

Facility Association
Newfoundland and Labrador
Taxi
Rate Filing 2016

FA Actuarial
12/23/2016

Tab 0 – Table of Contents

Tab 1 – Company Contact Information

Tab 2 – Contact Information for Current Filing

Tab 3 – Underwriting Guidelines

Tab 4 – Risk Classification System

Tab 5 – Discounts

Tab 6 – Surcharges

Tab 7 – Endorsement Wordings and Premiums

Tab 8 – Rate Group Table Information

Tab 9 – Rate Exhibits

Tab 10 – Proposed Rate Pages

Tab 11 – Supporting Actuarial Information

Tab 1 – Company Contact Information

Name of Insurer: Facility Association

Mailing Address: 777 Bay Street – Suite 2400, P.O. Box 121, Toronto, ON, M5G 2C8

Contact Person For:

Actuarial

Name: Liqing Yang

Telephone #: 416-863-1750 x 4813

Email Address: lyang@facilityassociation.com

Administration

Name: Cathy Zhao

Telephone #: 416-863-1750 x 4802

Email Address: czhao@facilityassociation.com

Underwriting

Name: Colin George

Telephone #: 416-644-4912

Email Address: cgeorge@facilityassociation.com

Type of automobile insurance written in Newfoundland and Labrador:

Private Passenger

Commercial

Miscellaneous

Chief Agent in Newfoundland and Labrador:

Name: Not Applicable

Mailing Address:

Listing of Company Agents, Brokers or Representatives in Province:

Facility Association operates through Servicing Carriers. The following companies are Servicing Carriers in the Province of Newfoundland and Labrador:

- The Co-operators General Insurance Company
- The Nordic Insurance Company of Canada
- Royal and Sun Alliance Insurance Company
- Unifund Assurance Company

Tab 2 – Contact Sheet and Information for Current Filing**Name of Insurer:** Facility Association**Name of Agent/Person Making Filing:** Liqing Yang**Title/Position with Insurer:** Pricing Actuary**Telephone Number:** 416-863-1750 x 4813**Fax Number:** 416-868-0894**Email Address:** lyang@facilityassociation.com**Type of Rate Filed:**

Private Passenger: Category 1 Category 2 Category 2: IAO **Effective Dates:** New Business: Renewals:

Commercial: Category 1 Category 2 Category 2: IAO **Effective Dates:** New Business: Renewals:

Miscellaneous: Category 1 Category 2 Category 2: IAO **Effective Dates:** New Business: 100 days post approval Renewals: 100 days post approval

Tab 3 – Underwriting Guidelines

This filing includes underwriting rules changes, for ease of review, we have presented the rule changes in the usual format, that is, rule number, current rule, proposed rule, what has changed and the estimated premium impact, where page 2 to 17 show Facility Association's current underwriting rules and the proposed rules changes.

The underwriting rules associated with Taxi are captured in Rules 300 and 330, they are shown on page 18 to 20.

The proposed rule changes have no impact on taxi rates.

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
MULTIPLE SECTIONS (FOR CONSISTENCY)				
127:A.b. 217:A.b. 315:A.b. 416:A.b. A change to a policy shall not be processed	<p>There is a change of the jurisdiction in which a vehicle is registered and the vehicle must be registered in the new jurisdiction. The insurance on the vehicle must be cancelled.</p> <p>The refund shall be calculated on a pro rata basis, subject to the minimum retained premium.</p>	<p>There is a change of the jurisdiction in which a vehicle is registered and the vehicle must be registered in the new jurisdiction. The insurance on the vehicle must be cancelled.</p> <p>Upon receipt of a copy of the replacing policy application, or temporary liability card from the new jurisdiction, the refund shall be calculated on a pro rata basis, subject to the minimum retained premium.</p>	Allows pro rata cancellation where coverage has been placed in the voluntary market in a new jurisdiction.	This does not impact premiums.
127:E. 217:E. 315:E. 416:E. Deletions of vehicles and coverages	<p>a) If the request for deletion is received by the Agent/Broker within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day.</p> <p><i>For example:</i> The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/ Broker more than 30 days after the date the deletion was requested to be effected, the deletion shall take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker.</p> <p><i>For example:</i> The Insured requests deletion of a vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing</p>	<p>a) If the request for deletion is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the deletion is to be effected, the deletion shall take effect at 12:01 a.m. on the date that it was requested to be effective. In the event that the deletion was specifically requested to be effective at a time other than 12:01 a.m., the deletion shall be effected at 12:01 a.m. the following day.</p> <p><i>For example:</i> The Insured requests deletion of the vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on September 20. The Servicing Carrier will issue the policy change effective 12:01 a.m. September 5. If the Insured requested the deletion to be effective at 3:40 p.m. on September 5, the Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. on September 6.</p> <p>b) If the request for deletion is received by the Agent/ Broker (or Servicing Carrier if received directly from the Insured) more than 30 days after the date the deletion was requested to be effected, the deletion shall take effect at 12:01 a.m. on the date that the deletion request is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured).</p> <p><i>For example:</i> The Insured requests deletion of a</p>	Includes change requests sent directly to the Servicing Carrier.	This does not impact premiums.

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
	<p>Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>NOTE for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p>	<p>vehicle/coverage to be effective September 5. The deletion request is received by the Agent/Broker on October 10. The Servicing Carrier will delete the vehicle/coverage effective 12:01 a.m. October 10.</p> <p>NOTE for a) and b) If the date the request was received by the Agent/Broker is not evident, the Agent/ Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p>		
<p>128:D.2. 218:C.2. 316:C.2. 417:C.2. 611:B. 717:C.2. 816:B.2.</p> <p>Direct billing renewals</p>	NEW	<p>4. The renewal documents must not be released by the Servicing Carrier until the full premium is received or the required first payment is received on time by the Servicing Carrier (by first payment due date if a deferred premium payment plan is available). If this rule is followed, neither the Carrier nor the agent/broker incurs any responsibility for the premium. If the Servicing Carrier follows any other unauthorized procedure, the Servicing Carrier will be responsible for the earned premium for the time on risk calculated on a pro rata basis and will be required to stop offering a Direct Bill option.</p>	Moves wording from the Accounting & Statistical Manual to the Rules & Rates Manual	This does not impact premiums.
<p>129: 219: 317: 418: 617:2. 718: 817:</p> <p>Cancellation at request of agent/broker – broker bill – additional premium on original quote</p>	<p>If the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of those increases, the earned premium for cancellation shall be calculated pro rata on the Agent's/Broker's originally quoted premium. Otherwise, the earned premium shall be calculated pro rata on the revised premium. If a subsequent application is submitted by the same Agent/Broker to the same Servicing Carrier for substantially the same risk within 30 days of the effective date of cancellation of the first policy and, the Agent/Broker reports non-payment of additional premium, the earned premium shall be calculated pro rata on the revised premium.</p>	<p>If the Agent/Broker reports non-payment of the additional premium within 30 days of receiving notice of those increases, the earned premium for cancellation shall be calculated pro rata on the Agent's/Broker's originally quoted premium. Otherwise, the earned premium shall be calculated pro rata on the revised premium. If a subsequent application is submitted by the same Agent/Broker to the same Servicing Carrier for substantially the same risk within 30 days of the effective date of cancellation of the first policy and, the Agent/Broker reports non-payment of additional premium, the earned premium shall be calculated pro rata on the revised premium.</p> <p>Note: For policies for which premium is paid</p>	Moves highlighted wording from the Accounting & Statistical Manual to the Rules & Rates Manual	This does not impact premiums.

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
		direct to the Servicing Carrier and the Carrier initiates cancellation the words 'agent/broker' will be read to mean Servicing Carrier.		
129:E. 219:E. 317:E. 418:E. 617:2. 718:D. 817:C. Cancellation at request of agent/broker – broker bill – premium cannot be collected all other cases	Agent/Broker Responsibilities The Agent/Broker must advise the Servicing Carrier of the amount of premium collected (including service fee and provincial sales tax) and request that a notice of cancellation be issued to the Insured.	Agent/Broker Responsibilities If cancellation of a policy is requested by the Agent/Broker due to inability to collect the full policy/renewal premium or a subsequent additional premium, the Agent/Broker will be responsible for the time on risk charge which will be pro rata of the full premium. The Agent/Broker must advise the Servicing Carrier of the amount of premium collected (including service fee and provincial sales tax) and request that a notice of cancellation be issued to the Insured.	Moves highlighted wording from the Accounting & Statistical Manual to the Rules & Rates Manual	This does not impact premiums.
129:A. 219:A. 317:A. 418:A. 616:A. 718:A. 817:A. Midterm cancellation - effective date	1. Received by Agent/Broker within 30 days If the request for midterm cancellation is received by the Agent/Broker within 30 days of the date the cancellation is to be effected, and no effective time is requested, the cancellation shall take effect at 12:01 a.m. on the date it was requested to be effective. In the event that the cancellation was specifically requested to be effective at a time other than 12:01 a.m., the cancellation shall be effected at 12:01 a.m. the following day. <i>For example:</i> The Insured requests cancellation of the policy to be effective August 5. The cancellation request is received by the Agent/Broker on August 20. The Servicing Carrier shall cancel the policy effective 12:01 a.m. August 5. If the Insured requested cancellation to be effective at 3:40 p.m. on August 5, the Servicing Carrier shall cancel the policy effective 12:01 a.m. on August 6. 2. Received by Agent/Broker after 30 days	1. Received by Agent/Broker or Servicing Carrier within 30 days If the request for midterm cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) within 30 days of the date the cancellation is to be effected, and no effective time is requested, the cancellation shall take effect at 12:01 a.m. on the date it was requested to be effective. In the event that the cancellation was specifically requested to be effective at a time other than 12:01 a.m., the cancellation shall be effected at 12:01 a.m. the following day. <i>For example:</i> The Insured requests cancellation of the policy to be effective August 5. The cancellation request is received by the Agent/Broker on August 20. The Servicing Carrier shall cancel the policy effective 12:01 a.m. August 5. If the Insured requested cancellation to be effective at 3:40 p.m. on August 5, the Servicing Carrier shall cancel the policy effective 12:01 a.m. on August 6.	Includes cancellation requests sent directly to the Servicing Carrier.	This does not impact premiums.

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	<p>If the request for cancellation is received by the Agent/Broker more than 30 days after the date the cancellation was requested to be effected, the cancellation shall take effect at 12:01 a.m. on the date that the cancellation request is received by the Agent/Broker.</p> <p><i>For example:</i> The Insured requests cancellation of the policy to be effective September 5. The cancellation request is received by the Agent/Broker on October 10. The Servicing Carrier shall cancel the policy effective 12:01 a.m. October 10.</p> <p>NOTE for 1. and 2. If the date the request was received by the Agent/Broker is not evident, the Agent/Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p>	<p>2. Received by Agent/Broker or Servicing Carrier after 30 days</p> <p>If the request for cancellation is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured) more than 30 days after the date the cancellation was requested to be effected, the cancellation shall take effect at 12:01 a.m. on the date that the cancellation request is received by the Agent/Broker (or Servicing Carrier if received directly from the Insured).</p> <p><i>For example:</i> The Insured requests cancellation of the policy to be effective September 5. The cancellation request is received by the Agent/Broker on October 10. The Servicing Carrier shall cancel the policy effective 12:01 a.m. October 10.</p> <p>NOTE for 1. and 2. If the date the request was received by the Agent/Broker is not evident, the Agent/Broker will be asked to provide proof of the date received acceptable to the Servicing Carrier. If proof cannot be provided, the request will be processed effective 12:01 a.m. on the date received by the Servicing Carrier.</p>		
<p>149:B. 239:B. 335:B. 438:B.</p> <p>Fleet rating</p>	<p>Optional Physical Damage Coverage</p> <p>Each optional physical damage coverage is subject to experience (fleet) rating only if there has been 120 months of corresponding physical damage coverage in the past 12 months. Vehicles may be covered for Comprehensive/ Specified Perils only provided proof of insurance has not been filed for any vehicle on the policy.</p>	<p>Optional Physical Damage Coverage</p> <p>Vehicles may not be covered for Comprehensive/Specified Perils only.</p>	<p>Removes wording that no longer applies as all coverages are fleet rated regardless of number of months of exposure and amends remaining wording to be consistent with 'Minimum Coverage'.</p>	<p>This may impact premiums for some insureds who can no longer carry Comp/ SP coverage only.</p>
GENERAL SECTION				
<p>Entries in the Agency Account</p>	<p>1. Every new policy premium shall be debited to the agency account in the month the policy is issued or the policy effective month, whichever</p>	<p>1. Every new policy premium shall be debited to the agency account in the month the policy is issued or the policy effective month, whichever</p>	<p>Moves highlighted wording from the Accounting &</p>	<p>This does not impact premiums.</p>

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Rule	Current Wording	Proposed Wording	Change from Current	Premium
	<p>is later.</p> <p>2. Every renewal premium shall be debited to the agency account in the renewal's effective month.</p> <p>3. The difference in premium recorded by a correcting endorsement (e.g. for 'additional charges') shall be debited/credited to the agency account in the month the endorsement is issued or the effective month of the policy period, whichever is later.</p> <p>4. The additional/return premium indicated on a policy change shall be debited/credited to the agency account in the month the endorsement is issued or the effective month of the endorsement, whichever is later.</p> <p>5. The additional/return premium indicated by a premium adjustment transaction shall be debited/ credited to the agency account in the month the adjustment is issued.</p> <p>6. The amount of a cancellation return premium or, in the case of a cancellation for non-payment of premium, the difference between the amount(s) previously debited and the amount for which the Agent/Broker is responsible, shall be credited to the agency account in the month the cancellation is effective or the month the cancellation is notified, whichever is later.</p> <p>7. In the event of reinstatement of a cancelled policy, the reversal of the cancellation entry shall be debited to the agency account in the month the reinstatement is effective or the month the reinstatement is notified, whichever is later.</p> <p>8. If the Servicing Carrier issues a cheque in respect of a return premium (e.g. to the Insured on cancellation of the policy, or to the finance company if a premium finance contract</p>	<p>is later.</p> <p>2. Every renewal premium shall be debited to the agency account in the renewal's effective month.</p> <p>3. The difference in premium recorded by a correcting endorsement (e.g. for 'additional charges') shall be debited/credited to the agency account in the month the endorsement is issued or the effective month of the policy period, whichever is later.</p> <p>4. The additional/return premium indicated on a policy change shall be debited/credited to the agency account in the month the endorsement is issued or the effective month of the endorsement, whichever is later.</p> <p>5. The additional/return premium indicated by a premium adjustment transaction shall be debited/ credited to the agency account in the month the adjustment is issued.</p> <p>6. The amount of a cancellation return premium or, in the case of a cancellation for non-payment of premium, the difference between the amount(s) previously debited and the amount for which the Agent/Broker is responsible, shall be credited to the agency account in the month the cancellation is effective or the month the cancellation is notified, whichever is later.</p> <p>7. If a policy change on an Agency/Broker bill policy involves a return premium or if a cancellation of a policy is requested by or on behalf of the Policyholder, the Agent/Broker (or, in the case of direct billing, the Servicing Carrier) is responsible for the prompt dispatch of the gross refund to the Policyholder or to the finance company if a premium finance contract is in existence.</p> <p>8. In the event of reinstatement of a cancelled</p>	<p>Statistical Manual to the Rules & Rates Manual</p>	

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
	<p>is in existence), the amount thereof shall be debited to the agency account in the month of issue so that, with the net return premium being credited to the agency account, the Agent/ Broker is responsible for the amount of commission on the return premium.</p> <p>9. If the Servicing Carrier receives payment from another (e.g. the Insured or a premium finance company) in respect of a premium that has been or shall be debited to the agency account, the amount of the payment shall immediately be credited to that account unless the Agent/Broker is restricted to a 'cash basis', in which event payments shall only be credited against the relative debits.</p> <p>10. If the time on risk charge or balance thereof requested in a cancellation notice is paid to the Servicing Carrier, the Carrier shall immediately:</p> <p>a) make the appropriate entry in the agency account if the full amount of the charge has not been debited;</p> <p>and</p> <p>b) credit the amount received to the agency account.</p>	<p>policy, the reversal of the cancellation entry shall be debited to the agency account in the 7.</p> <p>8. In the event of reinstatement of a cancelled policy, the reversal of the cancellation entry shall be debited to the agency account in the month the reinstatement is effective or the month the reinstatement is notified, whichever is later.</p> <p>9. If the Servicing Carrier issues a cheque in respect of a return premium (e.g. to the Insured on cancellation of the policy, or to the finance company if a premium finance contract is in existence), the amount thereof shall be debited to the agency account in the month of issue so that, with the net return premium being credited to the agency account, the Agent/ Broker is responsible for the amount of commission on the return premium.</p> <p>10. If the Servicing Carrier receives payment from another (e.g. the Insured or a premium finance company) in respect of a premium that has been or shall be debited to the agency account, the amount of the payment shall immediately be credited to that account unless the Agent/Broker is restricted to a 'cash basis', in which event payments shall only be credited against the relative debits.</p> <p>11. If the time on risk charge or balance thereof requested in a cancellation notice is paid to the Servicing Carrier, the Carrier shall immediately:</p> <p>a) make the appropriate entry in the agency account if the full amount of the charge has not been debited;</p> <p>and</p> <p>b) credit the amount received to the agency account.</p> <p>12. The authorized rate of commission is to be shown for every debit/credit entry in the</p>		

