> <p><b>or</b></p> <p>c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b> d) Wilfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an Applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p>	<p><b>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; <b>or</b> b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;</p> <p>* Misrepresentation means a Named Insured has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p><b>or</b></p> <p>c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b> d) Wilfully made a false statement in respect of a claim.</p> <p>Will be subject to the following coverage limitations: i) Maximum \$1 million Third Party Liability (Bodily Injury and Property Damage) limit; ii) Optional physical damage coverage shall not be provided; iii) Completion of U.S. Filings shall not be provided.</p>	<p>Revises coverage available to Insureds with a prior misrepresentation, non-disclosure or Insurance Fraud conviction within the last 36 months.</p> <p>Revises coverage available to Insureds with a prior misrepresentation, non-disclosure or Insurance Fraud conviction within the last 36 months.</p>	<p>This may impact coverage offered to Insureds.</p> <p>This may impact coverage offered to Insureds.</p>

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<p>Rule 200.D:  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" data-bbox="1045 516 1629 1424"> <thead> <tr> <th data-bbox="1045 516 1310 621">Document Type</th> <th data-bbox="1310 516 1472 621">Oldest Report date permitted</th> <th data-bbox="1472 516 1629 621">Frequency required</th> </tr> </thead> <tbody> <tr> <td data-bbox="1045 621 1310 829"> <p><b>Articles of Incorporation:</b> Where the Named Insured is an incorporated entity, or is a limited liability company.</p> </td> <td data-bbox="1310 621 1472 829">Date of last revision</td> <td data-bbox="1472 621 1629 829">New Business</td> </tr> <tr> <td data-bbox="1045 829 1310 1190"> <p><b>FMCSA SMS "Complete" Carrier Profile (with full documentation), including U.S. DOT and MC Numbers:</b> On all Heavy Commercial Vehicles with a Gross Vehicle Weight exceeding 4,500kg on vehicles traveling into the U.S.</p> </td> <td data-bbox="1310 829 1472 1190">90 days from date report was generated</td> <td data-bbox="1472 829 1629 1190">New Business*, Renewals</td> </tr> <tr> <td data-bbox="1045 1190 1310 1424"> <p><b>International Fuel Tax Assessment (IFTA):</b> On all vehicles with 'IRP' plates, traveling outside the jurisdiction of registration, including into the</p> </td> <td data-bbox="1310 1190 1472 1424">Prior four (4) quarters, including any reassessments, immediately preceding</td> <td data-bbox="1472 1190 1629 1424">New Business*, Renewals</td> </tr> </tbody> </table>	Document Type	Oldest Report date permitted	Frequency required	<p><b>Articles of Incorporation:</b> Where the Named Insured is an incorporated entity, or is a limited liability company.</p>	Date of last revision	New Business	<p><b>FMCSA SMS "Complete" Carrier Profile (with full documentation), including U.S. DOT and MC Numbers:</b> On all Heavy Commercial Vehicles with a Gross Vehicle Weight exceeding 4,500kg on vehicles traveling into the U.S.</p>	90 days from date report was generated	New Business*, Renewals	<p><b>International Fuel Tax Assessment (IFTA):</b> On all vehicles with 'IRP' plates, traveling outside the jurisdiction of registration, including into the</p>	Prior four (4) quarters, including any reassessments, immediately preceding	New Business*, Renewals	<p>Specifies the types of documents and frequency of updates required to underwrite a risk.</p> <p>This document will confirm insurable interest.</p> <p>This document will evaluate a carrier's safety rating, mileage and loss history in the U.S.</p> <p>This document will confirm out-of-province and U.S. exposure.</p>	<p>This will not impact premiums, but may impact coverage offered to Insureds.</p> <p>This will not impact premiums, but may impact coverage offered to Insureds.</p> <p>This will not impact premiums, but may impact coverage offered to Insureds.</p> <p>This will not impact premiums, but may impact coverage offered to Insureds.</p>
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Rule 200.D:  Filed Underwriting Rules, Supplementary Underwriting Documents (Continued)		U.S. Documents supplied must be issued by the Federal Authority, or Provincial Authority of the jurisdiction of vehicle registration.	the effective date of the policy.		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.
		<b>NSC Carrier Profile (CVOR 'Level 2' in 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.	90 days from date report was generated	New Business*, Renewals		
		<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.	30 days from date report/letter was generated	New Business		
					Document is required to evaluate prior loss history on fleet-rated risks only.	This will not impact premiums, but may impact coverage offered to Insureds.

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Rule 200.D:  Filed Underwriting Rules, Supplementary Underwriting Documents (Continued)		Refer to Rule 209: Driving Record, for Individually-Rated Commercial Policies.			This document will confirm that insured vehicle(s) meet provincial safety requirements.  This document will confirm insurable interest, registered gross vehicle weight, vehicle branding and type of plating (i.e. Commercial, IRP, and Unplated).	This will not impact premiums, but may impact coverage offered to Insureds.  This will not impact premiums, but may impact coverage offered to Insureds.
		<b>Safety Fitness Certificate:</b> On vehicles with a Gross Vehicle Weight exceeding 4,500kg. Document supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.	365 days from date report was generated	New Business, Vehicle Additions		
		<b>Vehicle Registration:</b> Complete document with vehicle plate/permit portions indicating that vehicle is registered to the Named Insured. Document supplied must be issued by the Provincial Authority of the jurisdiction of vehicle registration.	Date of last revision	New Business, Vehicle Additions		
		*For New Business Risks with 'No Prior Insurance', traveling out-of-province, including into the U.S., refer to Rule 204.G New Policies: No Prior Insurance, for special rating instructions.				

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<p>Rule 201.A:  Coverages Available and Minimum Deductibles, Liability</p>	<p><b>A. Liability</b> Not more than \$2,000,000 except: •When required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required.</p> <p>•Where the Insured is required to have limits higher than \$2,000,000 but not exceeding \$5,000,000 in order to obtain a contract of work or obtain employment and where failure to do so will result in loss of the contract or employment. The Insured will be required to provide documentation of the contract requirements or employment requirements for limits no higher than \$5,000,000. This documentation is required at the time the higher limit is requested but not for subsequent renewal terms.</p> <p>NOTE: The amounts shown on any proof of insurance may not exceed those required by the authority concerned. 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><b>A. Liability</b> Not more than \$2,000,000 except: •When required by Canadian or American federal or provincial statute, by regulation issued under authority thereof, or by municipal by-laws (but not by other local authorities such as school boards). The Liability limit may not exceed the amount required.</p> <p>•Where the Named Insured is required to have limits higher than \$2,000,000 but not exceeding \$5,000,000 in order to obtain a contract of work or obtain employment and where failure to do so will result in loss of the contract or employment. The Insured will be required to provide documentation of the contract requirements or employment requirements for limits no higher than \$5,000,000. This documentation is 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>Replaces the term "Applicant" with "Named Insured"</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.</p> <p>This will not impact premiums, but may impact coverage offered to Insureds.</p> <p>This will not impact premiums.</p>