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
		agency/brokerage account.		
PRIVATE PASSENGER SECTION				
108: Clean driver discount	Where a risk meets the following requirements, a discount shall be applied to the Liability and Collision or Collision portion of the All Perils premiums: <ul style="list-style-type: none"> • No regular or frequent driver of the vehicle has had any major, minor, or serious convictions in the 36 months immediately preceding the commencement of insurance. • No at fault accidents have been assigned to the vehicle or its substitute within the 60 months immediately preceding the commencement of insurance. • No licence suspensions in the 5 years immediately preceding the commencement of insurance • All drivers hold a valid Canadian driver's licence. 	Where a risk meets the following requirements, a discount shall be applied to the Liability and Collision premiums: <ul style="list-style-type: none"> • No regular or frequent driver of the vehicle has had any major, minor, or serious convictions in the 36 months immediately preceding the commencement of insurance. • No regular or frequent driver has had an at fault accident within the 60 months immediately preceding the commencement of insurance. • No licence suspensions in the 5 years immediately preceding the commencement of insurance. • All drivers hold a valid Canadian driver's licence. 	Removes reference to All Perils as the coverage is no longer offered and clarifies that the regular or frequent driver must be accident free.	This does not impact premiums.
121: After market equipment	If the equipment is other than sound or electronic equipment, the Servicing Carrier will require a copy of the bills of sale or, if they are not available, an appraisal to substantiate the value of the aftermarket equipment.	If the equipment is other than sound or electronic equipment or a lift kit, the Servicing Carrier will require a copy of the bills of sale or, if they are not available, an appraisal to substantiate the value of the aftermarket equipment. Where a lift kit has been added to the vehicle in addition to other aftermarket equipment, the value of the lift kit must be included in the total value of the aftermarket equipment. Where the value of the equipment is \$3,000 or greater, an additional premium shall be charged. For every \$3,000 of equipment, a charge equivalent to a rate group increase of 1 shall be made. If the value of the aftermarket equipment is less than \$3,000 no additional premium shall be charged. Where the value of the aftermarket equipment cannot be substantiated, END 19 reflecting the vehicle's actual cash value shall be attached to the policy.	Excludes lift kit without other added equipment from aftermarket equipment.	This does not impact premiums.
135:B.	Information taken from bulletin released in 2006.	For private passenger personal use vehicles, where the driver responsible for an at fault	Expands explanation of non-	This may decrease

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Rule	Current Wording	Proposed Wording	Change from Current	Premium
What is not a chargeable accident		accident is now deceased, the loss will no longer be chargeable.	chargeable accidents to include those where driver is deceased.	premiums for risks with accidents involving now deceased drivers.
COMMERCIAL SECTION				
211:A. Rating group table I	<p>This table lists by manufacturer, model and series, standard production pickup, utility, van (panel or sedan delivery) or wagon types, having Gross Vehicle Weights not exceeding 10,000 pounds (4.5 metric tons).</p> <p>If a current year make/model is not listed but it was listed in the immediately preceding year, use the rate group for the immediately preceding year. If it was not listed in the immediately preceding year (it is a new model or there is a gap in model years), contact your Servicing Carrier. The Servicing Carrier shall provide you with the rate group assigned by IAO.</p>	<p>This table lists by manufacturer, model and series, standard production pickup, utility, van (panel or sedan delivery) or wagon types, having Gross Vehicle Weights not exceeding 10,000 pounds (4.5 metric tons).</p> <p>If a current year make/model is not listed but was listed in the immediately preceding year, use the rate group for the immediately preceding year.</p> <p>If it was not listed in the immediately preceding year (It is a new model or there is a gap in model years.), the Servicing Carrier shall provide the rate group assigned by IAO.</p> <p>For vehicles equipped with attached machinery (e.g. tow trucks, pickups with snowplow blades) or those that have been customized (e.g. special paint job) where the value of the equipment or customization is \$3,000 or greater, an additional premium will be charged. For every \$3,000 of equipment value or customization, a rate group increase of 1 shall be made. If the value of the equipment is less than \$3,000 no additional premium shall be charged. The Servicing Carrier will require a copy of the bills of sale or if they are not available, an appraisal to substantiate the value of the attached equipment or customization.</p>	Provides details on handling Table I vehicles with attached equipment or customization.	This may increase premiums for some insureds.
211:C. Rating group table II	<p>The model year and list price new are used to determine the rate group.</p> <p>Rating Group Table II is to be used for:</p> <ol style="list-style-type: none"> 1. Commercial vehicles of types and Gross Vehicle Weights not specified in Rating Group Table I 2. Any commercial vehicle equipped with 	<p>The model year and list price new are used to determine the rate group.</p> <p>Rating Group Table II is to be used for:</p> <ul style="list-style-type: none"> • Commercial vehicles of types and Gross Vehicle Weights not specified in Rating Group Table I • Any commercial vehicle not listed in Table I 	Provides details on handling Table II vehicles with attached equipment or customization.	This may increase premiums for some insureds.

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium						
	<p>attached machinery (e.g. towing hoist on a pickup) or commercial vehicles that have been customized (e.g. special paint jobs)</p> <p>a) Commercial vehicles designated II in Rating Group Table I</p> <p>b) Private passenger vehicles being rated in the Commercial Section of the manual that are not listed in Rating Group Table I (e.g. car being used for courier purposes)</p> <p>c) Motorcycles designed and used for commercial purposes e.g. a three wheel motorcycle with a box built in between the rear wheels that permits the carriage of small packages for delivery purposes</p> <p>d) Vehicles classed as or rated as interurban</p>	<p>equipped with attached machinery (e.g. towing hoist on a pickup) or commercial vehicles that have been customized (e.g. special paint jobs)</p> <ul style="list-style-type: none"> • Commercial vehicles designated II in Rating Group Table I • Private passenger vehicles being rated in the Commercial Section of the manual that are not listed in Rating Group Table I (e.g. car being used for courier purposes) • Motorcycles designed and used for commercial purposes e.g. a three wheel motorcycle with a box built in between the rear wheels that permits the carriage of small packages for delivery purposes • Vehicles classed as or rated as interurban 								
<p>212:B.1.</p> <p>Rating of trailers - owned trailers</p>	<p>Physical Damage</p> <p>Trailers develop their own Collision driving record, independently of the vehicles with which they may be used. (For reporting under the Automobile Statistical Plan, the trailer is identified by the use of Driving Record Code "7"). Apply U.S. exposure surcharge and accident surcharge if required.</p>	<p>Physical Damage Coverage</p> <p>Each trailer is rated as if it were a separate vehicle. Rating Group Table II is used to determine the rate group.</p> <p>Each trailer and the vehicle by which it may be pulled use the same Collision driving record. Chargeable accidents will apply to the rating of both the trailer and the pulling vehicle. Apply U.S. exposure surcharge and accident surcharge if required.</p>	<p>Uses the same Collision driving record for the trailer and the pulling tractor.</p>	<p>This may or may not impact premiums for insureds who have accidents.</p>						
PUBLIC SECTION										
<p>301:C.</p> <p>Physical damage</p>	<p>The following table indicates the minimum deductible on any physical damage coverage:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">PUBLIC VEHICLES</th> </tr> <tr> <th style="text-align: center;">List Price New</th> <th style="text-align: center;">Minimum Deductible</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Under \$52,501</td> <td style="text-align: center;">\$500</td> </tr> </tbody> </table>	PUBLIC VEHICLES		List Price New	Minimum Deductible	Under \$52,501	\$500	<p>The following table indicates the minimum deductible on any physical damage coverage for Public Buses:</p>	<p>Clarifies the applicable minimum deductible.</p>	<p>This does not impact premiums.</p>
PUBLIC VEHICLES										
List Price New	Minimum Deductible									
Under \$52,501	\$500									

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule Current Wording Proposed Wording Change from Current Premium

	\$52,501 – \$76,000	\$2,500	PUBLIC BUSES				
	\$76,001 – \$100,000	\$4,000	List Price New	Minimum Deductible			
	Over \$100,000	5% of the said value to nearest \$250	Under \$52,501	\$500			
			\$52,501 – \$76,000	\$2,500			
	All Rate Groups	END 40 is mandatory on any vehicle with prior fire and total theft claims within the past 60 months	\$76,001 – \$100,000	\$4,000			
			Over \$100,000	5% of the said value to nearest \$250			
			All Rate Groups	END 40 is mandatory on any vehicle with prior fire and total theft claims within the past 60 months			
	OTHER PUBLIC VEHICLES						
	<p>The following table indicates the minimum deductible on any physical damage coverage when Private Passenger rates and the CLEAR Rate Group Table or Table A are used. When the rate group is established in Table A, the minimum deductible is determined by applying the value used to obtain the rate group to the Table A column below.</p>						
	CLEAR Rate Group	Minimum Deductibles Collision/ Comprehensive / Specified Perils	Table A				
	1-40	\$500	Up to \$30,000				
	41 – 59	\$1000	\$30,001 - \$60,000				
	60 - 79	\$2,500	\$60,001 - \$80,000				
	80 - 89	\$5,000	\$80,001 - \$100,000				
	90 - 99	\$10,000	\$100,001+				
	The following table indicates the minimum						

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium												
		deductible on any physical damage coverage when Commercial rates and Commercial Rate Group Table II are used: <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Rate Groups</th> <th style="text-align: center;">Minimum Deductibles</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Up to 15</td> <td style="text-align: center;">\$500</td> </tr> <tr> <td style="text-align: center;">16 – 18</td> <td style="text-align: center;">\$1,000</td> </tr> <tr> <td style="text-align: center;">19 - 21</td> <td style="text-align: center;">\$2,500</td> </tr> <tr> <td style="text-align: center;">22 and over</td> <td style="text-align: center;">5% of LPN up to the nearest \$250 (minimum deductible \$2500)*</td> </tr> <tr> <td style="text-align: center;">All RGs</td> <td style="text-align: center;">END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months</td> </tr> </tbody> </table>	Rate Groups	Minimum Deductibles	Up to 15	\$500	16 – 18	\$1,000	19 - 21	\$2,500	22 and over	5% of LPN up to the nearest \$250 (minimum deductible \$2500)*	All RGs	END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months		
Rate Groups	Minimum Deductibles															
Up to 15	\$500															
16 – 18	\$1,000															
19 - 21	\$2,500															
22 and over	5% of LPN up to the nearest \$250 (minimum deductible \$2500)*															
All RGs	END 40 is mandatory on any vehicles with prior fire or total vehicle theft claims within the last 60 months															
307:A. Public bus – classes 70, 73, 74, 78	A vehicle that is used for carrying passengers for compensation on public streets or highways including charters and/or sightseeing trips. The Insured is in the business of providing transportation of persons. <i>For example:</i> The Insured owns a bus which is used to transport people to and from a ski resort. The sole purpose of the Insured's business is to provide transportation. If the resort owned the bus then the rating would be that of a Hotel/Country Club Bus. If the resort did not own the bus but paid the Insured to transport people to the resort then the rating would be that of a Public Bus.	A vehicle that is used for carrying passengers for compensation on public streets or highways including charters and/or sightseeing trips. The Insured is in the business of providing transportation of persons. <i>For example:</i> The Insured owns a bus which is used to transport people to and from a ski resort. The sole purpose of the Insured's business is to provide transportation. If the resort owned the bus then the rating would be that of a Hotel/Country Club Bus.	Amends example to be more specific.	This does not impact premiums.												

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
307: D. Private bus – class 79	A vehicle that is owned by an employer and used to carry employees or a vehicle owned by an association, church or a charitable or similar organization, to carry passengers in connection with activities of the organization.	A vehicle that is owned by an employer or employee or hired/contracted by an employer and used to carry employees or passengers in connection with the activities of the business or a vehicle owned by an association, church or a charitable or similar organization, to carry passengers in connection with activities of the organization. Where the use of a vehicle does not meet the definition of Public, Hotel/Country Club or School Bus, it will be rated as a Private Bus.	Expands definition of private bus.	This does not impact premiums.
307: I. Invalid car - Class 76	A vehicle constructed, equipped and used for the transportation of wheelchair passengers and other disabled persons. If the seating capacity exceeds seven, submit full details to the Servicing Carrier. Rate and code according to use. <i>For example</i> , if the vehicle is being used as a private bus, then rate as a private bus. Attach END 6A, and insert [rated use of vehicle].	A vehicle constructed, equipped and used for the transportation of wheelchair passengers and other disabled persons. If the seating capacity exceeds seven, submit full details to the Servicing Carrier. Rate and code according to use. <i>For example</i> : If the vehicle is being used as a private bus, then rate as a private bus. Attach the appropriate endorsement as indicated on the Rating Notes page.	Amends the endorsement to use aligning with the Rating Notes.	This does not impact premiums.
310: B. Rate group	Other Vehicles If the Schedule of Rates requires that a Private Passenger premium be used and the vehicle is listed in the Rate Group Table in the Private Passenger section of the manual, use the Private Passenger rate group. If the vehicle is not listed in the Private Passenger Rate Group Table, determine list price new and obtain the rate group from the Rate Group Table found on the Rating Notes page in the Private Passenger Section. If the Schedule of Rates requires that a Commercial premium be used, determine the list price new and establish the rate group using Rate Group Table II in the Commercial section of the manual.	Other Vehicles Where the vehicle is listed in the CLEAR Rate Group Table in the Private Passenger Section of the manual, establish the CLEAR rate group. For similar type vehicles not specifically listed in the CLEAR Rate Group Table such as passenger vans and stretch limousines, determine list price new and obtain the rate group from Table A on the Rating Notes page in the Private Passenger Section. For all other vehicles, determine the list price new and establish the rate group using Rate Group Table II in the Commercial Section of the manual.	Clarifies establishing rate groups when vehicles are not in the CLEAR Rate Group Table.	This does not impact premiums.

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
RECREATIONAL SECTION				
406:A. List price new	Actual cash value may be used for Snow Vehicles and All Terrain Vehicles provided the insured produces at his/her own expense an appraisal acceptable to the Servicing Carrier and END 19 is attached.	Actual cash value may be used for Snow Vehicles and All Terrain Vehicles with a value of \$15,000 or more provided the insured produces at his/her own expense an appraisal acceptable to the Servicing Carrier and END 19 is attached.	Allows rating snow vehicles and atvs by actual cash value under certain circumstances.	This may or may not impact premiums for some insureds.
408:2. Motor home	<p>Commercial/Public Vehicles converted to Motor Homes</p> <p>Where the insured requires coverage on such a vehicle before the conversion has taken place, Liability and Accident Benefits and Uninsured Automobile coverage only may be provided. Physical damage coverage is not available.</p> <p>The vehicle will be rated in accordance with the rules in the Private Passenger section. Once the conversion or reconstruction of the vehicle is complete, the rating for the vehicle will be amended to that for a motorhome. An appraisal will be required before physical damage coverage can be added. The rate group for physical damage will be based on the appraised value. See Rule 432: Home Made Vehicles/Reconstruction The insurance shall be subject to END 19 (Limitation of Amount) which must be attached to the policy and a copy signed by the insured. END 19a (Valued Automobile) is not available.</p>	<p>Commercial/Public Vehicles converted to Motor Homes</p> <p>Where the insured requires coverage on such a vehicle before the conversion has taken place, Liability, Accident Benefits and Uninsured Automobile coverage only may be provided. Physical damage coverage is not available.</p> <p>The vehicle will be rated in accordance with the rules in the Private Passenger Section.</p> <p>Once the conversion or reconstruction of the vehicle is complete, the rating for the vehicle will be amended to that for a motor home. An appraisal will be required before physical damage coverage can be added. The rate group for physical damage will be based on the appraised value. See Rule 432: Home Made Vehicles/Reconstruction. The insurance shall be subject to END 19 (Limitation of Amount) which must be attached to the policy and a copy signed by the insured. END 19a (Valued Automobile) is not available.</p> <p>Physical Damage</p> <p>Except as otherwise stated for Commercial/Public Vehicles Being Converted to Motorhomes, rate groups are established as follows:</p> <p>If the value of the vehicle is less than \$15,000 the rate group for physical damage (if purchased) may be based on the limit chosen by the insured subject to END 19 or the rate group may be established using list price new.</p>	Allows rating motor homes by actual cash value under certain circumstances.	This may or may not impact premiums for some insureds.

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
		<p>If the value of the vehicle is \$15,000 or more, the rate group for physical damage (if purchased) must be established based on list price new.</p> <p>END 19 is not required where the rate group is based on list price new.</p>		
<p>409:A.1.</p> <p>Motorcycles & mopeds definitions</p>	<p>Motorcycle</p> <p>A self-propelled vehicle designed to travel on two or three wheels, steered by handlebars and having a seat or saddle for the use of the driver. This includes 'motor scooters' and 'mini bikes'. This definition does not include mopeds, vehicles designed and used for commercial purposes and vehicles licensed but not for road use.</p>	<p>Motorcycle</p> <p>A self-propelled vehicle designed to travel on two or three wheels, steered by handlebars and having a seat or saddle for the use of the driver. This includes 'motor scooters', 'mini-bikes' and motorcycles converted for use on snow and ice. This definition does not include mopeds, vehicles designed and used for commercial purposes and vehicles licensed but not for road use.</p>	<p>Expands motorcycle definition to include ski bikes.</p>	<p>This may increase premiums for some insureds whose vehicles now have winter use.</p>
<p>409:A.2.</p> <p>Moped</p>	<p>A vehicle defined in a Motor Vehicle Act, Highway Traffic Act or under similar legislation as a moped, power bicycle or motor driven cycle. Where no such definition exists, a moped shall be defined as a bicycle with an attached motor. The motor is driven by electricity or has a piston displacement of not more than 50 cubic centimetres, and does not have sufficient power to enable the bicycle to attain a speed greater than 50 km.</p>	<p>A vehicle defined in Canadian federal regulations or under similar legislation as a moped, power bicycle or motor driven cycle. Where no such definition exists, a moped shall be defined as a bicycle with an attached motor. The motor is driven by electricity or has a piston displacement of not more than 50 cubic centimetres.</p>	<p>Removes reference to maximum speed and focuses solely on the size of the engine.</p>	<p>This may or may not impact premiums.</p>
<p>409:C.8.</p> <p>Motorcycles converted for use on snow and ice</p>	<p>NEW</p>	<p>These are to be rated using motorcycles rates. Motorcycle rates are established for seasonal use during the months of March through October as shown in Rule 414:D. under Short Term Table 3. When a motorcycle is converted for use during the winter months the period of exposure increases and requires an additional premium.</p> <p>Rule 419:D.3. provides direction for calculating additional premium when a motorcycle/ski bike will be operated from November through</p>	<p>Provides direction on how to rate motorcycles converted to ski bikes.</p>	<p>This may increase premiums for some insureds whose vehicles now have winter use.</p>

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
		February. A motorcycle that has been converted solely for use during the winter months will be rated as a motorcycle with no additional premium charged for the period November through February.		
411:B. Off road vehicles	Physical Damage Establish list price new and rate according to the physical damage premiums for Snow Vehicles found in the Schedule of Rates. NOTE: If an insured produces at his/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 taxes. An END 19 endorsement is mandatory if rated on actual cash value.	Physical Damage Except as otherwise stated for Pickups, 4x4s and Similar Vehicles Designed for Road Use, rate groups are established as follows: If the value of the vehicle is less than \$15,000 the rate group for physical damage (if purchased) may be based on the limit chosen by the insured subject to END 19 or the rate group may be established using list price new. If the value of the vehicle is \$15,000 or more, the rate group for physical damage (if purchased) must be established based on list price new or where the insured produces at his or her own expense an appraisal acceptable to the Servicing Carrier then the snow vehicle or all terrain vehicle may be rated according to the Actual Cash Value (plus applicable tax) subject to END 19.	Allows rating by actual cash value under certain circumstances.	This may or may not impact premiums for some insureds.
419:D.3. Short term tables 3 and 4	The tables below apply to Canadian conditions. If there is use outside Canada during a month where the table indicates the charges as 'Nil' there shall be an additional premium charged for that month equal to pro rata of the annual premium. The surcharge for U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required. For example: The Insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in Calgary. The annual premium is \$1,250 excluding any premium calculation for	The tables below apply to seasonal use / Canadian conditions. If there is use outside the season or Canada during a month where the table indicates the charges as 'Nil' there shall be an additional premium charged for that month equal to pro rata of the annual premium. The surcharge for U.S. exposure is applicable, except where the vehicle is used for personal use only and proof of insurance is not required. Example 1: The Insured has a motorcycle that he wishes to trailer down to Florida to use during the months of November and December in addition to regular use for the year in Calgary. The annual premium is \$1,250 excluding any premium calculation for	Provides direction on how to rate motorcycles converted to ski bikes.	This may increase premiums for insureds with motorcycles converted to ski bikes.

FACILITY ASSOCIATION NEWFOUNDLAND & LABRADOR RULES AND RATES MANUAL SUMMARY OF PROPOSED RULE CHANGES TO ACCOMPANY TAXI 2016 FILING

Rule	Current Wording	Proposed Wording	Change from Current	Premium
	<p>November and December. Using the Pro Rata Day Table, calculate the pro rata factor for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be \$205.</p>	<p>November and December. Using the Pro Rata Day Table, calculate the pro rata factor for the months of November and December (.164) and apply that to the total annual premium. The additional premium charge for November and December will be \$205.</p> <p>Example 2: The Insured has a motorcycle that will be converted for use on snow and ice for the months of November through February in addition to regular use for the remaining months of the year. The annual premium is \$1,250 excluding any premium calculation for November, December, January, February . Using the Pro Rata Day Table, calculate the pro rata factor for the months of November through February (.326) and apply that to the total annual premium. The additional premium charge for November through February will be \$408.</p>		

Rule 300: Filed Underwriting Rules

A. The insurer's rules for declining to issue, terminating or refusing to renew a contract are:

1. The risk does not meet the object of the Facility Association which is to ensure the availability of automobile insurance, as required by law, in those provinces and territories of Canada in which the Association operates, to the owners and licensed drivers of motor vehicles who would otherwise have difficulty obtaining such insurance.
2. The applicant does not have an insurable interest in the vehicle.
3. The vehicle is registered in a jurisdiction other than one in which the application for coverage is being completed or the vehicle is not operated at any time in a jurisdiction in which the Association operates. If the vehicle is registered in another jurisdiction in which Facility Association operates, the vehicle may be insured through an Agent/Broker and Servicing Carrier licensed in that jurisdiction.

For example: The vehicle is registered in Newfoundland but the application is being completed in Alberta. The vehicle must be registered in Alberta or an Agent/Broker in Newfoundland must complete and submit the application for coverage in Newfoundland.

4. The driver of the vehicle does not hold a valid operator's licence. If the licence of the only driver is suspended, Facility Association shall provide a policy covering Comprehensive or Specified Perils cover only until there is a driver holding a valid operator's licence. See Rule 328: Suspension of Operator's Licence and Rule 301: Minimum Coverage.
5. The application is incomplete, has not been signed by the applicant, or has not been bound by the Agent/Broker.
6. The Applicant/Agent/Broker refuse to provide the sufficient valid information to write the risk. "Sufficient valid information to write the risk" includes data to properly rate the risk and to report the risk information in accordance with the Automobile Statistical Plan.
7. The vehicle is not in the possession of the applicant (i.e., has been stolen or cannot be located). This restriction is not intended to be used as a denial of a valid theft claim.
8. A certificate of mechanical fitness and road worthiness has not been provided in accordance with the Manual of Rules and Rates e.g. home made vehicles, rate group listed as A.
9. Non-payment of premium for the current policy period (for purposes of termination only).

10. A Private Passenger or Commercial risk with the sole reason for entry into Facility Association of a prior lapse in insurance coverage of 24 months or more will be non-renewed after 1 term (6 or 12 months).

B. Rules for refusing to provide or continue a coverage are:

1. 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.
 - i) When making a previous application for automobile insurance, given false particulars of an automobile to be insured to the prejudice of the insurer;

or
 - ii) Knowingly misrepresented* or failed to disclose in an application any fact required to be stated therein;

or
 - iii) Has contravened a term of an insurance contract or been convicted of fraud in relation thereto;

or
 - iv) Wilfully made a false statement in respect of a claim.

2. Physical damage coverage shall not be provided where an application for a branded vehicle (salvage or rebuilt) is submitted without a valid vehicle registration and, at the Servicing Carrier's discretion, a current safety certificate.

NOTE: No policy shall be written for vehicles branded 'nonrepairable'.

3. Where a vehicle is licensed for road use and is used on roads as well as used for legal race or speed tests, physical damage coverage shall not be provided.

The Servicing Carrier shall refer all refusals or noncontinuance to the Facility Association prior to declining coverage.

* 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.

Note: Where the insured's licence is suspended, the insured shall be permitted to place the vehicle in storage and suspend or remove moving coverages. See Rule 301: Minimum Coverage.

B. If there is another licensed driver of the vehicle

(It is assumed that the person concerned will not drive without a valid licence.)

1. The Servicing Carrier shall issue END 28A (Excluded Driver Endorsement) restricting coverage to minimum statutory requirements and excluding physical damage where provided, for that person.
2. If that person being a driver affected the rating of the insurance, the insurance shall be re-rated to remove that person as a driver and any accidents that occurred while that person was driving shall not be taken into account in rating.

C. If the person concerned does drive without a valid licence

If discovered after the policy has been issued:

END28A shall continue to apply. Should the driver Named on the END 28A be involved in an accident, there is no coverage under the policy. The vehicle is considered uninsured.

D. Unsigned END 28A

If END 28A is not signed, END 28A shall be deleted and the policy shall be re-rated as though there was no END 28A.

1. A valid vehicle registration and, at the Servicing Carrier's discretion, a certificate of roadworthiness or mechanical fitness acceptable to the Servicing Carrier And
2. For vehicles valued \$15,000 or more, an appraisal acceptable to the Servicing Carrier at the Applicant's expense to enable the proper rating group to be determined. Vehicles valued under \$15,000 are rated based on value provided by the Insured.
3. Rate group 10 is to be used for Accident Benefits for Private Passenger vehicles where vehicles are rated by value.

These certificates must accompany the application to the Servicing Carrier.

B. Physical Damage Coverage

1. No physical damage coverage (for any value) will be available for:
 - a) 'Home-Made'/Reconstruction Vehicles until the construction, reconstruction, restoration has been completed and the mechanical fitness and value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.
 - b) Imported right hand drive and imported vehicles until value of the vehicle has been substantiated by a certificate from an independent appraiser or a recognized authority on such matters, acceptable to the Servicing Carrier.
2. The premium is based on the appraised amount.
3. The insurance shall be subject to END 19 (Limiting the Amount Paid for Loss or Damage Coverages) which must be attached to the policy and a copy signed by the Insured. END 19A (Agreed Value of Automobiles) is not available.

Rule 329: "Home-Made" Vehicles / Reconstructed / Right Hand Drive / Imported Vehicles

The following provisions apply to right hand drive, imported vehicles and any vehicle that has been constructed, reconstructed or restored other than by a recognized manufacturer of such a vehicle.

This rule does not apply to vehicles with a manufacturer assigned VIN and a status of rebuilt which are to be rated using CLEAR rate groups.

A. Liability and Accident Benefits

No coverages are permissible until the following are provided to the Servicing Carrier:

Rule 330: Vehicles Used Outside Jurisdiction of Registration

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."

At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions. When an insured takes up residence in another jurisdiction, the insured is required to register the vehicle in the new jurisdiction. The existing policy must be cancelled (pro rata) and new insurance obtained in the new jurisdiction. 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.

For example: The insured resides in Newfoundland and the vehicle is registered in that jurisdiction; however, the insured will be travelling the western provinces for the next year.

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.

When a vehicle is registered in one jurisdiction but used in another, the following is to be used as a guide for rating purposes.

1. The vehicle must be insured on a policy from the jurisdiction where it is legally registered, even if the vehicle is chiefly used in another jurisdiction.
2. If it is known where the vehicle is being used and there are FA premiums for that territory, then the appropriate FA premiums for that territory must be used.

For example: The insured resides in Gander and the vehicle is registered in Newfoundland but the insured is attending university in Halifax. Rates for Halifax must be used.

3. If the vehicle is being used in the U.S., it must be rated in the territory in which it is registered.

For example: The insured lives in St. John's, is on a sabbatical in California and the vehicle is registered in Newfoundland, St. John's rates apply.

4. See Rule 325: U.S. Exposure Surcharge to determine surcharges applicable to commercial/public vehicles. Surcharges do not apply to private passenger vehicles that are used for personal use only and where proof of insurance is not required.
5. At the Servicing Carrier's discretion, a copy of fuel tax information, log books and/or other pertinent records may be required to verify mileage and travelled jurisdictions.
6. If the vehicle is used in different territories, refer to the section of this manual dealing with the specific class of business e.g. Private Passenger Vehicles.

7. If the vehicle is used within one region of Canada as defined below, it is to be rated as though it is used in the highest rated territory of that region. If the vehicle is used in more than one region of Canada, it is to be rated as if used in the highest rated region.

Region 1 – Atlantic Provinces
Rate as New Brunswick Territory 3

Region 2 – Central (Ontario and Quebec)
Rate as Ontario Territory 20

Region 3 – West and North
Rate as Alberta Territory 4

Rule 331: Purchasing Vehicles in Jurisdiction Where FA Does Not Operate

When an insured acquires a new vehicle and all vehicles owned by the insured are covered under a POL 1, coverage is automatically provided for the newly acquired vehicle if the insurer is notified of the acquisition within 14 days.

When the insured:

- a) acquires a vehicle in the U.S. and brings it to Canada to a jurisdiction in which FA operates, or
- b) acquires a vehicle in a jurisdiction in Canada in which FA does not operate;

FA shall if necessary, issue a short term policy to provide coverage while the vehicle is in transit (under a transit authority permit) before it is registered in the jurisdiction of residence. The short term policy shall only be provided for a period of time sufficient to allow the vehicle to be driven from the point of purchase to the residence of the owner. This should correspond to the period of time the transit permit is valid.

When the insured comes through Customs, the vehicle must be declared and the insured will be provided with the appropriate forms to complete and submit to the provincial registry so that the vehicle may be registered. A new application can then be submitted for a 6 or 12 month policy if required.

Where an individual or company has a business that includes the purchasing of vehicles in the U.S. or jurisdictions where FA does not operate for shipment back to a Canadian FA jurisdiction for resale, coverage must be

Tab 4 – Risk Classification System

The following pages show Facility Association’s current risk classification system, as captured in Rules 306 to 309 on pages 2-6. There are no proposed changes to the current risk classification system.

I. Verification of Driving History

In order to verify the driving history, the Servicing Carrier is required to obtain the following before confirming the premium:

- 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.

Driver Record Abstracts are not to be obtained for the operators of any Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles to be insured.

- 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.

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.

Insurance history is not required for Snow Vehicles, Dirt Bikes, All Terrain Vehicles or Antique Vehicles. See special instructions under Fleets and the Garage section.

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.

Rule 305: Definitions

A. Public Vehicles

Vehicles used for the carrying of passengers classified in Rule 307. Vehicles rated as Private Passenger vehicles with END 6a attached to permit the occasional carriage of passengers for compensation are not considered to be Public vehicles. Where a vehicle is used for carrying passengers for compensation but is not classified in Rule 307, full details must be provided to the Servicing Carrier including a description of the vehicle, its intended use and its seating capacity.

B. Road Hazard

Liability for bodily injury to others excluding passengers and liability for property damage excluding property carried in or on the insured vehicle.

C. Passenger Hazard - Bodily Injury (BI)

Liability for bodily injury to passengers (Passenger Hazard Bodily Injury (PHBI) and liability for damage to the property of passengers (PHPD).

D. Radius

The radius of operation is the distance between terminal points, which is taken to be one-half the distance travelled by the vehicle over its complete route - from the starting point of its trip to its return to the same point.

E. Seating Capacity

The number of persons excluding the driver which can be carried/seated in the insured vehicle.

F. List Price New

The Manufacturer's Suggested Retail Price new (plus taxes) of the vehicle including the value of the body, all permanently attached equipment and any customizing features.

G. Owned /Leased

The expression "owned by" (as in a vehicle owned by the applicant) includes "leased to" if the applicant is/was responsible for obtaining the Liability insurance for the leased vehicle concerned. A similar interpretation applies to "owns", "ownership", etc.

Rule 306: Rating Territory

The rating territories are described in the Territory section of this manual.

If a filing is required for a higher rated territory, the rate for that higher rated territory must be used regardless of the number of trips to that higher rated jurisdiction.

The applicable rating territory is that in which the vehicle "is and will be chiefly used". If however, the vehicle is operated regularly i.e. more than 12 trips per year to or through other territories, the highest rated of those territories is to be used. A vehicle that travels through a higher rated territory from a lower rated territory where it is garaged, to another lower rated territory where the work is performed, shall be charged the higher rated territory.

For vehicles used in jurisdictions other than Newfoundland, refer to Rule 330 Vehicles Used Outside Jurisdiction of Registration and Rule 325 U.S. Exposure surcharge. U.S. exposure surcharge and currency differential surcharge are to be applied where required.

Rule 307: Rating Class

A. Public Bus - Classes 70, 73, 74, 78

A vehicle that is used for carrying passengers for compensation on public streets or highways including charters and/or sightseeing trips. The insured is in the business of providing transportation of persons.

For example: The insured owns a bus which is used to transport people to and from a ski resort. The sole purpose of the insured’s business is to provide transportation. If the resort owned the bus then the rating would be that of a Hotel/Country Club Bus. If the resort did not own the bus but paid the insured to transport people to the resort then the rating would be that of a Public Bus.

The class is based upon the radius of operation.

Radius of Operation		Class
1. Used solely within the corporate limits of a city or town		70
2. Distance between terminal points:		
More than	Not more than	
	25 km (15 miles)	70
25 km	80 km (50 miles)	73
80 km	240 km (150 miles)	74
240 km (150 miles)		78
Use 6f or, if required by law, 6c.		

B. School Bus - Class 71

A vehicle that is used for carrying students and teachers to and from school premises or school activities.

Rating Note:

a) Charter Trips

If a School Bus is also used for charter trips up to (and including) 20 trips per year the premium payable must be increased according to the following percentages:

Anticipated number of trips per year	All Coverages
1 to 12	25%
13 to 20	50%

If a School bus is used for more than 20 charter trips per year, rate as a Public bus.

Use 6f or 6b if required by law.

b) Vehicles Used by Day Care Operations

Run by Individuals

If the seating capacity is seven or less and is used by an individual who runs a day care out of his/her home, the charge for the appropriate private passenger rate class will apply plus 10% for the 6a endorsement. If the seating capacity exceeds seven seats, school bus rates apply.

Day Care Organizations

If the vehicle is used by a day care organization, rate as a school bus.

C. Hotel or Country Club Bus - Class 72

A vehicle owned by and used by a hotel, summer camp, fishing camp, whitewater rafting enterprise, resort, golf or country club and the like for carrying guests, members or employees. The operation of the bus is secondary or incidental to the insured’s business.

To complete END 6f or 6c, after ‘for compensation or hire only’ enter “in connection with the insured’s business of [enter the insured’s business]”

D. Private Bus - Class 79

A vehicle that is owned by an employer and used to carry employees or a vehicle owned by an association, church or a charitable or similar organization, to carry passengers in connection with activities of the organization.

To complete END 6f or 6c, after ‘for compensation or hire only’ enter “in connection with the insured’s business of [enter the insured’s business].”

E. Van Pool - Class 79

A vehicle owned by an employer and used for one round trip each day to carry commuting employees.

To complete END 6f or 6c, after ‘Use of the automobile in connection with the insured’s business of [enter the insured’s business]”

F. Taxi - Class 77

A vehicle that is not otherwise defined in this section, but is used for carrying passengers for compensation to a destination requested by the passenger.

A completed Taxi Questionnaire must be submitted with the application.

Rating Notes

1. Owner Driven Taxis

Where the application indicates the taxi, for taxi purposes, is solely driven by the applicant or spouse (or in the case of multiple ownership by one specific owner), a 10% premium reduction shall be applied to each coverage. Family members may also drive the vehicle solely for pleasure purposes.

2. Seating Capacity Exceeds Seven

Obtain the per seat rates for Public Bus - Passenger Hazard BI and PD, Accident Benefits and Uninsured Automobile (where applicable).

Multiply the per seat rate by the number of seats in excess of seven. Add this amount to the Taxi premium (the Passenger Hazard BI premium must be added before applying the Table B increased limit factor).

G. Limousine

Attach END 6a and insert rated use of vehicle.

1. Private Passenger Vehicle (includes all vehicles listed in the Private Passenger Rate Group Tables, plus any similar type vehicles not specifically in the Rate Group Tables, such as but not limited to Passenger Vans and Stretch Limousines).
 - a. Airport – A vehicle used in the business of carrying passengers to and from an airport.
 - b. Excluding Airport – A vehicle used in the business of carrying passengers for compensation under contract for transporting passengers, or in connection with specific functions such as weddings, receptions and funerals.
2. For all uses listed above, code and rate as a Taxi.
3. Where seating capacity exceeds seven, rate as above and, for each seat over seven, add the per seat premium applicable to Passenger Bodily Injury and Accident Benefits for a Public Bus.
4. For vehicles manufactured as a bus and with a licence registration of a bus, code and rate as a Public Bus.

H. Ambulance - Class 76**Public**

A vehicle constructed, equipped and used for carrying people who require medical attention or are under medical care.

Private Ambulance

An ambulance as described above but used exclusively for the carrying of the insured's employees.

Use the percentage applicable to Emergency or Non Emergency use.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier.

Attach END 6a and insert "Ambulance" and "Emergency" or "Non emergency".

I. Invalid Car - Class 76

A vehicle constructed, equipped and used for the transportation of wheelchair passengers and other disabled persons.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier.