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Rule 201.A:  Coverages Available and Minimum Deductibles, Liability (Continued)	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.	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.																										
Rule 201.C:  Coverages Available and Minimum Deductibles, Optional Physical Damage Coverage and Deductibles	<p><b>C. Optional Physical Damage</b></p> <p>Optional physical damage shall not be provided or continued for Commercial/Interurban Vehicles valued at \$1,000,000 or more.</p> <p>All Perils is no longer available.</p> <p>Optional physical damage shall not be provided for Off-Road Commercial Vehicles e.g. logging trucks used solely in the bush.</p> <p>Under this coverage, a motor vehicle and one or more trailers are separate automobiles, consequently, different deductibles for trailers and towing vehicles are permitted.</p> <p><b>a) Deductibles</b></p> <p>The following table indicates the minimum deductibles.</p> <table border="1"> <thead> <tr> <th align="center">Rate Groups</th> <th align="center">Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td align="center">15 and under</td> <td align="center">\$500</td> </tr> <tr> <td align="center">16 – 18</td> <td align="center">\$1,000</td> </tr> <tr> <td align="center">19 – 21</td> <td align="center">\$2,500</td> </tr> <tr> <td align="center">22 and over</td> <td align="center">5% of List Price New rounded to the nearest \$250 (minimum deductible \$2,500).</td> </tr> <tr> <td align="center">All RGs</td> <td align="center">END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the past 60 months</td> </tr> </tbody> </table>	Rate Groups	Minimum Deductible	15 and under	\$500	16 – 18	\$1,000	19 – 21	\$2,500	22 and over	5% of List Price New rounded to the nearest \$250 (minimum deductible \$2,500).	All RGs	END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the past 60 months	<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> <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"> <thead> <tr> <th align="center">Rate Groups</th> <th align="center">Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td align="center">15 and under</td> <td align="center">\$500</td> </tr> <tr> <td align="center">16 – 18</td> <td align="center">\$1,000</td> </tr> <tr> <td align="center">19 – 21</td> <td align="center">\$2,500</td> </tr> <tr> <td align="center">22 and over</td> <td align="center">10% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).</td> </tr> <tr> <td align="center">END 40</td> <td align="center">END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the past 60 months</td> </tr> </tbody> </table>	Rate Groups	Minimum Deductible	15 and under	\$500	16 – 18	\$1,000	19 – 21	\$2,500	22 and over	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 or total vehicle theft claims within the past 60 months	<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>
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<p>Rule 201.C:  Coverages Available and Minimum Deductibles, Optional Physical Damage Coverage and Deductibles (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 chart below. Where a risk is eligible for one deductible based on rate group and another based on claims, the higher deductible applies.</b></p>	<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 539 1631 935"> <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> <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 or total theft claims within the past 60 months</td> </tr> </tbody> </table> <p>Example: If list price new of 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>	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	\$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 or total theft claims within the past 60 months	<p>Outlines the minimum deductible requirements for Heavy Commercial Vehicles.</p> <p>Updates an example based on proposed rule</p> <p>Section "c)" created for clarity and updates the minimum deductible offered based on</p>	<p>This may impact premiums of clients who now require an increased deductible.</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</p>
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Rule 201.C:  Coverages Available and Minimum Deductibles, Optional Physical Damage Coverage and Deductibles (Continued)	<table border="1"> <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 align="center">3</td> <td align="center">-</td> <td align="center">2</td> <td align="center">\$2,500</td> </tr> <tr> <td align="center">-</td> <td align="center">3</td> <td align="center">-</td> <td align="center">\$1,000</td> </tr> <tr> <td align="center">-</td> <td align="center">4</td> <td align="center">-</td> <td align="center">\$2,500</td> </tr> <tr> <td align="center">-</td> <td align="center">5 or more</td> <td align="center">-</td> <td align="center">5% of LPN (minimum deductible \$5000)</td> </tr> <tr> <td align="center">-</td> <td align="center">-</td> <td align="center">3 or more</td> <td align="center">No coverage offered</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 deductible \$5000)	-	-	3 or more	No coverage offered	<table border="1"> <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 align="center">3</td> <td align="center">-</td> <td align="center">2</td> <td align="center">\$5,000</td> </tr> <tr> <td align="center">-</td> <td align="center">3</td> <td align="center">-</td> <td align="center">\$2,500</td> </tr> <tr> <td align="center">-</td> <td align="center">4</td> <td align="center">-</td> <td align="center">5% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).</td> </tr> <tr> <td align="center">-</td> <td align="center">5 or more</td> <td align="center">-</td> <td align="center">No coverage offered</td> </tr> <tr> <td align="center">-</td> <td align="center">-</td> <td align="center">3 or more</td> <td align="center">No coverage offered</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	\$5,000	-	3	-	\$2,500	-	4	-	5% of List Price New rounded to the nearest \$500 (minimum deductible \$5,000).	-	5 or more	-	No coverage offered	-	-	3 or more	No coverage offered	prior claims experience.	qualify for coverage.
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<p>Rule 201.C:  Coverages Available and Minimum Deductibles, Optional Physical Damage Coverage and Deductibles (Continued)</p>	<p>result in the application of a \$2,500 deductible on Comprehensive only. Only if the insured has sustained three Collision losses as well, would \$2,500 deductible be applied to the Collision coverage.</p> <p>b) Vehicles insured for Comprehensive/Specified Perils only shall be renewed once and then lapsed at the next renewal if there is no other vehicle with Liability coverage on the policy. Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.</p> <p>c) Certain endorsements require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the Statutory Conditions or issued without the endorsement or the endorsement may be deleted and the policy re-rated accordingly. See Rule 213: Endorsement Forms/Wordings.</p>	<p>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, DCPD, Uninsured Automobile) are removed or suspended by way of END 16 twice in one year, subsequent requests will not be permitted until the following renewal. It is not necessary to remove the license plate from the vehicle while coverage is removed or suspended.</p> <p>If Statutory coverages are not added to the vehicle by the renewal date, the vehicle shall be renewed once with Comprehensive or Specified Perils Coverages only, then lapsed at the next renewal if there is no other vehicle with Statutory coverage on the policy.</p> <p>Vehicles insured for Comprehensive/Specified Perils only shall not be written as new business.</p> <p>R</p>	<p>New section "d)" created. Wording relocated from Rule 201.F and clarifies existing rule regarding vehicles insured for Comp/S.P. only.</p> <p>Removes repetitive wording.</p>	<p>This will not impact premiums.</p> <p>This will not impact premiums.</p>
<p>Rule 201.F:  Coverages Available and Minimum Deductibles, Minimum Coverage</p>	<p><b>F: Minimum Coverage</b> 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> 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</p>	<p><b>F: Minimum Coverage</b> 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</p>	<p>Clarifies existing rule to indicate that it applies to individually rated commercial policies only.</p>	<p>This will not impact premiums.</p>

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<p>Rule 201.F: Coverages Available and Minimum Deductibles, Minimum Coverage (Continued)</p>	<p>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 cancellation period of less than sixty (60) consecutive days.</p> <p>Suspended coverages are reinstated by means of END 17.</p> <p>Notes: END 44 may remain on a policy where 'moving' coverages have been suspended by means of END 16.</p> <p>b) In the case of an existing policy that includes Comprehensive or Specified Perils coverage, coverages other than Comprehensive or Specified Perils coverage may be deleted.</p> <p>Note: Neither (a) nor (b) above is applicable for the following:</p> <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>	<p>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 44R may remain on a policy only where 'moving' coverages have been suspended by means of END 16. END 16/17 is not available on experience rated risks.</p> <p>For Light Commercial vehicles only, in the case of an existing policy that includes Comprehensive or Specified Perils coverage, coverages other than Comprehensive or Specified Perils may be deleted for a maximum of 90 consecutive days. <i>Refer to Rule 201.E.d: Vehicles Insured for Comprehensive or Specified Perils Coverage Only, for conditions.</i></p> <p><b>Note:</b> If all coverages except Comprehensive or Specified Perils are deleted entirely, END 44R must be deleted as well.</p> <p>Statutory Minimum coverage is to be maintained at all times on policies where the following conditions exist:</p> <ul style="list-style-type: none"> <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>	<p>Revises rule to indicate that coverages can be suspended for a maximum of 90 days.</p> <p>Revised for clarity and consistency across all provinces</p> <p>Wording added for consistency across all provinces.</p>	<p>This may impact premium if suspension is required for a period over 90 days.</p> <p>This will not impact premiums.</p> <p>This will not impact premiums</p>

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<p>Rule 201.F:</p> <p>Coverages Available and Minimum Deductibles, Minimum Coverage (Continued)</p>	<p>Note: If Liability and Accident Benefits coverage is removed or suspended twice in one year, then removal of those coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while coverage is removed or suspended.</p> <p>If Liability and Accident Benefits coverages are not added to the vehicle by the anticipated end date, the vehicle shall be renewed once and then lapsed at the next renewal if there is no other vehicle with Liability and Accident Benefits coverages on the policy.</p>	<p><b>Definitions:</b>  <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 request what the anticipated end date is, whether that is 3, 8 or 36 months from the date of the request.</p> <p><b>Out of use:</b> The vehicle will not be driven either by the Insured or by garage personnel or potential purchasers.</p> <p><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.</p> <p>...</p> <p>R</p>	<p>Wording relocated to proposed Rule 201.C,d)</p>	<p>This has no impact on premium.</p>
<p>Rule 203.A.: Binding Coverage – New Policies, Requirements/Procedures for Binding New Policies</p>	<p><b>A. Requirements/Procedures for Binding New Policies</b></p> <p>1) The Agent/Broker must have a fully completed application signed by the registered owner(s) of the vehicle(s) detailing all information on the risk.</p> <p>Supplementary questionnaires, if required, must be completed and signed by the applicant. If the Servicing Carrier is required to have a driver’s permission to obtain a Driver Record Abstract, that</p>	<p><b>A. Requirements/Procedures for Binding New Policies</b></p> <p>1) The Agent/Broker must have a fully completed application signed by the Named Insure(s) of the vehicle(s) detailing all information on the risk.</p> <p>Supplementary questionnaires, if required, must be completed and signed by the Named Insured(s). If the Servicing Carrier is required to have a driver’s permission to obtain a driver record abstract, that written authorization must accompany the application.</p>	<p>Replaces the term “Applicant” with “Named Insured”</p>	<p>This has no impact on premium.</p>

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	written authorization must accompany the application.	Refer to Rule 204: New Policies for additional Information as to who may enter into a contract of Insurance.		
Rule 204: New Policies		<p><b>A. Name of the Insured and Who may Apply for Insurance</b></p> <p>The contract of Insurance may be in the name of:            a) An Individual; OR            b) Partnership (unincorporated); OR            c) Limited Liability Company (incorporated).</p> <p>Insurance contracts must be made with individuals who have the capacity to enter into a contract and have the authority to enter into a contract on behalf of a Partnership, Joint Venture or Limited Liability Company. Upon the Servicing Carriers request, Articles of Incorporation will be required to confirm insurable interest.</p> <p>The Name of Insured must reflect the full name, including all "operating as" and/or "Trade" names of the individual or the business as registered with the appropriate municipal, provincial or federal authority and must be the same as the name on the vehicle registration.</p> <p><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>Relocated from Rule 204, Section F and adds language to clarify who may apply for a contract of Insurance, and who is considered a Named Insured.</p> <p>Relocated from Rule 204, Section F and adds language to clarify who may apply for a contract of Insurance, and who is considered a Named Insured.</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>

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<p>Rule 204: New Policies (Continued)</p>	<p><b>A. Application Form</b></p> <p>Every application for insurance must be made on a current approved Facility Association Application Form and must be fully completed and signed by both the applicant and Agent/Broker where required or as prescribed under Rule 204: Computer Generated Application Forms.</p> <p>Garage, Public, Experience-rated and some specially rated risks will require completion of supplementary questionnaires.</p> <p>If indicated on the current standard approved application form as a requirement for certain types of Commercial risks, a completed Commercial Vehicle Supplement must be submitted with the application.</p> <p>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</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 of 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 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 a current approved Facility Association Application Form and must be fully completed and signed by both the Named Insured(s) and Agent/Broker where required. See also Rule 204:E. Computer Generated Application Forms.</p> <p>Garage, public, experience rated and some specially rated risks will require completion of supplementary questionnaires.</p> <p>If indicated on the current standard approved application form as a requirement for certain types of Commercial risks, a completed Commercial Vehicle Supplement must be submitted with the application.</p> <p>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>Renumbers section and replaces the term "Applicant" with "Named Insured"</p> <p>Refers Users back to Rule 200 for a complete list of supplemen</p>	<p>This has no impact on premium.</p> <p>This has no impact on premium.</p>

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Rule 204: New Policies (Continued)	<p>cannot be submitted with the application, a copy of the registration is required within 30 days of binding coverage.</p> <p>Where a copy of the registration is not provided, the following shall apply:</p> <ul style="list-style-type: none"> <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> 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> Fully completed and signed current approved Standard Application Forms submitted by fax are acceptable in lieu of original applications. Where required, these applications must be accompanied by the appropriate questionnaires or supplements. Where the original application has been submitted without signature, a signed and faxed copy of the application is acceptable to complete the signature requirement.</p> <p><b>D. Computer Generated Application Forms</b> These application forms are acceptable but must be in the standard format approved by the applicable regulatory authority and must include all information that is required to be provided on the current approved Standard Application Form.</p> <p>The computerized application must be signed and dated by the applicant as well as the Agent/ Broker.</p>	<p>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> 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> Fully completed and signed current approved Standard Application Forms submitted by fax are acceptable in lieu of original applications. Where required, these applications must be accompanied by the appropriate questionnaires or supplements. Where the original application has been submitted without signature, a signed and faxed copy of the application is acceptable to complete the signature requirement.</p> <p><b>E. Computer Generated Application Forms</b> These application forms are acceptable but must be in the standard format approved by the applicable regulatory authority and must include all information that is required to be provided on the current approved Standard Application Form.</p> <p>The computerized application must be signed and dated by the Named Insured(s) as well as the Agent/ Broker.</p>	<p>tary info that may be required to underwrite a risk.</p> <p>Replaces the term "Applicant" with "Named Insured"</p>	<p>This has no impact on premium.</p>

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<p>Rule 204: New Policies (Continued)</p>	<p><b>E. Applicant's Signature</b> The Applicant's signature shall be provided on the current approved Standard Application Form or the computerized application form at the time of binding whenever possible.</p> <p>If the Applicant's signature cannot be obtained at the time of binding, the Servicing Carrier shall allow the Agent/Broker 30 days to obtain a signature on the original application provided the Agent/Broker assumes responsibility for the full indicated premium. In the meantime, the Agent/Broker must send a copy of the completed but unsigned application to the Servicing Carrier.</p> <p>If a signed copy of the application is not received by the Servicing Carrier within the 30 day time period, the Servicing Carrier shall immediately cancel the policy by registered letter. The Agent/Broker shall be responsible for the full indicated earned premium for the time on risk.</p>	<p><b>F. Named Insured(s) Signature</b> The Named Insured(s) signature shall be provided on the current approved Standard Application Form or the computerized application form at the time of binding whenever possible.</p> <p>If the Named Insured(s) signature cannot be obtained at the time of binding, the Servicing Carrier shall allow the Agent/Broker 30 days to obtain a signature on the original application provided the Agent/Broker assumes responsibility for the full indicated premium. In the meantime, the Agent/Broker must send a copy of the completed but unsigned application to the Servicing Carrier.</p> <p>If a signed copy of the application is not received by the Servicing Carrier within the 30 day time period, the Servicing Carrier shall immediately cancel the policy by registered letter. The Agent/Broker shall be responsible for the full indicated earned premium for the time on risk.</p> <p><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</p>	<p>Replaces the term "Applicant" with "Named Insured"</p> <p>Outlines rating action to take place in the event that a Named Insured has no prior insurance and is unable to supply the documentation outlined under Rule 200.D.</p>	<p>This has no impact on premium.</p> <p>This will impact premiums of clients with no prior insurance and travel out-of-province, including into the U.S.</p>

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<p>Rule 204: New Policies (Continued)</p>	<p><b>F. Name of the Insured</b> 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><b>Two or More Names as Registered Owner of the Vehicle:</b> Where an application is received for vehicle(s) registered in two names, such as Pat and Drew Doe, the application must be signed by both parties. In the event the policy is to be cancelled at the Insured's request, both signatures are required on the request for cancellation. If the situation is other than the Applicant and spouse, refer to the Servicing Carrier prior to quoting or binding to verify the rating.</p> <p><b>Two or More Vehicles Registered to Different Names:</b> If the Applicant has vehicles leased from different leasing companies, or, one vehicle registered for example in the father's name and one in the son's name, separate policies must be maintained.</p> <p>If the Applicant has vehicle(s) leased from the same leasing company and owned vehicle(s), separate policies may not be necessary.</p> <p>Exception: If the vehicles are separately registered to an Applicant and his or her spouse only, they may</p>	<p>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>		