Rate and code according to use. *For example*, if the vehicle is being used as a private bus, then rate as a private bus.

Attach END 6a, and insert [rated use of vehicle].

J. Funeral Vehicles - Class 75

Attach END 6a and insert [rated use of vehicle].

Hearse/Casket Wagons

A vehicle used for the transportation of coffins, caskets, and flowers.

Funeral Carriage

A vehicle used for the transportation of passengers to and from funeral services.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier. For other vehicles operated by a Funeral Director, see the Private Passenger or Commercial sections of the manual.

Rule 308: Rating**A. Rating for More Than One Use**

If a vehicle is being used for more than one purpose, rate for the use with the highest percentage of exposure. If the exposure for the other use is higher than the exposure for the 'public' use, then the premium for Passenger Hazard Bodily Injury and/or Property Damage is not added to the premium for the other use.

For example: The insured has a station wagon and has been contracted by the school authority to transport children to and from school. The insured also uses the vehicle for strictly pleasure use. The school contract requires \$2,000,000. Road Hazard and \$3,000,000 Passenger Hazard Bodily Injury. Assuming Class 01 percentage of exposure is higher, the policy shall be issued using the Class 01 premium. The Liability limit on the face sheet of the policy shall show \$2,000,000. END 6b must be attached. Under 2(a) the first and second lines shall be completed with a limit of \$3,000,000. END 6b provides that **while the vehicle is being operated as a school bus**, the policy shall provide \$2,000,000 Road Hazard and \$3,000,000 for bodily injury or death of one or more persons. If the insured has an accident while driving the vehicle for pleasure the policy shall provide \$2,000,000 Liability.

The additional \$3,000,000 is only applicable while the vehicle is being operated as a school bus. The premium for 6b shall show as included on the face sheet of the policy.

B. Liability Coverages

The Liability premium is made up of three components:

1. Road Hazard Bodily Injury and Property Damage
2. Passenger Hazard Bodily Injury (PHBI)
3. Passenger Hazard Property Damage (PHPD)

The Schedule of Rates may show separate premiums for each component or combined premiums for some.

Where the Schedule of Rates does not provide the premium for the required limit, an increased limit factor must be applied to the premium. The factors are found in the Limits Table at the beginning of the rate pages. Each coverage component has its own Table (A, B and C). In addition there is Table D which is used instead when a combined limit (where permitted) for Road Hazard and Passenger Hazard BI is required.

If the limit exceeds \$1,000,000, an excess limit factor is applied to the premium for a limit of \$1,000,000.

C. Physical Damage

Where a premium for a rate group or deductible is not shown on the rate page, first calculate the rate group premium by multiplying the base premium by the rate group factor, round to the nearest dollar, and then multiply by the deductible factor.

D. Premium Determination

Ensure that the vehicle is a Public Vehicle.

1. Establish the rating territory
2. Establish the rating class, including any special factors.
3. Establish the driving record
4. Establish the rate group and minimum deductible. Refer to the rate page and the rate per vehicle, per seat or percentage of underlying class.
5. Develop the total premium for each coverage.
6. Apply any required U.S. exposure and currency differential surcharge.
7. Apply fleet rating or any accident/conviction surcharge.

E. Types of Rating used for Public Vehicles

The premiums for Public Vehicles are developed on a “Per Vehicle”, “Per Seat” or a “percentage” of a Private Passenger, Commercial or another Public Vehicle premium.

“Per Vehicle” If the heading on the rate page states “Per Vehicle” the premium shown on the rate page is a premium applicable to the vehicle depending upon the territory, class, driving record, seating capacity and limit.

“Per Seat” If the heading on the rate page states “Per Seat,” then to determine the premium for that coverage

1. Obtain the applicable per seat rate shown for the territory, class, driving record, seating capacity and limit. Develop the premium in stages if seat rates are shown for various numbers of seats.

For example: using hypothetical seat rates for a 35 passenger bus

Seating Capacity	Per Seat
1-12	28.66
13-29	6.97
30+	3.35

2. Multiply each rate by the number of seats in the stage

12 times 28.66 =	343.92
17 times 6.97 =	118.49
6 times 3.35 =	20.10
Total premium =	482.51
Rounded to	\$483.00

3. If in addition to the per seat rate, a **basic** premium is shown on the rate page for that coverage, then it must be added to the per seat premium.

In the example a hypothetical \$41.56 would be added to the \$482.51 and the total rounded to \$524.

Public Buses exceeding 32 seats – The Passenger Hazard premium is the sum of the Per Vehicle premium for Seating capacity 30-32 plus the Per Additional Seat Rate times the number of seats in excess of 32.

“Percentage” The rate page may show a class and a percentage. The premium is obtained by applying the percentage on the rate page to the premium for the class indicated at a Liability limit of \$200,000. The premiums for higher limits are obtained by applying the increased limit factors in the rate pages.

Note that Public Vehicles are to be rated as Driving Record 0, 1, 2 or 3 even where there may be a better driving record available for the underlying class.

Rule 309: Driving Record

Driving record is the number of years of verified “Clear Record”. This rule does not apply to coverages that are fleet rated.

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. 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.

A. Clear Record

Throughout the period concerned:

1. There has been no accident involving the described vehicle or one for which it has been substituted; **and**
2. The applicant has owned the described vehicle or one of a similar type for which it has been substituted.

Ownership is established from the date on which the applicant takes possession of the vehicle.

There is no requirement that drivers are accident free on other vehicles – the rating is determined from the vehicle history not the driver’s history.

B. Driving Record Entitlement

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

Notes

1. A chargeable accident will affect the rating of the Liability 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 transferred to a remaining vehicle with the best rated driving record.
3. Where a vehicle replaces another it acquires the driving record of the replaced vehicle.
4. Gaps in insurance coverage within the 3 years immediately preceding the effective date of the insurance shall have the following effect on the assignment of the driving record:
 - a) If a gap in insurance coverage is 24 consecutive months or more in the past 3 years, the driving record will be reduced by 1 for each 12 month gap.
 - b) If a gap in insurance coverage is less than 24 consecutive months in the past 3 years and the gap is the result of a cancellation of non-payment of premium, termination for non-disclosure of a claim or conviction that would have increased the premium, or driver’s licence suspension, the driving record will be reduced by 1 for each 12 month gap.
 - c) If a gap in insurance coverage is less than 24 consecutive months in the past 3 years and the gap is for any reason other than one shown in b., the driving record will not be impacted.

Example 1: The applicant has proof of accident free insurance from June 1, 2002 to February 15, 2006. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (February 15, 2006 to July 1, 2006), there is no impact on the driving record.

Example 2: The applicant has proof of accident free insurance from June 1, 2002 to May 20, 2005 when the policy was

cancelled for non-payment of premium. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (May 20, 2005 to July 1, 2006), but for a reason shown in b. above, the driving record is reduced by 1 year.

5. A loss history report or letter from the prior carrier is required to confirm claims-free experience for all driving records on individually-rated vehicles. Where a loss history report or letter from the previous insurer verifying claims free experience in Canada or the U.S. is not provided, the insured shall be eligible for a maximum of Driving Record 0.

C. Incorrect Class of Licence

Some vehicles such as buses require the operator to maintain a specific class of licence in order to operate such vehicles. Where the operator fails to have the proper class of licence for the vehicle to be insured, rate at Driving Record 0. If evidence of the correct class of licence is not provided to the Servicing Carrier within 30 days, the policy will be cancelled by registered letter.

Rule 310: Rate Group

A. Public Bus

Determine the list price new and rate according to the ‘List Price New’ column on the Public Bus rate page.

B. Other Vehicles

If the Schedule of Rates requires that a Private Passenger premium be used and the vehicle is listed in the Rate Group Table in the Private Passenger section of the manual, use the Private Passenger rate group. If the vehicle is not listed in the Private Passenger Rate Group Table, **determine list price new** and obtain the rate group from the Rate Group Table found on the Rating Notes page in the Private Passenger section. If the Schedule of Rates requires that a Commercial premium be used, determine the list price new and establish the rate group using Rate Group Table II in the Commercial section of the manual.

Rule 311: Endorsement Forms/ Wordings

Changes to standard approved forms are not permitted.

The Endorsement Section 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. Certain endorsements require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the

Tab 5 – Discounts

The following page shows Facility Association's current discount, as captured in Rule 307 Section F. Taxi under Owner Driven Taxis. There are no proposed changes to the current discounts.

Rule 307: Rating Class

A. Public Bus - Classes 70, 73, 74, 78

A vehicle that is used for carrying passengers for compensation on public streets or highways including charters and/or sightseeing trips. The insured is in the business of providing transportation of persons.

For example: The insured owns a bus which is used to transport people to and from a ski resort. The sole purpose of the insured’s business is to provide transportation. If the resort owned the bus then the rating would be that of a Hotel/Country Club Bus. If the resort did not own the bus but paid the insured to transport people to the resort then the rating would be that of a Public Bus.

The class is based upon the radius of operation.

Radius of Operation		Class
1. Used solely within the corporate limits of a city or town		70
2. Distance between terminal points:		
More than	Not more than	
	25 km (15 miles)	70
25 km	80 km (50 miles)	73
80 km	240 km (150 miles)	74
240 km (150 miles)		78
Use 6f or, if required by law, 6c.		

B. School Bus - Class 71

A vehicle that is used for carrying students and teachers to and from school premises or school activities.

Rating Note:

a) Charter Trips

If a School Bus is also used for charter trips up to (and including) 20 trips per year the premium payable must be increased according to the following percentages:

Anticipated number of trips per year	All Coverages
1 to 12	25%
13 to 20	50%

If a School bus is used for more than 20 charter trips per year, rate as a Public bus.

Use 6f or 6b if required by law.

b) Vehicles Used by Day Care Operations

Run by Individuals

If the seating capacity is seven or less and is used by an individual who runs a day care out of his/her home, the charge for the appropriate private passenger rate class will apply plus 10% for the 6a endorsement. If the seating capacity exceeds seven seats, school bus rates apply.

Day Care Organizations

If the vehicle is used by a day care organization, rate as a school bus.

C. Hotel or Country Club Bus - Class 72

A vehicle owned by and used by a hotel, summer camp, fishing camp, whitewater rafting enterprise, resort, golf or country club and the like for carrying guests, members or employees. The operation of the bus is secondary or incidental to the insured’s business.

To complete END 6f or 6c, after ‘for compensation or hire only’ enter “in connection with the insured’s business of [enter the insured’s business]”

D. Private Bus - Class 79

A vehicle that is owned by an employer and used to carry employees or a vehicle owned by an association, church or a charitable or similar organization, to carry passengers in connection with activities of the organization.

To complete END 6f or 6c, after ‘for compensation or hire only’ enter “in connection with the insured’s business of [enter the insured’s business].”

E. Van Pool - Class 79

A vehicle owned by an employer and used for one round trip each day to carry commuting employees.

To complete END 6f or 6c, after ‘Use of the automobile in connection with the insured’s business of [enter the insured’s business]”

F. Taxi - Class 77

A vehicle that is not otherwise defined in this section, but is used for carrying passengers for compensation to a destination requested by the passenger.

A completed Taxi Questionnaire must be submitted with the application.

Rating Notes

1. Owner Driven Taxis

Where the application indicates the taxi, for taxi purposes, is solely driven by the applicant or spouse (or in the case of multiple ownership by one specific owner), a 10% premium reduction shall be applied to each coverage. Family members may also drive the vehicle solely for pleasure purposes.

2. Seating Capacity Exceeds Seven

Obtain the per seat rates for Public Bus - Passenger Hazard BI and PD, Accident Benefits and Uninsured Automobile (where applicable).

Multiply the per seat rate by the number of seats in excess of seven. Add this amount to the Taxi premium (the Passenger Hazard BI premium must be added before applying the Table B increased limit factor).

G. Limousine

Attach END 6a and insert rated use of vehicle.

1. Private Passenger Vehicle (includes all vehicles listed in the Private Passenger Rate Group Tables, plus any similar type vehicles not specifically in the Rate Group Tables, such as but not limited to Passenger Vans and Stretch Limousines).
 - a. Airport – A vehicle used in the business of carrying passengers to and from an airport.
 - b. Excluding Airport – A vehicle used in the business of carrying passengers for compensation under contract for transporting passengers, or in connection with specific functions such as weddings, receptions and funerals.
2. For all uses listed above, code and rate as a Taxi.
3. Where seating capacity exceeds seven, rate as above and, for each seat over seven, add the per seat premium applicable to Passenger Bodily Injury and Accident Benefits for a Public Bus.
4. For vehicles manufactured as a bus and with a licence registration of a bus, code and rate as a Public Bus.

H. Ambulance - Class 76**Public**

A vehicle constructed, equipped and used for carrying people who require medical attention or are under medical care.

Private Ambulance

An ambulance as described above but used exclusively for the carrying of the insured's employees.

Use the percentage applicable to Emergency or Non Emergency use.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier.

Attach END 6a and insert "Ambulance" and "Emergency" or "Non emergency".

I. Invalid Car - Class 76

A vehicle constructed, equipped and used for the transportation of wheelchair passengers and other disabled persons.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier.

Rate and code according to use. *For example*, if the vehicle is being used as a private bus, then rate as a private bus.

Attach END 6a, and insert [rated use of vehicle].

J. Funeral Vehicles - Class 75

Attach END 6a and insert [rated use of vehicle].

Hearse/Casket Wagons

A vehicle used for the transportation of coffins, caskets, and flowers.

Funeral Carriage

A vehicle used for the transportation of passengers to and from funeral services.

If the seating capacity exceeds seven, submit full details to the Servicing Carrier. For other vehicles operated by a Funeral Director, see the Private Passenger or Commercial sections of the manual.

Rule 308: Rating**A. Rating for More Than One Use**

If a vehicle is being used for more than one purpose, rate for the use with the highest percentage of exposure. If the exposure for the other use is higher than the exposure for the 'public' use, then the premium for Passenger Hazard Bodily Injury and/or Property Damage is not added to the premium for the other use.

For example: The insured has a station wagon and has been contracted by the school authority to transport children to and from school. The insured also uses the vehicle for strictly pleasure use. The school contract requires \$2,000,000. Road Hazard and \$3,000,000 Passenger Hazard Bodily Injury. Assuming Class 01 percentage of exposure is higher, the policy shall be issued using the Class 01 premium. The Liability limit on the face sheet of the policy shall show \$2,000,000. END 6b must be attached. Under 2(a) the first and second lines shall be completed with a limit of \$3,000,000. END 6b provides that **while the vehicle is being operated as a school bus**, the policy shall provide \$2,000,000 Road Hazard and \$3,000,000 for bodily injury or death of one or more persons. If the insured has an accident while driving the vehicle for pleasure the policy shall provide \$2,000,000 Liability.

The additional \$3,000,000 is only applicable while the vehicle is being operated as a school bus. The premium for 6b shall show as included on the face sheet of the policy.

B. Liability Coverages

The Liability premium is made up of three components:

1. Road Hazard Bodily Injury and Property Damage
2. Passenger Hazard Bodily Injury (PHBI)
3. Passenger Hazard Property Damage (PHPD)

The Schedule of Rates may show separate premiums for each component or combined premiums for some.

Tab 6 – Surcharges

The following pages show Facility Association’s surcharges, as captured in Rules 323, 325, 332, and 334. There are no proposed changes to the current surcharges.

Rule 323: Accident and Conviction Surcharges

These surcharges are applicable to Liability (including Passenger Liability) and Collision. These surcharges are not to be applied to coverages which are experience (fleet) rated.

A. Accidents

Accident surcharges are assessed in accordance with the Surcharge Schedule for chargeable accidents that occurred during the 36 months immediately preceding the effective date of the commencement of the insurance.

1. At New Business

No accident shall be used more than once in determining the surcharges for vehicles insured in FA by the same Servicing Carrier, whether or not on the same policy.

Accidents arising from the ownership of any vehicle other than the described vehicle are not to be considered.

For example: The insured owns a business in which three commercial vehicles are driven by employees. Two of the commercial vehicles are insured in the voluntary market; the other is insured in FA. There have been 2 accidents on each of the vehicles in the voluntary market, none of which arose from the use or operation of the vehicle by the insured himself. There have been 3 accidents on the vehicle insured in FA. The accidents that occurred on the vehicles insured in the voluntary market are not used to calculate the accident surcharge on the vehicle insured in FA, as long as they are rated under another inforce automobile policy.

Where the term ‘described vehicle’ is used, it includes a vehicle substituted for it.

Accidents arising out of the use or operation of other vehicles for which another listed driver is responsible shall not be considered. There is no requirement that drivers are accident free on other vehicles – the rating is determined from the vehicle history not the driver’s history.

a) One vehicle on the policy

Consider accidents that involved the described vehicle or a vehicle substituted for it.

For example: Applicant has had 1 at fault accident on the described vehicle and 1 accident on a neighbour’s car. Employee had 1 at fault accident on own vehicle insured elsewhere but has now sold that vehicle. Only the accident on the described vehicle shall be considered.

b) One driver and two or more vehicles

Accidents that involve one of the described vehicles shall be assigned to that vehicle. Accidents arising out of the use or operation of any other vehicle by the applicant or any other listed operator shall not be considered.

For example: There are two public vehicles on the policy; applicant is the only operator. There has been one accident on public vehicle 1 and one accident on public vehicle 2. Applicant also had two accidents on a pleasure vehicle insured elsewhere. The claims on the public vehicles are rated on the vehicles on which they occurred. The two accidents on the vehicle insured elsewhere are not considered.

c) Two or more drivers and two or more vehicles

Each driver is to be assigned as principal operator on the vehicle he/she most frequently drives. Accidents that involve one of the described vehicles shall be assigned to that vehicle. Accidents arising out of the use or operation of any other vehicle by the applicant or any other listed operator shall not be considered.

For example: There are two public vehicles on the policy and two operators. Applicant is principal operator of vehicle 1 and has had one accident on vehicle 1 and one accident on his personal vehicle insured elsewhere. Employee is principal operator of vehicle 2 on which there have been two accidents. On vehicle 1 count only the accident that occurred on the described vehicle. The accident on the personal vehicle insured elsewhere is not to be considered. On vehicle 2 count both accidents as they occurred on the described vehicle.

2. At Renewal (for surcharge only)

At the time of renewal, the accident record shall be updated. Any accidents that occurred more than 36 months prior to renewal date shall be excluded and all accidents that occurred during the expiring term that involved the following shall be added:

- a) The described vehicle (regardless of driver).
- b) Other vehicles but were the subject of claims under this policy.