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<p>Rule 204: New Policies (Continued)</p>	<p>be insured under the same policy. Both must sign the application and any subsequent request to cancel a policy or delete a vehicle or coverage.</p> <p>Where it is discovered in the middle of the policy term, that a single policy has been issued with two (or more) vehicles, one registered in one name and one in another name, both signatures shall be required on any subsequent request for cancellation of the policy or deletion of a vehicle or coverage. Separate policies must be issued at the time of next renewal.</p> <p><b>G. Other Insurance</b> If there is any other insurance in force in respect of a risk: a) Binding shall not be made effective before the expiry of that other insurance. b) If that other insurance is to be cancelled, a liability card may not be prepared before the Insurer concerned has issued the notice of cancellation, or the Insured has signed the request for cancellation as the case may be.</p> <p><b>H. Variation in Coverage</b> 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>I. Verification of Driving History</b> In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium:</p>	<p><b>H. Other Insurance</b> If there is any other insurance in force in respect of a risk: a) Binding shall not be made effective before the expiry of that other insurance. b) If that other insurance is to be cancelled, a liability card may not be prepared before the Insurer concerned has issued the notice of cancellation, or the Insured has signed the request for cancellation as the case may be.</p> <p><b>I. Variation in Coverage</b> 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> In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium:</p>	<p>Clarifies that notice is to be given to the Insured when variation of coverage or premium occurs.</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 (Continued)	<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>Driver Record Abstracts are not to be obtained on experience rated risks or for the operators of any Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles to be insured.</p> <p>b) All vehicles shall initially be rated at Driving Record 0 unless the application is accompanied by (or the Servicing Carrier already has) proof of the accident free period and the ownership period required for a better driving record.</p> <p>If the applicant claims entitlement to a driving record better than that permitted by the preceding paragraph and submits details of the previous insurance(s), the Servicing Carrier shall attempt to obtain confirmation of the previous experience. The claimed better driving record shall not be granted unless and until the entitlement is verified, but the re-rating shall then be backdated appropriately.</p> <p>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or applicants with only an international licence. See special instructions under Fleets and the Garage section.</p> <p>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>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>Previous Insurance history is not required for Motorcycle, Moped, Snow Vehicles, Dirt Bikes, All Terrain Vehicles, Antique Vehicles or applicants with only an international licence. See special instructions under Fleets and the Garage section.</p> <p>See special instructions under Rule 239: Fleets.</p>	<p>Clarifies the oldest date permitted on an MVR for the purposes of verification of driver history.</p> <p>Replaces the term "Applicant" with "Named Insured"</p> <p>Relocates paragraph to Rule 204.I, for consistency</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 207.A: Rating Class, Load Classification	<p><b>A. Load Classification</b></p> <table border="1" data-bbox="443 386 1014 589"> <tr> <td>Vehicles with a Gross Vehicle Weight not in excess of 4.5 tonnes (10,000 lbs.)</td> <td>Light (L)</td> </tr> <tr> <td>Vehicles with a Gross Vehicle Weight of more than 4.5 tonnes (10,000 lbs.)</td> <td>Heavy (H)</td> </tr> <tr> <td>Road Tractors used to haul trailers</td> <td>Heavy (H)</td> </tr> </table>	Vehicles with a Gross Vehicle Weight not in excess of 4.5 tonnes (10,000 lbs.)	Light (L)	Vehicles with a Gross Vehicle Weight of more than 4.5 tonnes (10,000 lbs.)	Heavy (H)	Road Tractors used to haul trailers	Heavy (H)	<p><b>A. Load Classification</b></p> <table border="1" data-bbox="1047 386 1619 561"> <tr> <td>Vehicles with a Gross Vehicle Weight not in excess of 4,500kg (10,000 lbs.)</td> <td>Light (L)</td> </tr> <tr> <td>Vehicles with a Gross Vehicle Weight of more than 4,500kg (10,000 lbs.)</td> <td>Heavy (H)</td> </tr> <tr> <td>Road Tractors used to haul trailers</td> <td>Heavy (H)</td> </tr> </table>	Vehicles with a Gross Vehicle Weight not in excess of 4,500kg (10,000 lbs.)	Light (L)	Vehicles with a Gross Vehicle Weight of more than 4,500kg (10,000 lbs.)	Heavy (H)	Road Tractors used to haul trailers	Heavy (H)	across all Provinces	This has no impact on premium.				
Vehicles with a Gross Vehicle Weight not in excess of 4.5 tonnes (10,000 lbs.)	Light (L)																			
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Road Tractors used to haul trailers	Heavy (H)																			
Rule 207.B: Rating Class, Radius	<p><b>B. Radius</b></p> <p>Radius means the road distance from the boundary of the city or town in which the vehicle is usually kept. Operation within a city or town or within 40 km (25 miles) of the boundaries of a city or town shall be regarded as within a 40 km (25 mile) radius. A radius of 80 km (50 miles) means that the vehicle is being operated within 80 km (50 miles) of the boundaries of the city or town in which it is kept.</p> <p>Notes:</p> <p>1. A vehicle used for more than 12 trips per year (6 trips on a six month policy) beyond a radius of:</p> <table data-bbox="533 1036 1014 1138"> <tr> <td>Radius 81-160 km (100 miles)</td> <td>Class 61</td> </tr> <tr> <td>Radius 161- 400km</td> <td>Class 62</td> </tr> <tr> <td>Radius 401-750km</td> <td>Class 63</td> </tr> <tr> <td>Radius over 750km</td> <td>Class 64</td> </tr> </table> <p>Hazardous Cargo rates are to be used if the vehicle is transporting Dangerous Goods. This rule only applies to vehicles hauling cargo for compensation.</p> <p>For example: A vehicle hauling dangerous goods is use 13 times a year to haul those goods 100 km.</p>	Radius 81-160 km (100 miles)	Class 61	Radius 161- 400km	Class 62	Radius 401-750km	Class 63	Radius over 750km	Class 64	<p><b>B. Radius</b></p> <p>Radius means the road distance from the boundary of the city or town in which the vehicle is usually kept. Operation within a city or town or within 40 km (25 miles) of the boundaries of a city or town shall be regarded as within a 40 km (25 mile) radius. A radius of 80 km (50 miles) means that the vehicle is being operated within 80 km (50 miles) of the boundaries of the city or town in which it is kept.</p> <p>Note: A vehicle used for more than 12 trips per year (6 trips on a six month policy) beyond a radius of 80 km (50 miles) is to be rated:</p> <table data-bbox="1136 1062 1619 1164"> <tr> <td>Radius 81-160 km (100 miles)</td> <td>Class 61</td> </tr> <tr> <td>Radius 161- 400km</td> <td>Class 62</td> </tr> <tr> <td>Radius 401-750km</td> <td>Class 63</td> </tr> <tr> <td>Radius over 750km</td> <td>Class 64</td> </tr> </table> <p>Special Increased Limits (for Chemical Products, Explosives, Petroleum Products, Radioactive Materials) classifications are to be used if the vehicle is transporting Dangerous Goods. Refer to Interurban Rate Pages for classification and rates.</p> <p>For example: A vehicle hauling dangerous goods is used 13 times a year to transport those goods within a 100 km radius. Class 61B rates are applicable.</p>	Radius 81-160 km (100 miles)	Class 61	Radius 161- 400km	Class 62	Radius 401-750km	Class 63	Radius over 750km	Class 64	Update to rule for clarity and consistency across all Provinces	This has no impact on premium.
Radius 81-160 km (100 miles)	Class 61																			
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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
Rule 207.C: Rating Class, Radius (Continued)	<p>Compare the total premium for Class 48 to the total premium for Class 61B.</p> <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 <b>not</b> 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.D: Rating Class, Road Tractor Without Trailer	<p><b>D. Road Tractor Without Trailer</b></p> <p>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>D. Road Tractor Without Trailer</b></p> <p>When a road tractor not used in connection with a farm is insured, it is presumed that it will be used with one or 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.H: 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	<p><b>Rule 208: Method of Rating for More Than One Use</b></p> <p>If a vehicle is used for more than one purpose, the highest rated class (based on premium) must be used regardless of the percentage of exposure.</p> <p>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><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>	Clarifies that this pertains to vehicles used for more than one commercial purpose	This has no impact on premium.

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
	<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 1: For driver training vehicles and short term rentals, refer to Rules 236 and 238.</p> <p>Note 2: With Slip Tanks (removable tanks to carry combustible fuel), if the principal use of the vehicle is not the carriage of petroleum products, the vehicle must be rated according to its principal use and Class 48 may not be used.</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 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 experience (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</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</p>	<p>Updates rule to create consistency across all Provinces.</p>	<p>This has no impact on premium.</p>

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	<p>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><b>A. Clear Record</b> Through out the period concerned: 1. There has been no accident involving the described vehicle or one for which it has been substituted; <b>and</b> 2. The Applicant has owned the described vehicle or one of a similar type for which it has been substituted.</p> <p>Ownership is established from the date on which the Applicant takes possession of the vehicle.</p> <p>There is no requirement that drivers be accident free on other vehicles; the rating is determined from the vehicle history not the driver's history.</p>	<p>Carrier, the re-rating shall then be backdated appropriately.</p> <p><b>A. Clear Record</b> Through out the period concerned: 1. There has been no accident involving the described vehicle or one for which it has been substituted; <b>and</b> 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: 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> 1. The driving record established applies to all coverages concerned. A chargeable accident will affect the rating of Liability, DCPD and Collision coverages.  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</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> 1. The driving record established applies to all coverages concerned. A chargeable accident will affect the rating of Liability, DCPD and Collision coverages.  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</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																							
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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
	transferred to the remaining vehicle developing the highest premium.	to the remaining vehicle developing the highest premium.		
Rule 209.D: Driving Record, Incorrect Class of License	<p><b>D. Incorrect Class of License</b> Some heavy commercial vehicles require the operator to maintain a specific class of license in order to operate such vehicles. Where the operator fails to have the proper class of license for the vehicle to be insured, the policy will be issued at Driving Record 0.</p> <p>If evidence of the correct class of license is not provided to the Servicing Carrier within 30 days, the policy will be cancelled by registered letter.</p>		Removed Section D. As updated rule proposed under Rule 200.	This will not impact premiums, but may impact coverage offered to Insureds.
Rule 213: Endorsement (Policy Change) Forms and Wordings	<p>Changes to standard approved forms are not permitted.</p> <p>Rule 243: Endorsements Applicable to POL 1 (Owner's Policy) provides certain details and rating instructions for approved endorsement forms. The descriptions are brief and reference must be made to the actual wordings of these forms to ascertain the full provisions and restrictions.</p> <p>Certain endorsement forms require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the Statutory Conditions or the endorsement may be deleted and the policy rerated accordingly.</p> <p>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>	Removes 3 <sup>rd</sup> paragraph, as relocated to Rule 200. Also removes redundant example.	This has no impact on premium.

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<p>218</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> <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 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
	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.		
219.E  Cancellations, Cancellation Procedures	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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</p>	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> – No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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>	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
	institution, flat cancellation shall be allowed to the Agent/Broker provided that:	3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:		
Rule 228: Outside Prince Edward Island Exposure	<p><b>A. Outside Prince Edward Island Exposure Surcharge</b> Any vehicle registered in Prince Edward Island and operated in the U.S. or another Canadian jurisdiction (excluding Nova Scotia, New Brunswick or Newfoundland and Labrador) 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>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>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 Prince Edward Island and the jurisdiction(s) into which the vehicle is and will be driven. Refer to Rule 234 and the relevant section of the manual.</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.</p>	<p><b>A. Outside Prince Edward Island Exposure Surcharge</b> Any commercial vehicle that is operated in the U.S., or another Canadian jurisdiction, 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</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.	This may impact premiums on Insured's who travel less than 5% out of Province.

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact																				
<p>Rule 228: Outside Prince Edward Island Exposure (Continued)</p>	<p>In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile and END 44 only.</p> <p><b>Liability, DCPD, Accident Benefits, Uninsured Automobile, END 44</b> For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1" data-bbox="453 878 1024 1094"> <thead> <tr> <th>U.S. Exposure</th> <th>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>	U.S. Exposure	Applicable Surcharge	Up to 5% and proof of insurance required	5%	10%	10%	25%	25%	50%	50%	<p>documents required to confirm the percentage of U.S. exposure.</p> <p>If this exposure is 5.0% or less of total mileage, a 5% surcharge will apply to Liability, Accident Benefits, Uninsured Automobile, DCPD and END 44R.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Insureds must be asked whether or not proof of insurance must be filed and, if so, in what amount. If eligible, U.S. Filings will be completed using the <u>minimum</u> FMCSA required limit based on the type of carriage, commodity transported and State required.</p> <p><b>Liability, Accident Benefits, Uninsured Automobile, DCPD, END 44R</b> For each percentage point of total mileage in the U.S. or applicable Canadian jurisdiction, surcharge 1% of the applicable premium.</p> <p><i>For example:</i></p> <table border="1" data-bbox="1062 927 1633 1094"> <thead> <tr> <th>U.S. Exposure</th> <th>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>	U.S. Exposure	Applicable Surcharge	Up to 5%	5%	10%	10%	25%	25%	50%	50%	<p>Clarifies that U.S. filings will be completed using the minimum required limit.</p> <p>Update example based on proposed rule</p>	<p>This will not impact premiums.</p> <p>This will not impact premiums.</p>
U.S. Exposure	Applicable Surcharge																							
Up to 5% and proof of insurance required	5%																							
10%	10%																							
25%	25%																							
50%	50%																							
U.S. Exposure	Applicable Surcharge																							
Up to 5%	5%																							
10%	10%																							
25%	25%																							
50%	50%																							
<p>Rule 234: Vehicles Used Outside Jurisdiction of Registration</p>	<p>The Filed Underwriting Rules require 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</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</p>	<p>Updates rule to create consistency across all Provinces and removes duplicate language addressed in other</p>	<p>This has no impact on premium.</p>																				

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<p>Rule 234: Vehicles Used Outside Jurisdiction of Registration (Continued)</p>	<p>must be cancelled (pro rata) and new insurance obtained in the new jurisdiction.</p> <p>However, there are circumstances under which the vehicle may be used for a period of time in another jurisdiction where vehicle registration in that jurisdiction is not required.</p> <p>For example: The insured resides in Prince Edward Island and the vehicle is registered in that jurisdiction; however, the insured will be travelling the western provinces for the next year.</p> <p>Regardless of where the vehicle is registered Facility Association shall not provide insurance for vehicles which are never operated in the jurisdiction in which they were registered.</p> <p>When a vehicle is registered in one jurisdiction but used in another, the following is to be used as a guide for rating purposes.</p> <ol style="list-style-type: none"> <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 Prince Edward Island rates from the jurisdiction of registration and a surcharge apply. Refer to Rule 228: Outside Prince Edward Island Exposure.</li> <li>3. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.</li> <li>4. 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 (Road Hazard and Passenger Hazard), DCPD, Accident Benefits, Uninsured Automobile 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</p>	<p>policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction.</p> <p>Facility Association shall not provide insurance for vehicles that are never operated in the jurisdiction in which they were registered.</p> <p>When a vehicle is registered in one jurisdiction but garaged or chiefly used in another, the following is to be used as a guide for rating purposes:</p> <ol style="list-style-type: none"> <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 Prince Edward Island, including into the U.S., Prince Edward Island rates and a surcharge apply. Refer to Rule 228: Outside Prince Edward Island Exposure to determine the surcharges applicable.</li> </ol>	<p>proposed rules.</p> <p>Updates rule to create consistency across all Provinces and removes duplicate language addressed in other proposed rules.</p>	<p>This has no impact on premium.</p>

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	<p>records may be required to verify mileage and travelled jurisdictions.</p> <p>5. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered.</p> <p>For example: The insured lives in Charlottetown, is on sabbatical in California and the vehicle is registered in Prince Edward Island. Prince Edward Island rates apply.</p>			
<b>PUBIC SECTION</b>				
<p>316</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> <li>OR</li> <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> <li>OR</li> <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>

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	<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>317.E Cancellations, Cancellation Procedures</p>	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> – No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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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	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:	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.  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>RECREATIONAL SECTION</b>				
411.B.4  Off Road Vehicles, Rating & Policy Issuance Notes	<p><b>Optional Physical Damage</b> Except as otherwise stated for Pickups, 4x4s and Similar Vehicles Designed for Road Use, rate groups are established as follows:</p> <p>If the value of the vehicle is less than \$15,000 the rate group for DCPD and physical damage (if purchased) may be based on the limit chosen by the insured subject to END 19 or the rate group may be established using list price new.</p> <p>If the value of the vehicle is \$15,000 or more, the rate group for DCPD and physical damage (if purchased) must be established based on list price new. Where the insured produces at his or her own expense an appraisal acceptable to the Servicing Carrier then the snow vehicle or all terrain vehicle may be rated according to the Actual Cash Value (plus applicable tax) subject to END 19.</p>	<p><b>DCPD and Optional Physical Damage</b> Except as otherwise stated for Pickups, 4x4s and Similar Vehicles Designed for Road Use, rate groups are established as follows:</p> <p>If the value of the vehicle is less than \$15,000 the rate group for DCPD and optional physical damage (if purchased) may be based on the limit chosen by the insured subject to END 19 or the rate group may be established using list price new.</p> <p>If the value of the vehicle is \$15,000 or more, the rate group for DCPD and optional physical damage (if purchased) must be established in accordance with the following conditions:</p> <p>a) Where the vehicle is newly acquired from a dealer, a copy of the purchase agreement (dated within the 15 days prior to the effective date of the insurance) must be attached to the application or the change request. The purchase agreement must confirm the vehicle's year, make, model, serial number and purchase price.</p> <p>b) In any other case, the value must be substantiated by a certificate (including photo) from an independent appraiser acceptable to the Servicing Carrier. The certificate must be obtained at the Applicant's expense and must be attached to the application or the change request.</p>	Confirms the additional documents required to rate within specified parameters	This does not impact premiums.

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417  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 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><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="padding-left: 20px;">a) Return all the renewal documents (including liability cards) to the Servicing Carrier;</p> <p style="text-align: center;">OR</p> <p style="padding-left: 20px;">b) Written confirmation that the renewal has been returned complete with liability cards to the Agent/Broker AND that the documents were destroyed in the Agent/Broker's office;</p> <p style="text-align: center;">OR</p> <p style="padding-left: 20px;">c) Provide a signed (i.e. written, electronic or auto signature) request from the Insured to cancel the policy effective the renewal date.</p> <p>If the evidence of renewal refusal is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier. The Agent/Broker shall be responsible for earned premium or minimum retained premium whichever is greater.</p> <p>Renewals where acceptable evidence of refusal has been submitted to the Servicing Carrier for cancellation may not be reissued unless the Servicing Carrier receives instructions no later than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p> <p>If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

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<p>418.E</p> <p>Cancellations, Cancellation Procedures</p>	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> – No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.</p> <p>2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat.</p> <p>3. If a cheque or electronic payment received for a new policy or renewal premium or, for the first installment thereof is not honoured by the financial institution, flat cancellation shall be allowed to the Agent/Broker provided that:</p>	<p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact
<b>GARAGE SECTION</b>				
<p>611</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> <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 than the renewal's effective date and the Agent/Broker collects or assumes responsibility for the full premium as outlined above.</p>	<p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES JANUARY 1, 2021 (NEW BUSINESS & RENEWALS)**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
	If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.	If the renewal date has passed and the insurance is again required, there must be a new application and a new policy issued.		
617.E  Cancellations, Cancellation Procedures	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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. Cancellation of Renewals in Outlying Areas</b> – No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 1. Any policy returned to the Servicing Carrier complete with liability cards, prior to the effective date of the policy, may be cancelled flat.  2. Any policy returned to the Agent/Broker complete with liability cards and destroyed in the Agent/Broker's office, with written confirmation from the Agent/Broker provided to the Servicing Carrier, prior to the effective date of the policy, may be cancelled flat.</p>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES JANUARY 1, 2021 (NEW BUSINESS & RENEWALS)**