B. Convictions

Conviction surcharges shall be assessed for traffic offences (as hereinafter described) for which the insured was convicted in the 36 months immediately preceding the commencement of the period of insurance.

1. How to apply conviction surcharges

No conviction record shall be used more than once to determine conviction surcharges for vehicles insured in FA by the same Servicing Carrier, whether or not insured on the same policy.

If convictions for impaired driving and failure or refusal to take a breath or blood test relate to the same occurrence, they shall be considered as one conviction.

Convictions for road offences shall not be used in the rating of off road vehicles (e.g. Snow Vehicles, All Terrain Vehicles) and vice versa.

a) One vehicle and more than one driver

The conviction record of all persons who are listed drivers of the vehicle shall be reviewed to establish which conviction record develops the highest surcharge percentage in accordance with the surcharge schedule for convictions. That conviction record shall be used in calculating the surcharge.

b) More than one vehicle and more than one driver

Each driver shall be allocated to the vehicle they drive most and that driver’s conviction record shall be considered in relation only to that vehicle.

c) One driver and more than one vehicle

The driver’s conviction record shall be applied to the vehicle that produces the highest premium prior to the application of any accident or conviction surcharges.

C. Accident/Conviction Surcharge Table

Maximum surcharge to be applied for accidents, serious, major and minor convictions is 200%.

Events in the preceding 36 months	Surcharge
Chargeable Accidents:	
2	0%
3	30%
Each additional	10%
Major Convictions	
1	15%
Each additional	5%
Minor Convictions	
2	0%
3	0%
4	25%
Each additional	15%
Serious Convictions	
1	50%
Each additional	100%

D. Conviction Definitions

a. Major

Convictions for any of the following offences under any Act governing highway traffic or for any offence substantially the same whether committed within or outside Canada:

- Failing to report an accident
- Failing, in the event of an accident, to give name and licence number to the police or any other person entitled to such information
- Fail to obey school crossing stop sign
- Improper passing of a school bus
- Improper passing in a school or playground zone

Improper speeding in a school or playground zone

Graduated Licence (where applicable):

- Permit novice driver in contravention of cond/rest
- Accompanying driver has excess blood alcohol
- Driver unaccompanied by a qualified driver
- Drive with front seat passenger
- Drive with excess passengers
- Drive on prohibited highway
- Drive at unlawful hour
- Drive motorcycle with passenger
- Drive motorcycle on prohibited highway

Fail to report damage to highway property

Stunting

Fail to obey directions of a peace officer

Fail to stop on request of a peace officer

b. Minor

The list of minor convictions is not all inclusive and other moving violations, including new offences added to an Act governing highway traffic, may be considered minor, whether committed within or outside Canada, if not specifically named in the Major or Serious list, including, but not limited to:

Fail to notify police

Fail to make written report

Backing up/unsafe/illegal/improper: any type

Brakes/none/inadequate/improper: any type

Crowding driver’s seat

Door opening/illegal/obstructing traffic: any type

Emergency vehicle/operating with no regard for safety

Driving off roadway (including shoulder/sidewalk/median): any type

Flagman/disobeying

Following too closely (including tailgating)

Headlights/parking lights/improper/lack of use: any type

Lack of control of vehicle: any type

Motor-assisted bicycle carrying passengers

Motorcycle/operating with only an instruction permit

Motorcycle/failure to wear helmet

Passing infraction: any type except school bus or school/playground zone

Pedestrian crossing violation: any type

Radar warning device in motor vehicle: if illegal in province

Railway crossing: any type

Safety zone violation: any type

Seatbelt (any type)

Signalling offences: any type

Slow driving/endangering other: any type

Smokescreen device on vehicle

Speeding: any type, except when listed as major or serious

Squealing tires

Stopping/illegal/improper: any type

Tires/defective/worn: any type

Towing/prohibited/unsafe: any type

Traffic signals/regulating lights: any type

Traffic signs/disobeying any legal sign except parking regulations

Trailer: improper attachments/improper towing

Turns/illegal/improper: any type

Unlicensed driver: any type including improper licence class (Driving without a subsisting licence)

Unsafe move

Unsafe vehicle: any type

Using handheld/operated electronic/ wireless device

Wrong side of road/wrong way: any type

Yield, failing to: any type

Note: This is a generic list and will not, in all cases, match the exact wording printed on the Driver Record Abstract.

c. Serious

Convictions for any of the following offences under the Criminal Code of Canada or under any Act governing highway traffic or under any other Act or for any offence substantially the same whether committed within or outside Canada or any conviction which appears on a Driver Record abstract identified as a Criminal Code conviction.

Criminal negligence committed in the operation or use of a motor vehicle
Manslaughter committed in the operation or use of a motor vehicle

Driving while licence under suspension

Racing

Careless driving

Driving without due care and attention

Dangerous driving

Driving imprudently

Impaired driving

Failure or refusal to submit to a breath or blood test

Failure to pass a breath or blood test

Failure to stop/remain at the scene of an accident

Failure to stop for a police officer, resulting in a suspension of licence for a period in excess of one year.

Driving without insurance

Speeding of 50 kph or more over limit

Learner/Level One driver fail/refuse breath sample

Learner/Level One driver with alcohol in blood

Driver in the alcohol ignition interlock device programme operating a vehicle not so equipped

Failure to have alcohol ignition interlock device installed and functioning when it is a requirement for driver's licence reinstatement

Note: If convictions for impaired driving and failure or refusal to take a breath or blood test relate to the same occurrence, they will be considered as one conviction.

Where a filing is to be made for a leased vehicle, the filing should be made in the name of the lessee only.

E. Processing Fees for Filings

Please contact your Servicing Carrier for a schedule of fees which will be charged on a 100% cost recovery basis.

Any charge required by the authority concerned shall be in addition to, and separate from, the Processing Fees.

Rule 325: U.S. Exposure

A. U.S. Exposure Surcharge

Any vehicle that is operated in the U.S. is subject to the U.S. exposure surcharge. This surcharge shall apply to all classes of vehicles where proof of insurance is required and/or where the vehicles are used for business, commercial purposes or are carrying passengers.

The surcharge does not apply where the vehicle is used for personal use only and proof of insurance is not required.

The insured must advise the Agent/Broker the percentage of total mileage that the vehicle will be used in the U.S.

If this exposure is 5.0% or less of the total mileage, the surcharge shall be waived unless proof of insurance is required by authorities. In this case a 5% surcharge will apply to Liability (Road Hazard and Passenger Hazard), Accident Benefits, Uninsured Automobile.

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.

Liability, Accident Benefits, Uninsured Automobile

For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge 1% of the applicable premium. Also, refers to paragraph indicated.

For example:

U.S. Exposure	Applicable Surcharge
5% or less and proof of insurance required	5%
10%	10%
25%	25%
50%	50%

Physical Damage

For each percentage point of mileage in the U.S. or other applicable jurisdiction, surcharge .50% of the applicable premium.

For example:

U.S. Exposure	Applicable Surcharge
6%	3%
10%	5%
25%	12.5%
50%	25%

B. Currency Differential Surcharge

Whenever proof of insurance is required by U.S. authorities, a currency differential surcharge is added to the Liability premium to provide for the potential additional loss arising from the payment of a claim in U.S. dollars.

The currency differential is the rate of exchange being charged for the U.S. dollar, to the nearest cent, as at the date the premium is calculated by the Servicing Carrier for policy issuance. The Servicing Carrier shall use the Bank of Canada closing rate from the previous published day.

The surcharge percentage is calculated by means of the following formula:

Currency differential x U.S. exposure surcharge

For example:

The rate of exchange for the U.S. dollar is 1.3085 Canadian.

Therefore the currency differential is 0.31

The U.S. exposure surcharge is 25%

Currency differential surcharge: 0.31 X 25% = 7.75%

The Currency differential surcharge is

1. Applied only to the Liability premium Road/Passenger Hazard).
2. Not subject to a minimum surcharge
3. Additional to but not compounded on the U.S. exposure surcharge.

Example:

The Liability premium is	\$1,000
U.S. Exposure Surcharge is	25%
The Currency Differential Surcharge is	7.75%
Base Premium	\$1,000
U.S. Exposure	\$1,000 X .25 = \$250
Currency Differential	\$1,000 X 7.75 = \$77.50
Total Liability premium	\$1,328

4. In addition to the Servicing Carrier’s fee for filing proof of insurance.
5. Payable only when proof of insurance is required by U.S. authorities.
6. The combined dollar value of the currency differential surcharge and the U.S. exposure surcharge is subject to a minimum of \$50 per policy term.

For example: Using the example above, the dollar value of the U.S. exposure surcharge is \$250 and the dollar value of the currency differential surcharge is \$78. The total

combined dollar value is \$328, well exceeding the minimum required.

Rule 326: Claims

Every accident, loss or claim that comes to the knowledge of the Agent/Broker in regard to his Facility Association policies must immediately be reported in the manner prescribed by the Servicing Carrier.

1. Snow Vehicles and All Terrain Vehicles (with or without END 9) on Ice/Water

The following scenarios shall be considered Comprehensive losses:

An insured drives a Snow Vehicle or All Terrain Vehicle on a frozen lake and hits open water.

An insured drives a Snow Vehicle or All Terrain Vehicle on a frozen lake. The ice cracks and the Snow Vehicle or All Terrain Vehicle sinks to the bottom.

A Snow Vehicle or All Terrain Vehicle is parked on ice. The ice cracks under the machine and it sinks to the bottom.

2. Collision with Animals

Losses involving Collision with animals, both wild and domestic, shall be paid under Comprehensive coverage. If the policy does not afford Comprehensive coverage but does provide Collision coverage, the loss shall be paid under Collision coverage and be regarded as not at fault.

Rule 327: Suspension and Reinstatement of Coverages – END16/17

Liability, Accident Benefits and Collision as they relate to the use and operation of the described vehicles, new vehicles or temporary substitute vehicles may be suspended by means of END 16.

This endorsement leaves in place Comprehensive or Specified Perils coverage if present on the policy as well as the coverages mentioned above as they relate to the **ownership** of the vehicle. This means that END 16 does not suspend coverages related to 'drive other vehicles'; while a pedestrian; or while the vehicle is in storage. This

endorsement is available on private passenger and commercial vehicles. Coverage is reinstated by means of END 17.

No refund is allowed in respect of Comprehensive and Specified Perils.

If Liability and Accident Benefits coverages are removed or suspended twice in one year, then removal of those coverages a third time will not be permitted until the following renewal. It is not necessary to remove the licence plate from the vehicle while coverage is removed or suspended.

END 16/17 is not available for the following:

1. Vehicles for which proof of insurance is issued or filed.
2. Experience rated risks
3. Recreational vehicles rated in the Recreational Vehicle section
4. Vehicles that were never intended to be driven.
5. Vehicles held for sale whether or not on an auto dealer's lot.

Rating

The refund for the period of cancellation is calculated according to the table printed on the END 16 form.

In no event shall a refund be granted for any suspension period of less than sixty (60) consecutive days.

Rule 328: Suspension of Operator's Licence

The following provisions apply in the event of the suspension, cancellation or lapse of an operator's licence, or the right to obtain a licence of a person who is recorded as a driver of a vehicle to which the insurance applies, or where a driver is unlicensed. These provisions apply whether END 28A is being added to the policy at the request of the insured or by the Servicing Carrier because of the above mentioned circumstances.

A. If there is no other driver of the vehicle

1. An application for insurance of the vehicle shall be declined by the Agent/Broker.
2. If the situation is discovered after the policy has been issued, the Servicing Carrier shall cancel the policy by registered letter. The earned premium for cancellation will be pro rata of the premium applicable to the risk as submitted.
3. If the situation is discovered as a result of enquiries prior to the renewal date, the Servicing Carrier shall issue a notice of nonrenewal.

provided by means of a garage policy for Automobile Dealers.

Premium Calculation

The premium is to be calculated in accordance with Short Term tables subject to minimum premium.

Private passenger vehicles are to be rated class 01 using the appropriate driving record. There is no surcharge for U.S. exposure.

The territory to be used is the territory where the insured resides.

Commercial vehicles classified as light are to be rated class 36. Commercial vehicles classified as heavy are to be rated class 44. Driving record is 0. 100% U.S. Exposure Surcharge applies.

Rule 332: Short-Term Rentals- Unspecified Lessees - Leases of 30 Days or Less

Use POL 1 and END 5c. Insurance is provided on a specified vehicle/per vehicle basis and use of END 21a/b is not permitted. Use of END 44 is not permitted.

Liability, Physical Damage

Class of Vehicle	Premium
Private Passenger Vehicles	250% of 07/0 rate
Commercial Vehicles	
Light Trucks	200% of 43/0 rate
Heavy Trucks	200% of 45/0 rate
Tractors/Trailers	175% of 64/0 rate
Private Type Trailers	
Liability	Non Pleasure rate plus \$15
Physical Damage	250% of normal rate
Motor Homes and Vehicles with mounted Camper Unit	
Liability	250% of 07/0 rate
Physical Damage	250% of normal rate
Motorcycles & Mopeds	250% of Driving Record 0
Snow Vehicles	250% of normal rate
All Terrain Vehicles	250% of normal rate
Any other vehicle	Refer to Servicing Carrier

Accident Benefits, Uninsured Automobile

Charge the normal rate for the type of vehicle concerned.

Rule 333: Long-Term Leases-Specified Lessees- Leases Exceeding 30 Days

A. Application

The lessee must complete an FA application form. The name and address of the applicant/lessee and the name and address of the lessor must be shown where required on the application form.

B. Policy

Use POL 1 with END 5. The name and address of the lessor and the name and address of the lessee must appear on the policy declaration page.

C. Rating

The vehicle is rated as if owned by the lessee.

Rule 334: Driver Training Vehicles

All Driver Training Vehicles (regardless of vehicle type) shall be rated based on the trainer and that individual's experience. These vehicles shall not be rated for the trainee.

Use POL 1 with END 6D. This endorsement extends the Liability section of the policy to cover the applicant's liability for student drivers/observers.

A. Driving Record

Driving record is to be calculated in accordance with the section of the manual that applies to a similar class of vehicle, subject to a maximum of Driving Record 3. Clear record earned on a similar vehicle which was not previously used for driver training, shall be applied when determining the driving record for driver training vehicles.

For example: The insured opens a driver training school and either uses his own car or buys another car to use as a driver training vehicle. The insured has no previous experience with driver training and is 5 years accident free. According to the rules in the Private Passenger section the insured is entitled to Driving Record 5. Therefore the insured is entitled to Driving Record 3 on the driver training vehicle. If the insured had never owned a tractor trailer and purchased one to use for driver training, the driving record entitlement would be 0 according to the rules in the Commercial section.

B. Vehicle used solely for Driver Training

Calculate the premium as follows, add any applicable accident and conviction surcharges, and then apply the surcharges indicated in the Driver Training Surcharge Table.

Private Passenger Vehicles:

Rate as business use

Commercial Vehicles:

Light –Rate as Class 36; Heavy – Rate as Class 44

Public Vehicles (Buses, etc.):

Private Passenger Type Vehicles:

Rate as business use

Other Vehicles:

Light Rate as Class 36; Heavy Rate as Class 44

Recreational Vehicles:

Rate at non-pleasure rates

C. Vehicles used for Driver Training in addition to some other use

1. Calculate the premium as though the vehicle is used solely for driver training.
2. Calculate the premium as though the vehicle were used solely for the 'other use'.
For example: If the vehicle is used for driving to and from work less than 17 km one way, use Class 02.
3. Add the dollar value of the driver training surcharge calculated in step 1 to the premium calculated in step 2.
4. Compare the premium in step 1 to the premium calculated through steps 2 and 3 and use the higher of the two.

For example:

Step 1

The vehicle is a private passenger vehicle and using class 07, the total premium is \$700. The Liability premium is \$200. The vehicle is equipped with dual controls so a surcharge of 35% is applied to the Liability premium for a surcharge of \$70. The total policy premium calculated in step 1 is therefore \$770.

Step 2

The driver training use is part time and the insured also uses the vehicle to drive to and from another job. Therefore a premium of \$400 is calculated by rating the vehicle as Class 02.

Step 3

The premium in Step 2 is \$400 and we add to that the surcharge premium of \$70 calculated in Step 1.

Step 4

Use the higher of the results from Step 1 (\$770) or Step 3 (\$470).

D. Driver Training Vehicle Surcharge Table

1. Vehicles used only for Secondary School, College or University training courses.

Coverage	Equipped with	
	dual controls	Other
Liability	35%	135%
Collision	0%	75%

2. Other Vehicles

Coverage	Equipped with	
	dual controls	Other
Liability	70%	170%
Collision	25%	100%

Rule 335: Fleets

A. Definition

A fleet is a group of 10 or more self-propelled vehicles under common ownership or management and used for business, commercial, or public transportation. Vehicles on a long-term lease are considered the equivalent of owned in determining whether or not a risk is a fleet. The applicant must have had 120 months of Liability insurance in the past 12 months i.e. 10 vehicles with Liability coverage for the past year, regardless of the number of policies on which those vehicles were insured.

For example: If the insured owned 10 vehicles and leased (on a long term basis) 1 vehicle that were insured for Liability for the past 12 months, the insured has 132 months of Liability insurance. If the insured only had 9 vehicles insured for Liability in that period, there would only be 108 months of Liability insurance and the policy would not be experience rated.

The 120 months is established on the basis of vehicles the insured has owned or leased from others. The applicant may be required to provide proof of vehicle registration and ownership. Vehicles that are leased for more than 30 days to others are not to be considered unless those vehicles are leased to one lessee and meet the definition of a fleet.

Vehicles that the insured leases from others must be insured on a separate policy with the same expiry date as the policy for owned vehicles. If the policy for owned vehicles and the policy for the leased vehicles are insured through FA whether or not with the same Servicing Carrier, the policies shall be experience rated. If however, one policy is insured in the voluntary market and the other policy is insured through FA, the FA policy shall only be experience rated if there has been 120 months of liability

Tab 7 – Endorsement Wordings and Premiums

The following pages show Facility Association’s current endorsement wordings and premiums, as captured in Rules 311, 312, 313 and 338. There are no proposed changes to the endorsement wordings and premiums.

Ownership is established from the date on which the applicant takes possession of the vehicle.

There is no requirement that drivers are accident free on other vehicles – the rating is determined from the vehicle history not the driver’s history.