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:		
Rule: 624  Automobile Dealers	<p><b>C. Dealer Plates:</b></p> <p>If there are dealer plates with no driver to be rated as principal operator of them, then rate each as excess dealer plates as described under Excess Dealer Plates.</p> <p><i>For example:</i> There are two staff units, 3 owned cars and 1 dealer plate. Charge a private passenger rate for each of the three cars, a staff unit rate for the garage exposure and 25% of 07, 0, 1, 2 or 3 for the dealer plate. One of the staff units must be assigned as principal operator of two vehicles.</p>	<p><b>C. Dealer Plates</b></p> <p>If there are dealer plates with no driver to be rated as principal operator of them, then rate each as excess dealer plates as described under</p> <p>D. Excess Dealer Plates.</p>	Clarifies that Excess Dealer Plates are rated under Section D and removes a misleading example.	No impact on premium.
<b>DRIVERS POLICY SECTION</b>				
717  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><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>	Amends the acceptable evidence of renewal refusal for the purposes of cancellation.	This does not impact premiums.

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES JANUARY 1, 2021 (NEW BUSINESS & RENEWALS)**

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>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 Cancellations, Cancellation Procedures</p>	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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</p>	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 717) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for</p>	<p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES JANUARY 1, 2021 (NEW BUSINESS & RENEWALS)**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
	<p>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> No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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>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> – No longer applicable</p> <p><b>6. Flat Cancellation Exceptions</b> 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 AUTO SECTION</b>				
<p>811.C 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><b>Note:</b> In END 94, below the heading "Section B", the words "or assumed by him under any contract or</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><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</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 PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES JANUARY 1, 2021 (NEW BUSINESS & RENEWALS)**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
	<p>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>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</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</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</p>	<p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES JANUARY 1, 2021 (NEW BUSINESS & RENEWALS)**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
	<p>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>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</p> <p>Cancellations, Cancellation Procedures</p>	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> 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> No longer applicable</p>	<p><b>4. Flat Cancellation New Policy</b> 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> Flat cancellation of an additional premium policy change is not allowed.</p> <p><b>Renewal</b> If evidence of renewal refusal is supplied by the Agent/Broker (per Rule 816) is received by the Servicing Carrier within 15 days of the renewal's effective date, a full refund shall be credited to the Agent's/Broker's Facility Association account. If evidence of renewal refusal is not received within 15 days, the renewal shall be cancelled on a pro rata basis effective the date it is received by the Servicing Carrier and the Agent/Broker shall be responsible for earned premium. A written request acceptable to the Servicing Carrier, for cancellation effective renewal date shall be accepted in lieu of evidence of renewal refusal.</p> <p><b>5. Cancellation of Renewals in Outlying Areas</b> – No longer applicable</p>	<p>Amends the acceptable evidence of renewal refusal for the purposes of cancellation.</p>	<p>This does not impact premiums.</p>

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGES JANUARY 1, 2021 (NEW BUSINESS & RENEWALS)**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact
	<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>		



**August 2020**

**Manual of Rules and Rates  
PRINCE EDWARD ISLAND**

**Revised Rates for Motorcycle, Snow Vehicles, Taxi and  
Rule Change for Taxi only  
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 Prince Edward Island:

- Motorcycle +0.0%
- Snow Vehicles +0.0%
- Taxi +0.0%
- Rule Change for Taxi only

Rates may vary depending on individual policy circumstances. Since the base premiums and revised rate pages have been sent to you already, only a copy of the Manual Bulletin is attached.

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

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

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULES AND RATES MANUAL  
SUMMARY OF APPROVED DRIVING RECORD RULE CHANGE EFFECTIVE OCTOBER 1, 2020**

Rule	Current Wording	Approved Wording	Change from Current	Premium Impact
<b>PUBLIC SECTION</b>				
309.B  Driving Record, Driving Record Entitlement	NEW	6. Taxi and Limousine maximum driving record entitlement is Driving Record 5. Driving Record entitlement is based on period of confirmed claims-free experience and vehicle ownership immediately preceding the commencement date of the period of insurance.	Clarifies that only Taxis are entitled to a maximum Driving Record 5.	This may impact premiums.



**June 2020**

**Manual of Rules and Rates  
PRINCE EDWARD ISLAND**

**Revised Rates for Motorcycle, Snow Vehicles and Taxi  
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 Prince Edward Island:

- Motorcycle +0.0%
- Snow Vehicles +0.0%
- Taxi +0.0%

Rates may vary depending on individual policy circumstances. Since the base premiums and revised rate pages have been sent to you already, only a copy of the Manual Bulletin is attached.

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

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



**May 2020**

**Manual of Rules and Rates  
PRINCE EDWARD ISLAND**

**2020 Private Passenger CLEAR Rate Group Tables and  
2020 Commercial Rate Group Tables  
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 Prince Edward Island:

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

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.



**January 2020**

**Manual of Rules and Rates  
PRINCE EDWARD ISLAND**

**Revised Fleet Rates  
Effective April 1, 2020 (New Business and Renewals)**

**Effective April 1, 2020** Facility Association is implementing the following updates for new business and renewals in Prince Edward Island:

- +33.6% rate increase for Commercial fleets achieved by moving the base driving record in the fleet calculator from 1 to 0. There are no changes to base rates.
- +21.0% rate increase for Interurban fleets achieved by moving the base driving record in the fleet calculator from 1 to 0. There are no changes to base rates.
- +37.0% rate increase for Private Bus fleets achieved by moving the base driving record in the fleet calculator from 1 to 0. There are no changes to base rates.
- The base premium on all other fleet rated classes have been amended from driving record 1 to 0. Currently there are no written exposures in the following classes. As such, no average rate level change is available at this time:
  - Private Passenger
  - Public Bus
  - School Bus
  - Hotel & Country Club Bus
  - Ambulance & Funeral
  - Motorcycle
  - Snow Vehicle
  - All-Terrain Vehicle
  - Motorhome
  - Campers & Personal Trailers

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

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



**October 2019**

**Manual of Rules and Rates  
PRINCE EDWARD ISLAND**

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

Facility Association has received approval from the Superintendent of Insurance in Prince Edward Island to implement amendments to the rules in various sections of the manual **effective February 1, 2020** (new business and renewals).

A summary of the newly approved rules is attached to the Manual. All rule changes have been marked with a bar in the margin.

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

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

**FACILITY ASSOCIATION PRINCE EDWARD ISLAND RULE & RATES MANUAL  
SUMMARY OF APPROVED RULE CHANGED EFFECTIVE FEBRUARY 1, 2020**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<b>PRIVATE PASSENGER SECTION</b>				
<p>100: A.</p> <p>The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</p>	<p>NEW</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>Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.</p>	<p>This does not impact premiums.</p>
<p>100.B</p> <p>Rule 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 style="padding-left: 40px;">i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the insurer; <b>or</b></p> <p style="padding-left: 40px;">ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; <b>or</b></p> <p style="padding-left: 40px;">iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b></p> <p style="padding-left: 40px;">iv) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p>	<p><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 style="padding-left: 40px;">a) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; <b>or</b></p> <p style="padding-left: 40px;">b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; <b>or</b></p> <p style="padding-left: 40px;">c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b></p> <p style="padding-left: 40px;">d) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p>	<p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage</p>	<p>This does not impact premiums.</p>

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SUMMARY OF APPROVED RULE CHANGED EFFECTIVE FEBRUARY 1, 2020**

Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>2. Optional Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy 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. For DCPD coverage, establish rate group according to Rule 116 Vehicle Rate Group and Rule 121 After Market Equipment.</p> <p><b>The Servicing Carrier shall refer all refusals or non-continuance to the Facility Association prior to declining coverage.</b></p>	<p>2. Optional Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy 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. For DCPD coverage, establish rate group according to Rule 116 Vehicle Rate Group and Rule 121 After Market Equipment.</p>		
<p>128.A Renewals</p>	<p>NEW</p>	<p>NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p>	<p>Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.</p>	<p>This does not impact premiums.</p>
<p>137 Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p>	<p>1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.</p> <p>a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.</p> <p>b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the</p>	<p>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>2. The Agent/Broker must promptly advise the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a local, provincial, federal or U.S.A authority.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles – unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the applicant and a witness) and provided to the Servicing Carrier.</p>	<p>Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p> <p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing</p>		

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Central Office.</p>	<p>Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p>		
<b>COMMERCIAL SECTION</b>				
<p>200:A.</p> <p>The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</p>	<p>NEW</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>Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.</p>	<p>This does not impact premiums.</p>
<p>200.B</p> <p>Rule 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>i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the insurer;</p>	<p><b>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;</p>	<p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p><b>or</b> ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; <b>or</b> iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b> iv) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Optional Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy 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. For DCPD coverage, establish rate group according to Rule 211 Vehicle Rate Group.</p> <p><b>The Servicing Carrier shall refer all refusals or non-continuance to the Facility Association prior to declining coverage.</b></p>	<p><b>or</b> b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; <b>or</b> c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b> d) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Optional Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy 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. For DCPD coverage, establish rate group according to Rule 211 Vehicle Rate Group.</p>		
207 Rating Class Table	<p>Logs, Wood Chips, Pulpwood <u>Maximum radius 80 km (50 miles) – Class 41</u> Use Premium Table III</p> <p><u>Radius beyond 80 km (50 miles):</u> Use Class 61 (81-160km) Class 62 (161-400km) Class 63 (401-750km) or Class</p>	<p>Logs, Wood Chips, Pulpwood <u>Maximum radius 80 km (50 miles) – Class 41</u> Multiply the premium that would otherwise apply by the factor on the Special Rating factor page.</p> <p><u>Radius beyond 80 km (50 miles):</u> Use Class 61 (81-160km) Class 62 (161-400km) Class 63 (401-750km) or Class</p>	Clarifies method of rating based on existing rating methodology	There is no impact on premium.

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<b>Rule</b>	<b>Current Wording</b>	<b>Approved Wording</b>	<b>Change from Current</b>	<b>Premium impact on existing policies</b>
	64 (over 750km) if the Premium Table II total premium is higher than the Class 41 total premium; otherwise Class 41 rates apply.	64 (over 750km) if the Premium Table II total premium is higher than the Class 41 total premium; otherwise Class 41 rates apply.		
207 Rating Class Table	On-premises Trucks (unlicensed) – Class 55 Trucks used solely on applicant's premises, not designed for road use and which do not fall into any other category  Multiply the premium that would otherwise apply by the factor on the Special Rating factor page  Lumber Carriers own premises only: use Premium Table III	On-premises Trucks (unlicensed) – Class 55 Trucks used solely on applicant's premises, not designed for road use and which do not fall into any other category  Multiply the premium that would otherwise apply by the factor on the Special Rating factor page	Clarifies method of rating based on existing rating methodology	There is no impact on premium.
218.A Renewals	NEW	NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.	Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.	This does not impact premiums.
227 Proof of Insurance Where Notice of Cancellation or Deletion is Required	1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.	1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days. a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance. b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below. c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation. d) The Servicing Carrier is ultimately	Allows Agents /Brokers to complete proof of insurance requests within stated guidelines	This does not impact premiums.

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>2. The Agent/Broker must promptly advise the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a local, provincial, federal or U.S.A authority.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles – unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the applicant and a witness) and provided to the Servicing Carrier.</p>	<p>responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p> <p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p>		

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Central Office.</p>	<p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p>		
<b>PUBLIC SECTION</b>				
300:A.  The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:	NEW	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.	Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.	This does not impact premiums.
300.B  Rule for Refusing to Provide or Continue a Coverage	<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 style="padding-left: 40px;">i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the insurer; <b>or</b> ii) Knowingly misrepresented* or failed</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 style="padding-left: 40px;">a) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; <b>or</b> b) Knowingly misrepresented* or failed</p>	Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage	This does not impact premiums.

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>to disclose in an application any fact required to be stated therein; <b>or</b> iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b> iv) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Optional Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy 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. For DCPD coverage, establish rate group according to Rule 310 Vehicle Rate Group.</p> <p><b>The Servicing Carrier shall refer all refusals or non-continuance to the Facility Association prior to declining coverage.</b></p>	<p>to disclose in an application any fact required to be stated therein; <b>or</b> c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b> d) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Optional Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy 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. For DCPD coverage, establish rate group according to Rule 310 Vehicle Rate Group.</p>		
316.A Renewals	NEW	NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.	Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.	This does not impact premiums.

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>324</p> <p>Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a local, provincial, federal or U.S.A authority.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p>	<p>1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.</p> <p>a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.</p> <p>b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p> <p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with</p>	<p>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles – unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the applicant and a witness) and provided to the Servicing Carrier.</p> <p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Central Office.</p>	<p>Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p>		
<b>RECREATIONAL SECTION</b>				
<p>400: A.</p> <p>The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:</p>	<p>NEW</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>Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
<p>400.B  Rule 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 style="padding-left: 40px;">i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the insurer; <b>or</b> ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; <b>or</b> iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b> iv) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Optional Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'.</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 style="padding-left: 40px;">a) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; <b>or</b> b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; <b>or</b> c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto; <b>or</b> d) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Optional Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.</p> <p>NOTE: No policy shall be written for vehicles branded 'nonrepairable'.</p>	<p>abusive or threatening behaviour has occurred.</p> <p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided. For DCPD coverage, establish rate group according to Rule 409 Motorcycle and Moped or Rule 411 Off Road Vehicles.</p> <p><b>The Servicing Carrier shall refer all refusals or non-continuance to the Facility Association prior to declining coverage.</b></p>	<p>3. Where a vehicle is licensed for road use and is used on roads as well as for race or speed tests, optional physical damage coverage shall not be provided. For DCPD coverage, establish rate group according to Rule 409 Motorcycle and Moped or Rule 411 Off Road Vehicles.</p>		
<p>417.A Renewals</p>	<p>NEW</p>	<p>NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.</p>	<p>Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.</p>	<p>This does not impact premiums.</p>
<p>426 Proof of Insurance Where Notice of Cancellation or Deletion is Required</p>	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p>	<p>1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.</p> <p>a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.</p> <p>b) Certificates must be issued only on a Described Automobiles basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally</p>	<p>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>2. The Agent/Broker must promptly advise the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a local, provincial, federal or U.S.A authority.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles – unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the applicant and a witness) and provided to the Servicing Carrier.</p> <p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p>	<p>issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p> <p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</p>		