B. Driving Record Entitlement

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

Notes

1. A chargeable accident will affect the rating of the Liability 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 transferred to a remaining vehicle with the best rated driving record.
3. Where a vehicle replaces another it acquires the driving record of the replaced vehicle.
4. Gaps in insurance coverage within the 3 years immediately preceding the effective date of the insurance shall have the following effect on the assignment of the driving record:
 - a) If a gap in insurance coverage is 24 consecutive months or more in the past 3 years, the driving record will be reduced by 1 for each 12 month gap.
 - b) If a gap in insurance coverage is less than 24 consecutive months in the past 3 years and the gap is the result of a cancellation of non-payment of premium, termination for non-disclosure of a claim or conviction that would have increased the premium, or driver’s licence suspension, the driving record will be reduced by 1 for each 12 month gap.
 - c) If a gap in insurance coverage is less than 24 consecutive months in the past 3 years and the gap is for any reason other than one shown in b., the driving record will not be impacted.

Example 1: The applicant has proof of accident free insurance from June 1, 2002 to February 15, 2006. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (February 15, 2006 to July 1, 2006), there is no impact on the driving record.

Example 2: The applicant has proof of accident free insurance from June 1, 2002 to May 20, 2005 when the policy was

cancelled for non-payment of premium. Effective date of FA policy is July 1, 2006. Since the gap is less than 24 consecutive months (May 20, 2005 to July 1, 2006), but for a reason shown in b. above, the driving record is reduced by 1 year.

5. A loss history report or letter from the prior carrier is required to confirm claims-free experience for all driving records on individually-rated vehicles. Where a loss history report or letter from the previous insurer verifying claims free experience in Canada or the U.S. is not provided, the insured shall be eligible for a maximum of Driving Record 0.

C. Incorrect Class of Licence

Some vehicles such as buses require the operator to maintain a specific class of licence in order to operate such vehicles. Where the operator fails to have the proper class of licence for the vehicle to be insured, rate at Driving Record 0. If evidence of the correct class of licence is not provided to the Servicing Carrier within 30 days, the policy will be cancelled by registered letter.

Rule 310: Rate Group

A. Public Bus

Determine the list price new and rate according to the ‘List Price New’ column on the Public Bus rate page.

B. Other Vehicles

If the Schedule of Rates requires that a Private Passenger premium be used and the vehicle is listed in the Rate Group Table in the Private Passenger section of the manual, use the Private Passenger rate group. If the vehicle is not listed in the Private Passenger Rate Group Table, **determine list price new** and obtain the rate group from the Rate Group Table found on the Rating Notes page in the Private Passenger section. If the Schedule of Rates requires that a Commercial premium be used, determine the list price new and establish the rate group using Rate Group Table II in the Commercial section of the manual.

Rule 311: Endorsement Forms/ Wordings

Changes to standard approved forms are not permitted.

The Endorsement Section 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. Certain endorsements require a signature. Where no signature is obtained, the policy may be cancelled in accordance with the

Statutory Conditions or the endorsement may be deleted and the policy rerated accordingly.

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.

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.

Rule 312: Endorsements

END 20 - Loss of Use

Facility Association does not provide this coverage for Public Vehicles.

After Market Sound and Electronic Communication Equipment

Where the vehicle is equipped with sound or electronic communication equipment, other than factory installed equipment, application of either END 37 or END 38 is mandatory in those jurisdictions where the endorsements and the END 38 rate have been approved. See Endorsement Section.

END 37 - Limitation to Automobile Sound and Electronic Communication Equipment

This endorsement limits the amount of coverage on such equipment to \$1,500. Where a vehicle is covered for Comprehensive or Specified Perils, this endorsement must be added if the Applicant does not wish to purchase additional coverage.

The endorsement must be signed by the insured.

END 38 - Increased Limit, Automobile Sound and Electronic Communication Equipment

Where a vehicle is covered for Comprehensive or Specified Perils, and the Applicant wishes to purchase additional coverage for the equipment, this endorsement may be added.

Additional coverage may be purchased at a rate of \$30 per \$1,000 of value or part thereof in excess of \$1,500.

Documentation (appraisal or receipts) is necessary to substantiate the value stated in the endorsement. The endorsement must be signed by the insured.

For example: END 38 has a limit of \$4,300. The premium for END 38 shall be \$90.

Rule 313: Premiums

A. Premium Quotations

The Agent/Broker is responsible for calculating premiums in accordance with this manual, including the "base" premiums applicable to experience (fleet) rated risks. Experience rated risk premiums are calculated at Driving Record 0.

Where there is any doubt on the matter, the Servicing Carrier will be pleased to assist in establishing risk classifications, but the Servicing Carrier shall not make premium quotations except where the manual does not provide for the particular coverage required.

The Servicing Carrier shall require clarification from the Agent/Broker if the information on the application contradicts the quoted premium.

B. Manual Rates

The rates published in this manual are for annual policy terms. For six-month policies charge 52% of the annual premium **except** for Motorcycles/Mopeds, Snow Vehicles and Antique Vehicles. See the **Recreational Vehicle** section for rating instructions on these vehicles.

Fleets as defined in Rule 335 are not eligible for six month policies.

C. Premium Rounding

The premium for each coverage shall be rounded to the nearest whole dollar. A premium that includes 50 cents or more shall be rounded up to the next whole dollar. e.g. 46.56 will be rounded up to \$47.00 and 46.44 will be rounded down to \$46.00.

This applies to all premium transactions, including refunds except where the policy is cancelled by registered letter at the request of the Agent/Broker or by the Servicing Carrier. In that event, the return premium shall *always* be rounded up to the next whole dollar (\$45.10 will be rounded up to \$46.00).

D. Minimum Premium/Minimum Retained Premium

Unless otherwise stated in any other section of this manual, the minimum premium for any automobile policy or renewal and, the minimum retained premium in the event of cancellation of the policy, is \$25, regardless of the term of insurance. The minimum retained premium must be stated on the declaration page of the policy.

Rule 338: Endorsements Applicable to POL 1 (Owner’s Policy)

Notes:

1. No endorsements, no special wordings and no changes to standard forms are permissible except as approved by or on behalf of the Superintendent(s) of Insurance.
2. This Manual (in this section and elsewhere) provides certain details of approved endorsement forms. The descriptions are necessarily very brief and reference must be made to the actual wordings of the endorsements to ascertain the full provisions and restrictions.
3. In certain cases a copy of the endorsement must be signed by the applicant and filed with the Servicing Carrier. The insurance will not be continued or the policy will be re-rated, if this requirement is not met.

Liability (or TPL) means B.I. and P.D. Tort;

Physical Damage means Optional Coverages – Loss or Damage (Collision, Comprehensive, Specified Perils)

	Standard Endorsement Form Number, Title and Purpose	Rating
2	Providing Coverage When Named Persons Drive Other Automobiles Extends the “drive other automobiles” Liability and Accident Benefits coverage to persons other than the insured and spouse.	The premium is dependent upon the Liability limit applicable to the vehicle: Limit in thousands \$200 \$300 \$500 \$1000 Premium per person 8 9 10 11 Accident Benefits per person \$1.
3	Drive Government Automobiles Covers the insured’s legal liability arising from the custody and use of a vehicle owned by the federal or a provincial government, including Liability for the loss of or damage to the vehicle arising from Collision and/or Comprehensive or Specified Perils. The insured must specify the types of vehicle that may be in their custody and, in regard to the physical damage coverages, must indicate the required limit per occurrence.	Calculate the coverage premiums applicable to the highest rated government vehicle that may be in the insured’s custody as if he owned such a vehicle. Take into account driving record, type of vehicle, use and the coverage deductibles. Use the limit per occurrence as the vehicle’s value for determining the rate group and, in respect of a commercial vehicle, assume the model year to be the current year. The charge for each coverage is this percentage of the calculated premium. Liability:20% Accident Benefits:50% Physical Damage:100%
4A	Permission to Carry Explosives Removes the policy form’s exclusion in regard to carrying specified explosives only.	If main cargo, rate vehicle as Class 48, 61B-64B plus special factors. If incidental, net annual \$50. Refer to additional rules within manual for further information.
4B	Permission to Carry Radioactive Materials Removes the policy form’s exclusion in regard to carrying radioactive materials only.	If main cargo, rate vehicle as Class 48, 61B-64B plus special factors. If incidental, net annual \$50. Refer to additional rules within manual for further information
5	Permission to Rent or Lease Automobiles and Extending Coverage to the Specified Lessee(s) Applicable to leases exceeding 30 days.	No charge for the endorsement. Vehicle is rated as if owned by lessee. Refer to additional rules within manual for further information
5C	Permission to Rent or Lease (unspecified lessees - short term leases only) Applicable to leases not exceeding 30 days	The following premiums apply to the policy and are not specifically for the endorsement: 1. Liability, Collision, Comprehensive, Specified Perils: Private Passenger 250% of 07/0 Commercial Vehicles Light Trucks 200% of 43/0 Heavy Trucks 200% of 45/0 Tractor/Trailers 175% of 64/0 Private Trailers a. Liability add \$15 b. Physical Damage 250% of normal MotorHomes & Camper Units a. Liability 250% of 07/0 b. Physical Damage 250% of normal Motorcycles & Mopeds 250% of DR 0 Snowmobiles & ATVs 250% of normal Refer to additional rules within manual for further information

5D	Conversion Coverage (rented or leased automobiles)	Not available on Facility Association policies.
6A	<p>Permission to Carry Passengers for Compensation Modifies the policy form's restrictions in regard to the use of the vehicle for the carriage of passengers. The actual use of the vehicle must be specified in the endorsement. See Private Passenger Vehicles and Public Vehicles. The use of the endorsement is not permissible in respect of other vehicles. Also see END 22.</p>	<p>For Private Passenger Vehicles used in car pools: add 10% of Liability premium. Volunteers: A volunteer transports persons to medical appointments and the like, and is reimbursed for their reasonable driving expenses, including gas, vehicle wear and tear and meals. END 6a is not required and there is no additional premium charge. Other Private Passenger Vehicles used to transport passengers: i) If transportation of non-paying passengers is part of insured's job and employer reimburses employee for expenses then 07 rates apply. ii) If transportation is very occasional (no more than once a week - non-paying passengers) then 02 or 03 rates can apply. iii) All others, then appropriate taxi, limousine or bus rates are applicable. END 6a would be attached, however, only if the vehicle is used in a car pool would the 10% surcharge apply. For Public Vehicles, rate vehicle accordingly. See Public Vehicles Section.</p>
6B	<p>School Bus Used in respect of School Buses. In regard to Passenger Hazard, provides either (a) separate limits of liability in respect of (i) bodily injury to any one person, (ii) bodily injury to all persons, and (iii) passengers' property or (b) a combined limit in respect of all passengers' bodily injury and property damage. Also, see END 22.</p>	Rate vehicle according to Public Vehicles Section.
6C	<p>Public Passenger Vehicles Used in respect of buses other than School Buses. In regard to Passenger Hazard, provides either (a) separate limits of liability in respect of (i) bodily injury to any one person, (ii) bodily injury to all persons, and (iii) damage to property carried in the automobile, or (b) a combined limit in respect of all passengers' bodily injury and property.</p>	Rate vehicle according to Public Vehicles Section
6D	<p>Driver Training School Gives permission for the vehicle to be used for Driver Training School purposes and extends the Liability section of the policy to provide coverage in respect of the insured's liability for bodily injury to student drivers/observers. The Liability limit provided in respect of Road Hazard is to be repeated in the endorsement against both "any one person" and "two or more persons". Also, see END 22</p>	Refer to additional rules within manual for further information
6F	<p>Public Passenger Vehicles Used instead of END 6C when a combined Road & Passenger Hazard Limit (B.I. & P.D.) is to be provided.</p>	Rate vehicle according to Public Vehicles Section
7	<p>Separate Limits (Liability) Used only when proof of insurance is filed in respect of a vehicle. The authority concerned requires that, in respect of Road Hazard, the insurance provide separate Liability limits for (i) bodily injury to any one person, (ii) bodily injury to all persons, and (iii) damage to property.</p>	Premium is that applicable to an inclusive limit equal to the sum of the limits of "ii" and "iii".

8	Property Damage Reimbursement	Not available on Facility Association policies.
9	Marine Use Excluded Specifies that insurance is not provided while the vehicle is in or upon water or being launched or landed. The use of the endorsement is mandatory in respect of vehicles designed for use on both land and water (amphibious vehicles, all terrain vehicles, swamp buggies).	No charge.
13C	Deletion of Glass Coverage	Not offered in this section
16	Suspension of Coverage The Liability, Accident Benefits and Collision coverages in respect of a vehicle that is temporarily laid up may be suspended by means of END 16. The endorsement does not suspend the Liability and Accident Benefits coverages that relate to “driving other vehicles”. The endorsement may be used in respect of most private passenger and commercial type vehicles. It is not available in respect of - a. Vehicles for which proof of insurance is issued or filed. b. Experience-rated vehicles. c. The Recreational vehicles/items to which the Recreational Vehicles Section relates. d. Vehicles that were never intended to be driven. e. Vehicles held for sale whether or not on an auto dealer’s lot.	In no event shall refund be granted for any suspension of coverage less than sixty (60) consecutive days. Refer to additional rules within manual for further information
17	Reinstatement of Coverage Used in connection with END 16. Refer to additional rules within manual for further information	
19	Limitation of Amount Provides that, in the event of loss or damage, the maximum amount of insurance under the physical damage sections of the policy is the actual cash value of the vehicle or the specified dollar amount (selected by the insured), whichever is less. The use of the endorsement is mandatory in respect of Motorcycles and Mopeds and all vehicles for which the physical damage premiums are based on the estimated or appraised current value.	Base physical damage premiums on estimated or appraised current value.
19A	Valued Automobiles	Not available on Facility Association policies.
20	Loss of Use	Not offered in this section
21A	Receipts or Mileage Basis Fleet	Not available on Facility Association policies.
21B	Blanket Basic Fleet	Not available on Facility Association policies.
22	Damage to Property of Passengers Used to insure the Passenger Property Damage hazard when either (a) END 6a or 6d is attached to the policy or (b) END 6b is attached but separate Passenger Hazard limits are required in respect of Bodily Injury and Property Damage.	Premium is the Passenger Hazard Property Damage premium for the class of vehicle. See Public Vehicles Section.
22N	Cargo Insurance	Not available on Facility Association policies.
23A	Mortgage Records the joint interest of a lienholder.	No charge.

	If an END 23a is issued showing the coverages provided, the applicability of any restrictive endorsement (such as END 19/40) is also to be recorded.	
23B	Mortgage (Broad Form) Broader than END 23a in that it provides additional protection to the lienholder. If an END 23b is issued showing the coverages provided, the applicability of any restrictive endorsement (such as END 19/40) is also to be recorded.	10% of total physical damage premium; minimum net annual \$25.
24	Fire Apparatus Excludes physical damage coverage on equipment removed from the vehicle while at the location of a fire. Use of the endorsement is mandatory when the insurance applies to a fire-fighting vehicle	No charge.
25	Alteration Used by Servicing Carrier to record policy changes..	No charge. Minimum additional premium of \$5 for addition of coverage of vehicle, increase in Liability limit, or decrease in deductible amount.
26	Disappearing Deductible	Not available on Facility Association policies.
27	Legal Liability for Damage to Non-Owned Automobile(s) and Providing Other Coverages When Insured Persons Drive Other Automobiles	Not offered in this section.
27B	Business Operations - Liability for Damage to Non-Owned Automobile(s) in your Care, Custody or Control Covers the insured's legal liability for loss of or damage to a non-owned vehicle/trailer (not owned by or licensed in the name of the Insured or any other person residing in the same premises) arising from Collision and/or Comprehensive or Specified Perils. The insured must specify the types of vehicle/trailer that may be in his custody and indicate the required limit per occurrence. This endorsement excludes customers automobiles under a garage policy in the definition of non-owned automobiles.	Coverage premiums charged are those applicable to the highest rated vehicle as if the insured owned such a vehicle; the limit per occurrence is used to calculate rate group; model year is assumed to be the current year.
28A	Excluded Driver Endorsement Used to remove all coverage under the policy when a specified driver is driving or operating the vehicle.	No premium reduction.
29	Additional Coverage as Respects Operation By Named Persons	Not available on Facility Association policies
30	Excluding Operation of Attached Machinery Excludes Liability and Accident Benefits coverage in respect of the ownership or use of machinery or apparatus mounted on or attached to the vehicle, while at the site of such use. END30 may not be used in conjunction with END 31	No charge
31	Non-Owned Equipment Provides coverage in respect of apparatus, machinery or equipment that is attached to the vehicle but is not owned by the insured. Use of the endorsement is not permissible in respect of a vehicle to which END 30 applies. The physical damage coverages may only be the same as those provided in respect of the vehicle. The required limit in respect of loss of or damage to the equipment must be specified.	No specific charge, equipment cost to be included in vehicle value
32	Recreational Vehicles	No charge.

	Permits the use of the insured vehicle, off the public highway and for recreational purposes only, by an unlicensed and/or unqualified person.	
35	Emergency Service Expense Provides coverage up to \$50 for towing and emergency service expenses necessitated by disablement of the vehicle.	\$6 per annual term per vehicle.
36	Commercial Automobiles used exclusively for Pleasure Required when a commercial type vehicle is used only for pleasure purposes and is so rated.	No charge. When applicable this endorsement will be read in
37	Limitation to Automobile Sound and Electronic Communication Equipment. Provides that, in the event of loss or damage by theft or attempted theft, the maximum amount of insurance for the equipment or the actual cash value is \$1,500 in total.	No charge.
38	Increased Limit, Automobile Sound and Electronic Communication Equipment Provides that, in the event of loss or damage by theft or attempted theft, the maximum amount of insurance for the described after market electronic equipment is the limit shown in the endorsement or the actual cash value of the described equipment whichever is less.	\$30 per \$1,000 or part thereof, of the limit of coverage shown on the endorsement in excess of \$1,500. eg. Equipment is valued at \$4,300. The premium for END 38 will be \$90.
40	Fire and Theft Deductible Used when the Comprehensive or Specified Perils deductible is to be made applicable to fire losses and to theft of the entire vehicle. This endorsement is mandatory for all motorized vehicles described in the Recreational Section of this manual.	No charge.
43	Removing Depreciation Deduction	Not available on Facility Association policies.
43A	Removing Depreciation Deduction for Specified Lessee(s)	Not available on Facility Association policies.
44	Family Protection	Not offered in this section

Tab 8 – Rate Group Table Information

The physical damage coverages for Taxi are dependent on Private Passenger Vehicle which is currently using the 2016 Canada CLEAR Rate Group Table – VRGAA 2016.