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	<p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Central Office.</p>	<p>6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p>		
<b>GARAGE SECTION</b>				
<p>600:B.  Underwriting Rules:  Facility Associations rules for declining to issue, terminating or refusing to renew a POL 4 (Garage Automobile Policy) contract</p>	<ul style="list-style-type: none"> <li>• 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 Facility Association operates, to the owners and licensed drivers of motor vehicles who would otherwise have difficulty obtaining such insurance.</li> <li>• The Applicant does not have an insurable interest in the garage business or the dealer's inventory of owned vehicles.</li> <li>• The business is registered and located in a jurisdiction other than New Brunswick. (If the business is registered and located in another jurisdiction in which Facility Association operates, the business may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction.)</li> <li>• Dealer plates are not New Brunswick issued or are never used in New Brunswick,.</li> <li>• The application is incomplete, has not been signed by the Applicant or has not been bound and signed by the Agent/Broker.</li> <li>• The Applicant/Agent/Broker does not provide sufficient current valid information e.g. Garage Rating / Underwriting Supplement to properly rate the risk.</li> </ul>	<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 Facility 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 garage business or the dealer's inventory of owned vehicles.</li> <li>3.The business is registered and located in a jurisdiction other than New Brunswick. (If the business is registered and located in another jurisdiction in which Facility Association operates, the business may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction.)</li> <li>4.Dealer plates are not New Brunswick issued or are never used in New Brunswick.</li> <li>5. The application is incomplete, has not been signed by the Applicant or has not been bound and signed by the Agent/Broker.</li> <li>6. The Applicant/Agent/Broker does not provide sufficient current valid information e.g. Garage Rating / Underwriting Supplement to properly rate the risk.</li> </ol>	<p>Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<ul style="list-style-type: none"> <li>• Owned automobiles are not in the possession of the Applicant i.e. cannot be located. (This restriction is not intended to be used as a denial of a valid theft claim.)</li> <li>• Owned automobiles are branded 'nonrepairable'.</li> <li>• Non-payment of premium for the current policy period (for purposes of termination only).</li> </ul>	<p>7. Owned automobiles are not in the possession of the Applicant i.e. cannot be located. (This restriction is not intended to be used as a denial of a valid theft claim.)</p> <p>8.Owned automobiles are branded 'nonrepairable'.</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>600.B</p> <p>Underwriting Rules:</p> <p>Facility Association's rules for refusing to provide or continue a coverage on a POL 4 (Garage Automobile Policy) contract:</p>	<p><b>Facility Association's rules for refusing to provide or continue a coverage on a POL 4 (Garage Automobile Policy) contract:</b></p> <ul style="list-style-type: none"> <li>• Owned automobiles are branded as 'salvage' or are in pieces.</li> <li>• Within the preceding thirty six months, the Applicant, owner or proprietor: <ul style="list-style-type: none"> <li>- knowingly misrepresented or failed to disclose in an application any fact to be stated therein resulting in a policy being cancelled by registered letter for material misrepresentation or a claim being denied for material misrepresentation.</li> <li style="text-align: center;">OR</li> <li>- wilfully made a false statement in respect of a claim.</li> <li style="text-align: center;">OR</li> <li>- contravened a term of an insurance contract or been convicted of fraud in relation thereto.</li> <li style="text-align: center;">OR</li> <li>- when making a previous application for automobile insurance, gave false particulars of a risk to be insured to the prejudice of the Insurer.</li> </ul> </li> </ul>	<p><b>Facility Association's rules for refusing to provide or continue a coverage on a POL 4 (Garage Automobile Policy) contract:</b></p> <p>1.Owned automobiles are branded as 'salvage' or are in pieces.</p> <p>2.Within the preceding thirty six months, the Applicant, owner or proprietor:</p> <p>a) knowingly misrepresented or failed to disclose in an application any fact to be stated therein resulting in a policy being cancelled by registered letter for material misrepresentation or a claim being denied for material misrepresentation.</p> <p style="text-align: center;">OR</p> <p>b)wilfully made a false statement in respect of a claim.</p> <p style="text-align: center;">OR</p> <p>c)contravened a term of an insurance contract or been convicted of fraud in relation thereto.</p> <p style="text-align: center;">OR</p> <p>d)when making a previous application for automobile insurance, gave false particulars of a risk to be insured to the prejudice of the Insurer.</p>	<p>Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p><b>The Servicing Carrier shall refer all refusals or non-continuance to the Facility Association Head Office prior to declining coverage.</b></p>			
<p>608.A</p> <p>Proof of Insurance Where Notice of Cancellation or Deletion is Required:</p> <p>General Information</p>	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a local, provincial, federal or U.S. authority.</p>	<p>1. The Agent/Broker is authorized to issue proof of insurance on behalf of the Servicing Carrier in the form of the Servicing Carrier's standard certificate or a CSIO-approved Certificate of Insurance, with a notice of cancellation period not exceeding 15 days.</p> <p>a) If a notice of cancellation period exceeding 15 days is required, the Agent/Broker is to obtain approval from the Servicing Carrier prior to certificate issuance.</p> <p>b) Certificates must be issued only on a Described Automobiles and/or Described Location basis. Should proof be required on a Blanket Basis, refer to Item #4 below.</p> <p>c) Copies of all certificates issued by the Agent/Broker shall be submitted to the Servicing Carrier within one (1) business day for acceptance and documentation.</p> <p>d) The Servicing Carrier is ultimately responsible for ensuring that all proof of insurance issued by the Agent/Broker is acceptable and reflects the limits of the policy. The Servicing Carrier will promptly reissue any certificate originally issued by the Agent/Broker, where indicated coverage differs from the policy or where the notice of cancellation period was not previously approved by Underwriting.</p> <p>2. The Servicing Carrier is responsible for the completion of any non-standard certificates (i.e. certificates that are to be completed on a non-CSIO approved form), Out-of-Province, U.S. or Other filings.</p>	<p>Allows Agents /Brokers to complete proof of insurance requests within stated guidelines</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>Where vehicles are operated in the U.S., Insureds must be asked whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance may not be issued or filed on a 'blanket basis' i.e. without specifying the insured vehicles – unless the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed (including the signatures of the Applicant and a witness) and provided to the Servicing Carrier.</p> <p>5. Parties cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. In most cases, the Servicing Carrier's standard certificate of insurance is acceptable and is the preferable option. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the</p>	<p>a) The Agent/Broker must specify to the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. authority.</p> <p>b) Where vehicles are operated in the U.S., Agents/Brokers must confirm with Insured's if proof of insurance is to be filed and, if so, in what amount.</p> <p>3. If proof of insurance is issued by the Servicing Carrier, a copy must be supplied to the Agent/Broker for their records.</p> <p>4. Proof of insurance must only be issued on a 'Described Automobile' and/or 'Described Location' basis. Proof may not be issued or filed on a 'Blanket Basis' (i.e. without specifying the insured vehicles or garage locations), only if the authority concerned permits no alternative. In that case, the Facility Association's form of 'Indemnification and Hold Harmless Agreement' must be fully completed, and include the signatures of the Applicant and a witness. The completed form is to be kept on file with the Servicing Carrier.</p> <p>5. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>6. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p>		

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	certificate is being filed, the Servicing Carrier should contact Facility Association Central Office.			
611.A  Renewals	NEW	NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.	Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.	This does not impact premiums.
<b>DRIVERS POLICY SECTION</b>				
701:A.  The Insurer's rules for declining to issue, terminating or refusing to renew a contract are:	NEW	8.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.	Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.	This does not impact premiums.
701.B  Rule for Refusing to Provide or Continue a Coverage	<b>B. Rules for refusing to provide or continue a coverage are:</b>  1. Physical damage coverage using END 60 (Legal Liability for Damage to Non-owned Automobile) shall not be provided where Applicant within the immediately preceding thirty-six months:  i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; <b>or</b> ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; <b>or</b> iii) Has contravened a term of an	<b>B. Rules for refusing to provide or continue a coverage are:</b>  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:  a) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the Insurer; <b>or</b> b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein; <b>or</b> c) Has contravened a term of an	Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage	This does not impact premiums.

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Rule	Current Wording	Approved Wording	Change from Current	Premium impact on existing policies
	<p>insurance contract or been convicted of fraud in relation thereto; <b>or</b> iv) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Where a non-owned vehicle is licensed for highway/road use and is used on roads as well as for race or speed tests, physical damage coverage shall not be provided.</p> <p><b>The Servicing Carrier shall refer all refusals or non-continuance to the Facility Association prior to declining coverage.</b></p>	<p>insurance contract or been convicted of fraud in relation thereto; <b>or</b> d) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p> <p>2. Where a non-owned vehicle is licensed for highway/road use and is used on roads as well as for race or speed tests, physical damage coverage shall not be provided.</p>		
717.A  Renewals	NEW	NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.	Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.	This does not impact premiums.
725  Proof of Insurance Where Notice of Cancellation or Deletion is Required	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a local, provincial, federal or U.S. authority.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p>	<p>1. The Servicing Carrier must make all filings. The Agent/Broker is not permitted to do so.</p> <p>2. The Agent/Broker must promptly advise the Servicing Carrier if proof of insurance (e.g. a financial responsibility certificate) must be issued or filed with a Local, Provincial, Federal or U.S. Authority.</p> <p><b>NOTE:</b> Where vehicles are operated in the U.S., Agents/Brokers must ask Insureds whether or not proof of insurance must be filed and, if so, in what amount.</p> <p>3. Once the proof of insurance is issued, a copy should be supplied to the Agent/Broker for their records.</p>	Creates consistent wording across all jurisdictions.	No impact on premiums.

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	<p>4. Parties cannot be added as additional named insureds on the policy. The certificate showing proof of insurance guarantees to the party that the vehicle is insured. This is the full extent of the guarantee.</p> <p>5. In most cases, the Servicing Carriers standard certificate of insurance is acceptable and is the preferable options. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p>	<p>4. Parties requiring proof cannot be added as additional named Insureds on the policy. The certificate showing proof of insurance guarantees to the Party that the driver is insured. This is the full extent of the guarantee.</p> <p>5. Should the Servicing Carrier have any concern with the coverages or limits being guaranteed when asked to use a certificate prescribed by the organization or authority with whom the certificate is being filed, the Servicing Carrier should contact Facility Association Head Office.</p>		
<b>NON-OWNED SECTION</b>				
801:A.  The insurer's rules for declining to issue, terminating or refusing to renew a contract	NEW	7. 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.	Expands the existing rules for declining to issue, terminating or refusing to renew a contract to include when abusive or threatening behaviour has occurred.	This does not impact premiums.
801.B.1  Rule for Refusing to Provide or Continue a Coverage	NEW	<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</p>	Removes the requirement for Servicing Carrier to refer these type of risk to FA prior to declining coverage	This does not impact premiums.

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		<p>an automobile to be insured to the prejudice of the insurer;  <b>or</b>                      b) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;  <b>or</b>                      c) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto;  <b>or</b>                      d) Willfully made a false statement in respect of a claim.</p> <p>* Misrepresentation means an applicant has either had a policy cancelled by registered letter for material misrepresentation or has had a claim denied for material misrepresentation.</p>		
816.A Renewals	NEW	NOTE: Any risk where abusive or threatening behaviour of the Insured / Applicant / Driver within the previous 3 years has created a safety concern for Facility Association staff, Servicing Carrier staff or a representative acting on behalf of either and circumstances have been reported to police shall be non-renewed.	Adds note for refusing to renew a contract when abusive or threatening behaviour has occurred.	This does not impact premiums.