Tab 9 – Rate Exhibits

No rating profiles are required for this filing according to the Category 2 filing guidelines.

Rate exhibits for taxi are shown on the following pages.

Province of Newfoundland and Labrador
Board of Commissioners of Public Utilities
Current Taxi Base Rate Summary

<u>Taxi</u> ¹	Territory 1	Territory 2	Territory 3
Road Hazard	4,098.95	3,314.70	3,489.99
Passenger Hazard - BI ²	1,509.61	1,220.77	1,285.34
Passenger Hazard - PD	122.83	99.33	104.58
Accident Benefits	518.82	396.26	410.67
Uninsured Motorist	181.61	181.61	181.61
Collision (CLEAR)	1.35	1.35	1.35
Comprehensive (CLEAR)	1.82	1.82	1.82
Specified Perils (CLEAR)	2.68	2.68	2.68

Territorial Definitions

Territory 1 - Avalon District, Statistical Plan Code 004

Consisting of the City of St. John's, including that part of the Island east of Highway 202, being a line between the communities of Old Shop and Chapel Arm in Trinity Bay to the North and between Long Harbour and Ship Harbour in Placentia Bay in the South.

Territory 2 - Bonavista and Burin District, Statistical Plan Code 005

Consisting of that Territory east of a line drawn from Port Blandford in Bonavista Bay to English Harbour East in Fortune Bay, excluding the Avalon District.

Territory 2 - Remainder of the Province, Statistical Plan Code 007

Consisting of those parts of the Province of Newfoundland and Labrador, excluding the Avalon, Labrador and Burin and Bonavista Districts.

Territory 3 - Labrador District, Statistical Plan Code 006

The entire area of Labrador

1. **Third Party Liability** rates are based upon: Driving Record 0 and \$200,000 Limit. 2. **Collision, Comprehensive** and **Specified Perils** rates are dependent on PPV and shown as a percentage of PPV rates. 3. **All Perils and SEF 44** are not offered.

2. Passenger Hazard - BI rates shown are the "current" re-based rates - See Section 2.1 of the Actuarial Memo.

Province of Newfoundland and Labrador
Board of Commissioners of Public Utilities
Proposed Taxi Base Rate Summary

<u>Taxi</u> ¹	Territory 1	Territory 2	Territory 3
Road Hazard	5,357.33	4,332.31	4,561.42
Passenger Hazard - BI	1,973.06	1,595.55	1,679.94
Passenger Hazard - PD	160.54	129.82	136.69
Accident Benefits	637.11	486.61	504.30
Uninsured Motorist	279.13	279.13	279.13
Collision (CLEAR)	1.22	1.22	1.22
Comprehensive (CLEAR)	1.61	1.61	1.61
Specified Perils (CLEAR)	2.49	2.49	2.49

Territorial Definitions

Territory 1 - Avalon District, Statistical Plan Code 004

Consisting of the City of St. John's, including that part of the Island east of Highway 202, being a line between the communities of Old Shop and Chapel Arm in Trinity Bay to the North and between Long Harbour and Ship Harbour in Placentia Bay in the South.

Territory 2 - Bonavista and Burin District, Statistical Plan Code 005

Consisting of that Territory east of a line drawn from Port Blandford in Bonavista Bay to English Harbour East in Fortune Bay, excluding the Avalon District.

Territory 2 - Remainder of the Province, Statistical Plan Code 007

Consisting of those parts of the Province of Newfoundland and Labrador, excluding the Avalon, Labrador and Burin and Bonavista Districts.

Territory 3 - Labrador District, Statistical Plan Code 006

The entire area of Labrador

1. Third Party Liability rates are based upon: Driving Record 0 and \$200,000 Limit. 2. Collision, Comprehensive and Specified Perils rates are dependent on PPV and shown as a percentage of PPV rates. 3. All Perils and SEF 44 are not offered.

**Province of Newfoundland and Labrador
Board of Commissioners of Public Utilities
Taxi Base Rate/Adjusted Base Rate Calculation Form**

Coverage Territory	Proposed Base Rate	Differential Off Balance Factor	Discount Off Balance Factor	Adjusted Proposed Base Rate
<u>Road Hazard:</u>				
Territory 1	5,357.33	1.000	1.000	5,357.33
Territory 2	4,332.31	1.000	1.000	4,332.31
Territory 3	4,561.42	1.000	1.000	4,561.42
<u>Passenger Hazard - BI:</u>				
Territory 1	1,973.06	1.000	1.000	1,973.06
Territory 2	1,595.55	1.000	1.000	1,595.55
Territory 3	1,679.94	1.000	1.000	1,679.94
<u>Passenger Hazard - PD:</u>				
Territory 1	160.54	1.000	1.000	160.54
Territory 2	129.82	1.000	1.000	129.82
Territory 3	136.69	1.000	1.000	136.69
<u>Accident Benefits:</u>				
Territory 1	637.11	1.000	1.000	637.11
Territory 2	486.61	1.000	1.000	486.61
Territory 3	504.30	1.000	1.000	504.30
<u>Uninsured Motorist:</u>				
Territory 1	279.13	1.000	1.000	279.13
Territory 2	279.13	1.000	1.000	279.13
Territory 3	279.13	1.000	1.000	279.13
<u>Collision:</u>				
Territory 1	1.22	1.000	1.000	1.22
Territory 2	1.22	1.000	1.000	1.22
Territory 3	1.22	1.000	1.000	1.22
<u>Comprehensive:</u>				
Territory 1	1.61	1.000	1.000	1.61
Territory 2	1.61	1.000	1.000	1.61
Territory 3	1.61	1.000	1.000	1.61
<u>Specified Perils:</u>				
Territory 1	2.49	1.000	1.000	2.49
Territory 2	2.49	1.000	1.000	2.49
Territory 3	2.49	1.000	1.000	2.49

NOTE: All Perils is not offered for Taxi. Collision, Comprehensive and Specified Perils rates are dependent on PPV and shown as percentages of PPV rates.

Newfoundland and Labrador
Taxi Differentials

A. Third Party

Territory 1, 2, 3

Driving Record	2015 Written Premium	Current Differential	Proposed Differential
Other	593,492	1.000	1.000
3	590,641	0.600	0.600
2	238,661	0.750	0.750
1	382,281	0.850	0.850
0	708,395	1.000	1.000

Avg. D.R. Differential 0.816 0.816

Inclusive Limit	2015 Written Premium	Current Differential	Proposed Differential
\$200,000	36,765	1.000	1.000
\$300,000	0	1.042	1.042
\$500,000	100,019	1.110	1.110
\$1,000,000	2,103,918	1.220	1.220
\$2,000,000	39,555	1.386	1.386
Other*	0	1.519	1.519

Avg. Limit Differential 1.215 1.215

Note: the road hazard limit differentials are used.

**Other includes the limits over \$2,000,000, and \$3,000,000 road hazard differential is used for "Other".*

Province of Newfoundland and Labrador Taxi Premium Summary Information

Stat Terr.	Table 1 - Current Written Premium (\$) - 2015						
	TPL	SEF 44	AB	UIM	Coll	Comp	S.P.
004	1,519,293	n/a	44,897	14,912	54,759	31,594	24,961
005	199,575	n/a	5,829	2,050	4,569	1,515	134
006	76,369	n/a	2,752	792	4,581	1,710	0
007	485,045	n/a	16,200	5,148	8,206	5,869	537

Note: **Coll** written premium include **All Perils** written premium.

Stat Terr.	Table 2 - Current Average Premium						
	TPL	SEF 44	AB	UIM	Coll	Comp	S.P.
004	2,979	n/a	103	29	1,083	392	121
005	2,740	n/a	93	28	929	253	67
006	3,261	n/a	102	28	1,195	174	0
007	2,764	n/a	109	29	769	240	56

Stat Terr.	Table 3 - Proposed Average Premium						
	TPL	SEF 44	AB	UIM	Coll	Comp	S.P.
004	3,894	n/a	126	45	982	346	113
005	3,581	n/a	114	43	843	223	62
006	4,262	n/a	125	43	1,084	153	0
007	3,613	n/a	134	45	697	212	52

Stat Terr.	Table 4 - Proposed Average Change (+/-) in Average Premium						
	TPL	SEF 44	AB	UIM	Coll	Comp	S.P.
004	30.7%	n/a	22.8%	53.7%	-9.3%	-11.8%	-7.0%
005	30.7%	n/a	22.8%	53.7%	-9.3%	-11.8%	-7.0%
006	30.7%	n/a	22.8%	53.7%	-9.3%	-11.8%	-7.0%
007	30.7%	n/a	22.8%	53.7%	-9.3%	-11.8%	-7.0%

Note: **SEF 44** is not offered for Public Vehicles - Taxi.

Tab 10 – Proposed Rate Pages

The current rating note, rate pages and a summary of current base rates and differentials, for comparison purposes are shown on pages 2-4.

No proposed change to the current rating note. The proposed rate pages and a summary of proposed base rates and differentials are shown on pages 5-6.

The current rating algorithms are shown on pages 7-10. There are no proposed changes to the current rating algorithms.

RATING NOTES - THIRD PARTY LIABILITY INSURANCE

Standard Liability Limits

	Buses, Taxis, Ambulances	Funeral
Road Hazard (BI & PD)	\$200,000 inclusive	\$200,000 inclusive
Passenger Hazard BI	\$1,000,000 inclusive	
Passenger Hazard PD	\$50,000	

Other Liability Limits

	Buses, Taxis, Ambulances	Funeral
Road Hazard (BI & PD)	Use Limit Table A	Use Limit Table A
Passenger Hazard BI	Use Limit Table B	
Passenger Hazard PD	Use Limit Table C	

Combined Limits

- a) For a combined Passenger BI & PD limit:
1. Calculate the Passenger BI standard-limit premium and apply the factor indicated in Limits Table B for limit required.
 2. Calculate the Passenger PD premium for a limit of \$50,000
 3. Total the results of 1 and 2
- b) For a combined Road and Passenger B.I. & P.D. limit (where specifically permitted or where required by law):
1. Calculate the Road Hazard standard-limit premium; calculate the Passenger BI premium applicable to the Road Hazard standard limit; add the two premiums together and apply the factor indicated in Limits Table D for the limit required
 2. Calculate the Passenger PD premium for a limit of \$50,000
 3. Total the results of 1 and 2

Note: The following Endorsement forms replace SEF's No 6b (and 22) and 6c in Newfoundland

SEF No 6b (Nfld) - School Bus

SEF No 6c (Nfld) - Public Passenger Vehicle

LIMITS TABLES

Table A Road Hazard (Limit in thousands)

Limits	200	300	500	1000
Factor	1.000	1.042	1.110	1.220

Table B Passenger Bodily Injury - School Bus, Taxi
(Limit in thousands)

Limit any one person, any one accident	200	300	500	1000
Factor	1.000	1.060	1.160	1.333

Table B Passenger Bodily Injury - All Other Public Vehicles
(Limit in thousands)

Limit any one person, any one accident	200	300	500	1000
Factor	0.750	0.795	0.875	1.000

Table C Passenger Property Damage (Limit in thousands)

Limits	5	10	25	50
Factor	0.500	0.625	0.875	1.000

Table D Road Hazard and Passenger Bodily Injury combined
(Limit in thousands)

Limits	200	300	500	1000
Factor	1.000	1.057	1.138	1.276

Table A Excess Limit Factors - apply to \$1,000,000 limit premium

Limit in Thousands	2000	3000	5000
Factor	1.136	1.245	1.396

Table B Excess Limit Factors - Passenger BI - School Bus, Taxi
- apply to \$1,000,000 limit premium

Limit any one person, any one accident	2000	3000	5000
Factor	1.218	1.400	1.686

Table B Excess Limit Factors - Passenger BI - All Other Public Vehicles
- apply to \$1,000,000 limit premium

Limit any one person, any one accident	2000	3000	5000
Factor	1.218	1.400	1.686

Table D Excess Limit Factors
- apply to \$1,000,000 limit premium

Limit in Thousands	2000	3000	5000
Factor	1.186	1.335	1.686

NEWFOUNDLAND & LABRADOR
RATE PAGE 5

FACILITY ASSOCIATION

ANNUAL PREMIUMS - All Territories

TAXIS Class 77

Territory	DR	Liability (limit in 000's)									
		Road Hazard per vehicle				Passenger Hazard per vehicle					
						END 6c				Property Damage	
		200	500	1000	2000	Bodily Injury				5	50
				200	500	1000	2000				
1	3	2,459	2,730	3,000	3,408	906	1,057	1,207	1,470	37	74
	2	3,074	3,412	3,751	4,261	1,132	1,321	1,509	1,838	46	92
	1	3,484	3,867	4,251	4,829	1,283	1,497	1,710	2,083	52	104
	0	4,099	4,550	5,001	5,681	1,510	1,762	2,012	2,451	61	123
2	3	1,989	2,208	2,426	2,756	732	855	976	1,189	30	60
	2	2,486	2,759	3,033	3,445	916	1,068	1,220	1,486	37	75
	1	2,818	3,127	3,437	3,904	1,038	1,211	1,383	1,684	42	84
	0	3,315	3,679	4,044	4,594	1,221	1,425	1,627	1,982	50	99
3	3	2,094	2,324	2,555	2,902	771	900	1,028	1,252	31	63
	2	2,617	2,905	3,193	3,627	964	1,125	1,285	1,565	39	78
	1	2,966	3,293	3,619	4,111	1,093	1,275	1,456	1,773	44	89
	0	3,490	3,874	4,258	4,837	1,285	1,500	1,713	2,086	52	105

Territory	Accident Benefits 7 seats or less
1	519
2	396
3	411

Uninsured Automobile	182
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Collision	135% of Class 07 premium (Driving Record 0, 1, 2 or 3)
Comprehensive	182% of Private Passenger premium
Specified Perils	268% of Private Passenger premium

Over 7 Seats: For each seat over seven, charge applicable Public Bus Seat Rate for Passenger Hazard BI, PD, Accident Benefits and UA. Contact your Servicing Carrier for applicable rate.

Owner Driver Taxi - A 10% discount shall be applied to each coverage.

Effective March 1, 2017

FACILITY ASSOCIATION

BASE PREMIUMS, CONSTANTS, DIFFERENTIALS & FACTORS

TAXIS**1. BASE PREMIUMS & PHYSICAL DAMAGE MULTIPLIERS**

Territory	Base Premiums					Physical Damage Multipliers		
	Road Hazard	Passenger Hazard		Accident Benefits	Uninsured Auto	to be applied to Private Passenger Class 07, Driving Record 0, 1, 2 or 3		
		Bodily Injury	Property Damage			Collision	Comp.	S. P.
1	4098.95	1509.61	122.83	518.82	181.61	1.35	1.82	2.68
2	3314.70	1220.77	99.33	396.26	181.61	1.35	1.82	2.68
3	3489.99	1285.34	104.58	410.67	181.61	1.35	1.82	2.68

2. THIRD PARTY LIABILITY FACTORS

DRIVING RECORD FACTORS			
DR 3	DR2	DR1	DR0
0.60	0.75	0.85	1.00

LIMIT FACTORS

Road Hazard

Limit up to \$1,000,000						Limit over \$1,000,000		
						apply to \$1,000,000 premium.		
Coverage	Limit:	200,000	300,000	500,000	1,000,000	2,000,000	3,000,000	5,000,000
Factor		1.000	1.042	1.110	1.220	1.136	1.245	1.396

Passenger Bodily Injury

Limit up to \$1,000,000						Limit over \$1,000,000		
						apply to \$1,000,000 premium.		
Coverage	Limit:	200,000	300,000	500,000	1,000,000	2,000,000	3,000,000	5,000,000
Factor		1.000	1.060	1.167	1.333	1.218	1.400	1.686

Passenger Property Damage

Coverage	Limit:	5,000	10,000	25,000	50,000
Factor		0.500	0.625	0.875	1.00

3. OWNER OPERATOR FACTOR (all coverages)

Exclusively driven by owner	0.90	Other	1.00
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4. U.S. EXPOSURE - Applicable to all Taxis with any U.S. exposure.

Liability, AB, and UA = .010 for each percentage point of U.S. exposure.

Physical Damage = .005 for each percentage point of U.S. exposure.

NEWFOUNDLAND & LABRADOR
RATE PAGE 5

FACILITY ASSOCIATION

ANNUAL PREMIUMS - All Territories

TAXIS Class 77

Territory	DR	Liability (limit in 000's)									
		Road Hazard per vehicle				Passenger Hazard per vehicle					
						END 6c				Property Damage	
		200	500	1000	2000	Bodily Injury				5	50
				200	500	1000	2000				
1	3	3,214	3,568	3,922	4,455	1,184	1,382	1,578	1,922	48	96
	2	4,018	4,460	4,902	5,569	1,480	1,727	1,973	2,403	60	120
	1	4,554	5,055	5,556	6,312	1,677	1,957	2,236	2,723	68	136
	0	5,357	5,947	6,536	7,425	1,973	2,303	2,630	3,203	80	161
2	3	2,599	2,885	3,171	3,602	957	1,117	1,276	1,554	39	78
	2	3,249	3,607	3,964	4,503	1,197	1,397	1,595	1,943	49	97
	1	3,682	4,088	4,493	5,104	1,356	1,583	1,808	2,202	55	110
	0	4,332	4,809	5,285	6,004	1,596	1,862	2,127	2,591	65	130
3	3	2,737	3,038	3,339	3,793	1,008	1,176	1,344	1,637	41	82
	2	3,421	3,797	4,174	4,742	1,260	1,470	1,680	2,046	51	103
	1	3,877	4,304	4,730	5,373	1,428	1,666	1,903	2,318	58	116
	0	4,561	5,063	5,565	6,322	1,680	1,960	2,239	2,727	68	137

Territory	Accident Benefits 7 seats or less
1	637
2	487
3	504

Uninsured Automobile	279
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Collision	122% of Class 07 premium (Driving Record 0, 1, 2 or 3)
Comprehensive	161% of Private Passenger premium
Specified Perils	249% of Private Passenger premium

Over 7 Seats: For each seat over seven, charge applicable Public Bus Seat Rate for Passenger Hazard BI, PD, Accident Benefits and UA. Contact your Servicing Carrier for applicable rate.

Owner Driver Taxi - A 10% discount shall be applied to each coverage.

Effective 100 days post approval

FACILITY ASSOCIATION

BASE PREMIUMS, CONSTANTS, DIFFERENTIALS & FACTORS

TAXIS**1. BASE PREMIUMS & PHYSICAL DAMAGE MULTIPLIERS**

Territory	Base Premiums					Physical Damage Multipliers		
	Road Hazard	Passenger Hazard		Accident Benefits	Uninsured Auto	to be applied to Private Passenger Class 07, Driving Record 0, 1, 2 or 3		
		Bodily Injury	Property Damage			Collision	Comp.	S. P.
1	5357.33	1973.06	160.54	637.11	279.13	1.22	1.61	2.49
2	4332.31	1595.55	129.82	486.61	279.13	1.22	1.61	2.49
3	4561.42	1679.94	136.69	504.30	279.13	1.22	1.61	2.49

2. THIRD PARTY LIABILITY FACTORS

DRIVING RECORD FACTORS			
DR 3	DR2	DR1	DR0
0.60	0.75	0.85	1.00

LIMIT FACTORS**Road Hazard**

Limit up to \$1,000,000						Limit over \$1,000,000		
						apply to \$1,000,000 premium.		
Coverage	Limit:	200,000	300,000	500,000	1,000,000	2,000,000	3,000,000	5,000,000
Factor		1.000	1.042	1.110	1.220	1.136	1.245	1.396

Passenger Bodily Injury

Limit up to \$1,000,000						Limit over \$1,000,000		
						apply to \$1,000,000 premium.		
Coverage	Limit:	200,000	300,000	500,000	1,000,000	2,000,000	3,000,000	5,000,000
Factor		1.000	1.060	1.167	1.333	1.218	1.400	1.686

Passenger Property Damage

Coverage	Limit:	5,000	10,000	25,000	50,000
Factor		0.500	0.625	0.875	1.00

3. OWNER OPERATOR FACTOR (all coverages)

Exclusively driven by owner	0.90	Other	1.00
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4. U.S. EXPOSURE - Applicable to all Taxis with any U.S. exposure.

Liability, AB, and UA = .010 for each percentage point of U.S. exposure.

Physical Damage = .005 for each percentage point of U.S. exposure.

**FACILITY ASSOCIATION – PREMIUM CALCULATION PROCEDURES
NEWFOUNDLAND AND LABRADOR
TAXI & LIMOUSINE**

1. ROAD HAZARD (RHL BI & PD)

- A. RHL BASE PREMIUM (\$.c) TIMES DRIVING RECORD FACTOR (X.XX) = ADJUSTED BASE 1A (\$.c).
- B. ADJUSTED BASE 1A TIMES RHL LIMIT TABLE A FACTOR (X.XXX) = ADJUSTED BASE 1B (\$).
- C. ADJUSTED BASE 1B TIMES EXCESS LIMIT TABLE A FACTOR IF APPLICABLE = RHL ANNUAL PREMIUM 1C (\$)
- D. RHL ANNUAL PREMIUM 1C TIMES U.S. EXPOSURE FACTOR (X.XXX) = ADJUSTED BASE 1D (\$.c).
- E. ADJUSTED BASE 1D TIMES (1 + A.C.D.) = ADJUSTED BASE 1E (\$.c).
- F. ADJUSTED BASE 1E TIMES TERM FACTOR = RHL PREMIUM (\$).

2. PASSENGER HAZARD BODILY INJURY (PHBI)

- A. PHBI BASE PREMIUM (\$.c) TIMES DRIVING RECORD FACTOR (X.XX) = ADJUSTED BASE 2A (\$.c).
- B. ADJUSTED BASE 2A (\$.c) PLUS OVER SEVEN PHL B.I. PREMIUM (\$) IF APPLICABLE = ADJUSTED BASE 2B (\$.c)
- C. ADJUSTED BASE 2B (\$.c) TIMES PHBI LIMIT TABLE B FACTOR (X.XXX) = PHBI ANNUAL PREMIUM 2C (\$).
- D. ADJUSTED BASE 2C TIMES EXCESS LIMIT TABLE B FACTOR IF APPLICABLE = PHBI ANNUAL PREMIUM 2D (\$)
- E. PHBI ANNUAL PREMIUM 2D (\$) TIMES U.S. EXPOSURE FACTOR (X.XXX) = ADJUSTED BASE 2E (\$.c).
- F. ADJUSTED BASE 2E (\$.c) TIMES (1 + A.C.D.) = ADJUSTED BASE PREMIUM 2F (\$).
- G. ADJUSTED BASE 2F (\$.c) TIMES TERM FACTOR = PHBI PREMIUM (\$).

**FACILITY ASSOCIATION – PREMIUM CALCULATION PROCEDURES
NEWFOUNDLAND AND LABRADOR
TAXI & LIMOUSINE**

3. PASSENGER HAZARD PROPERTY DAMAGE (PHPD)

- A. PHPD BASE PREMIUM (\$.c) TIMES DRIVING RECORD FACTOR (X.XX) = ADJUSTED BASE 3A (\$.c).
- B. ADJUSTED BASE 3A (\$.c) PLUS OVER SEVEN PHL P.D. PREMIUM (\$) IF APPLICABLE = ADJUSTED BASE 3B (\$.c)
- C. ADJUSTED BASE 3B (\$.c) TIMES PHPD LIMIT FACTOR (X.XX) = ADJUSTED BASE 3C (\$).
- D. ADJUSTED BASE 3C (\$) TIMES U.S. EXPOSURE FACTOR (X.XXX) = ADJUSTED BASE 3D (\$.c).
- E. ADJUSTED BASE 3D (\$.c) TIMES (1 + A.C.D.) = ADJUSTED BASE PREMIUM 3E (\$.c).
- F. ADJUSTED BASE 3E (\$.c) TIMES TERM FACTOR = PHPD PREMIUM (\$).

4. ACCIDENT BENEFITS ('A.B.') AND UNINSURED AUTOMOBILE ('U.A.')

a. Basic Accident Benefits ('A.B.')

- A. A.B. BASE PREMIUM (\$) PLUS OVER SEVEN A.B. PREMIUM (\$) IF APPLICABLE = ADJUSTED BASE 4aA (\$).
- B. ADJUSTED BASE PREMIUM 4aA(\$) TIMES U.S. EXPOSURE FACTOR (X.XXX) = ADJUSTED BASE 4aB (\$.c).
- C. ADJUSTED BASE 4aB (\$.c) TIMES TERM FACTOR = A.B. PREMIUM (\$).

**FACILITY ASSOCIATION – PREMIUM CALCULATION PROCEDURES
NEWFOUNDLAND AND LABRADOR
TAXI & LIMOUSINE**

b. Uninsured Automobile

- A. U.A. BASE PREMIUM (\$) PLUS OVER SEVEN U.A. PREMIUM (\$) IF APPLICABLE = ADJUSTED BASE 4bA (\$).
- B. ADJUSTED BASE PREMIUM 4bA (\$) TIMES U.S. EXPOSURE FACTOR (X.XX) = ADJUSTED BASE 4bB (\$c).
- C. ADJUSTED BASE 4bA (\$c) TIMES TERM FACTOR = U.A. PREMIUM (\$).

5. COLLISION ('COLL.')

- A. PRIVATE PASSENGER CLASS 07 COLL. ANNUAL PREMIUM (\$) DRIVING RECORDS 0, 1, 2, 3 ONLY) TIMES TAXI COLL MULTIPLIER (X.XX) = ADJUSTED BASE 5A (\$).
- B. ADJUSTED BASE 5A (\$) TIMES U.S. EXPOSURE FACTOR (X.XXX) = ADJUSTED BASE 5B (\$c).
- C. ADJUSTED BASE 5B (\$c) TIMES (1+A.C.D.) = ADJUSTED BASE PREMIUM 5C (\$c).
- D. ADJUSTED BASE 5C (\$c) TIMES TERM FACTOR = COLL. PREMIUM (\$).

6. COMPREHENSIVE ('COMP.')

- A. PRIVATE PASSENGER COMP. ANNUAL PREMIUM (\$) TIMES TAXI COMP. MULTIPLIER (X.XX) = ADJUSTED BASE 6A (\$).
- B. ADJUSTED BASE 6A (\$) TIMES U.S. EXPOSURE FACTOR (X.XXX) = ADJUSTED BASE 6B (\$c).
- C. ADJUSTED BASE 6B (\$c) TIMES TERM FACTOR = COMP. PREMIUM (\$).

7. SPECIFIED PERILS ('S.P.')

**FACILITY ASSOCIATION – PREMIUM CALCULATION PROCEDURES
NEWFOUNDLAND AND LABRADOR
TAXI & LIMOUSINE**

- A. PRIVATE PASSENGER S.P. ANNUAL PREMIUM (\$) TIMES TAXI S.P. MULTIPLIER (X.XX) = ADJUSTED BASE 7A (\$).
 - B. ADJUSTED BASE 7A (\$) TIMES U.S.. EXPOSURE FACTOR (X.XXX) = ADJUSTED BASE 7B (\$.c).
 - C. ADJUSTED BASE 7B (\$.c) TIMES TERM FACTOR = S.P. PREMIUM (\$)
- 8. END 44 ('44')**
- NOT APPLICABLE TO PUBLIC VEHICLES

Tab 11 – Supporting Actuarial Information

The following pages show the supporting actuarial information exhibits 11.a and 11.b.

Supporting Actuarial Information
2016
Company Name: Facility Association
Taxi

1. Provide the Selected Annual Loss Trend Rates Used in Deriving the Rate Level Indications in the Current Filing

	Loss Trend Rates Underlying Rate Level Indications								
	TPL-BI	TPL-PD	AB	UM	COLL	COMP	AP	SP	SEF44
Past	3.5%	2.1%	-	8.1%	-	-	n/a	-	n/a
Future	3.5%	2.1%	-	8.1%	-	-	n/a	-	n/a

2. Provide the Expenses Provision Used in Deriving the Rate Level Indications in the Current Filing; Exclude Loss Adjustment Expenses and Health L

	% of Premium	\$ Per Vehicle
Variable Expenses	21.19%	\$ -
Fixed Expenses	2.50%	\$ 69.69
Total Expenses	23.69%	\$ 69.69

\$69.69 per vehicle (1.34% of premium) of driver record abstracts applies to TPL only.

3. Provide the Breakdown of the Percentage Variable Expenses Noted Above into the Following Categories

	Variable Expenses
Standard Commissions	6.00%
Contingent Commissions	-
Finance Fees (should be negative)	-
Premium Tax	5.00%
All Other	10.19%
Total Variable Expenses	21.19%

4. Provide the Health Levy per Vehicle Used in Deriving the Rate Level Indications in the Current Filing

Health Levy per Vehicle (\$) not applicable to Taxi

5. Provide the ULAE Provision Used in Deriving the Rate Level Indications in the Current Filing

ULAE Provision (% Direct EP) 1.6% excess legal fee as % of ultimate losses applies to TPL only, and about 10% claim adjustment fee as % of premium applies to all coverages

6. Provide the (after-tax) Total Target Return on Equity and Corresponding Underwriting Profit Margin that Under the Indicated and proposed Rate Level Changes in the Current Filing

	Return on Equity	Underwriting Profit Margin
Indicated	12.00%	6.00%
Proposed	(6.10%)	(8.50%)

7. Provide the Premium to Equity Ratio Used to Convert the Target ROE into a Profit Marg

	Current Filing	Previous Filing
BI	2:1	2:1
PD	2:1	2:1
Accident Benefits	2:1	2:1
Uninsured Motorist	2:1	2:1
Collision	2:1	2:1
Comprehensive	2:1	2:1
Specified Perils	2:1	2:1
All Perils	2:1	2:1
SEF 44	2:1	2:1
Total	2:1	2:1

8. Provide the Pre-Tax Investment Return on Equity and on Cash Flow that Have Been Used to Convert the Target ROE into a Profit Mar

	Current Filing	Previous Filing
Investment Return on Equity %	0.47%	0.39%
Investment Return on Cash Flow	0.47%	0.39%

Investment Return shown above are net of 0.15% investment expense assumption. The proposed rate changes are based 2.8% of investment return

9. Provide the Income Tax Rate Used to Convert the Target ROE into a Profit Margi

	Current Filing	Previous Filing
Income Tax Rate %	30.00%	29.00%

10. Provide the Claim Count Used as the Full Credibility Standard

	Current Filing	Previous Filing
BI	2,164	2,164
PD	1,082	1,082
TPL (if applicable)	3,146	3,146
Accident Benefits	2,164	2,164
Uninsured Motorist	2,164	2,164
Collision	1,082	1,082
Comprehensive	1,082	1,082
Specified Perils	1,082	1,082
All Perils	1,082	1,082
SEF 44	2,164	2,164
Total	n/a	n/a

Current proposed rate changes are based on the NL PUB full credibility standard benchmarks.

11. Provide the Accident Year Experience Period Weights (beginning with the most recent accident year to the oldest accident year; e.g., 40%, 30%, 15%, 10%, 5%)

	Current Filing					Previous Filing				
	Year: 0	Year:-1	Year:-2	Year:-3	Year:-4	Year: 0	Year:-1	Year:-2	Year:-3	Year:-4
BI	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
PD	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
TPL (if applicable)	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Accident Benefits	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Uninsured Motorist	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Collision	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Comprehensive	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Specified Perils	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
All Perils	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
SEF 44	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%

12. Provide the Selected Annual Premium Trend Rates used in Deriving the Rate Level Indications in the Current Fil

	TPL-BI	TPL-PD	AB	UM	COLL	COMP	AP	SP	SEF44
Past	0.10%	0.20%	0.00%	0.00%	6.43%	6.08% n/a		6.08% n/a	
Future	0.10%	0.20%	0.00%	0.00%	6.43%	6.08% n/a		6.08% n/a	

Supporting Actuarial Information
2016
Company Name: Facility Association
Taxi

1. \$ Direct Earned Premium by Calendar Year

Calendar Year	TPL	AB	UM	COLL	COMP	AP	SP	SEF44	TOTAL
1/1/2013 - 12/31/2013	1,686,983	30,167	7,749	60,424	28,908	13,644	29,306		1,857,181
1/1/2014 - 12/31/2014	2,185,608	49,100	16,178	65,370	33,299	18,003	27,075		2,394,633
1/1/2015 - 12/31/2015	2,225,223	55,589	18,197	68,991	40,213	7,274	25,640		2,441,127

2. \$ Estimated Ultimate Direct Claim Costs by Accident Year (Including Allocated Claim Adjustment Expenses)

Accident Year	TPL	AB	UM	COLL	COMP	AP	SP	SEF44	TOTAL
1/1/2013 - 12/31/2013	3,088,234	156,222	172,032	16,685	8,085	5,997	16,760		3,464,015
1/1/2014 - 12/31/2014	3,195,660	110,084	427,250	29,723	25,924	8,823	-		3,797,464
1/1/2015 - 12/31/2015	3,846,775	363,456	138,621	127,943	1,302	-	18,233		4,496,330

3. \$ Estimated Unallocated Claim Adjustment Expenses (ULAE) by Accident Year

Accident Year	TOTAL	
1/1/2013 - 12/31/2013	235,130	1.6% excess legal fee apply to TPL ultimate losses plus
1/1/2014 - 12/31/2014	290,594	10% of claim adjustment fee apply to total earned premium
1/1/2015 - 12/31/2015	305,661	

4. % Expenses as percentage of Direct Earned Premium (Excluding Claim Adjustment Expenses and the Health Levy)

Calendar Year	Variable Expenses	Fixed Expenses	Total Expenses
1/1/2013 - 12/31/2013	14.15%	3.30%	17.45%
1/1/2014 - 12/31/2014	14.20%	2.98%	17.18%
1/1/2015 - 12/31/2015	15.18%	3.67%	18.85%

5. Breakdown of the percentage Variable Expense noted above into the following Categories

Calendar Year	% Standard Commissions	% Contingent Commissions	% Finance Fees (Should be <0)	% Taxes	% All Other	Total Variable Expenses %
1/1/2013 - 12/31/2013	6.00%	0.00%	0.00%	4.00%	10.15%	20.15%
1/1/2014 - 12/31/2014	6.00%	0.00%	0.00%	4.00%	10.20%	20.20%
1/1/2015 - 12/31/2015	6.00%	0.00%	0.00%	5.00%	10.19%	21.19%

6 \$ Health Levy Per Vehicle

Calendar Year	Health Levy Per Vehicle	Written Vehicles	Earned Vehicles
1/1/2013 - 12/31/2013	n/a	863	852
1/1/2014 - 12/31/2014	n/a	780	820
1/1/2015 - 12/31/2015	n/a	782	795

7. % Pre-Tax Investment Return

Calendar Year	Pre-tax Investment Return
1/1/2013 - 12/31/2013	0.41%
1/1/2014 - 12/31/2014	0.39%
1/1/2015 - 12/31/2015	0.47%

8. Incremental Payment Pattern corresponding to the Estimated Ultimate Direct Claim and Claim Adjustment Expenses

Coverage	% of Ultimate Direct Claim and Claim Adjustment Expenses Paid									
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
TPL-BI	1.5%	14.3%	27.9%	25.3%	12.8%	5.3%	7.7%	4.3%	0.8%	0.1%
TPL-PD	61.7%	32.7%	3.4%	0.5%	0.5%	0.5%	0.5%	0.2%	-	-
AB	17.4%	34.8%	24.8%	9.0%	9.0%	2.6%	1.2%	1.2%	-	-
UM	17.4%	34.8%	24.8%	9.0%	9.0%	2.6%	1.2%	1.2%	-	-
COLL	96.8%	3.2%	-	-	-	-	-	-	-	-
COMP	88.9%	11.1%	-	-	-	-	-	-	-	-
AP	96.8%	3.2%	-	-	-	-	-	-	-	-
SP	88.9%	11.1%	-	-	-	-	-	-	-	-
SEF44	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

1. For the province of Newfoundland and Labrador, for the category of automobile insurance for which this filing applies.
- 2.-3. For the province of Newfoundland and Labrador, for the category of automobile insurance for which this filing applies.
These estimates should be consistent with, and reconcilable to, the estimates underlying the derivation of the rate level indications included in this filing
4. Expense percentages should exclude claim adjustment expenses and the health levy.
7. Should be consistent with the investment yield as reported on the Company's P&C-1 Statement, Page 10.60, Row 46.
8. Provide historical triangles of paid losses, by accident year for the last ten years, by coverage that support the selected patterns.