ALBERTA

Motorhome and Trailer Program

NEW BUSINESS EFFECTIVE: JULY 1, 2023

RENEWALS EFFECTIVE: JULY 1, 2023

echelon Insurance

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The Echelon Insurance Motorhome and Trailer Program is an automobile product designed to provide road coverage for Motorhomes and Trailers while in transit, or temporarily parked, at a competitive price. Coverage provided are the standard under the SPF 1, and do not provide premises liability or any other property coverage not indicated in this manual. This program requires careful underwriting to ensure proper risk evaluation and pricing.

BINDING AUTHORITY

Brokers are authorized to bind automobile insurance coverage for Motorhome and Trailers normally written by "Echelon" Insurance provided:

- The Broker has an active agreement to do business with Echelon for this line of business;
- The applicant/named insured and risk meet the qualifications outlined in this manual;
- A fully completed and signed SAF 1 automobile application by all named insured's is obtained;
- The down payment or full payment of the estimated policy premium must accompany the submission. **Applications submitted without payment will not be issued**

The application plays a critical role in the underwriting process. The Brokers should ensure that the application is complete, correct, and provides all the information requested. You are in the best position to know or observe any undesirable characteristics of the risk. The Brokers should only bind coverage after obtaining all essential information including claims experience, driver abstracts and becoming satisfied that the risk is acceptable.

Echelon rules and guidelines serve for initial risk selection. Final risk acceptability is subject to underwriting review and approval. Echelon reserves the right to change coverage, adjust premium or cancel the risk in accordance to the rules and, guidelines published in this manual.

Binders and temporary liability certificates are limited to thirty (30) days. If the policy is not received within thirty (30) days and approval is provided by underwriting, a further temporary liability certificate may be issued to the insured.

Echelon must be notified **within seven (7) working days** of the effective date of any binder.

Brokers do not have authority to bind Echelon on any risk falling under "Risks We Do Not Write" or "Risk to Be Referred to Underwriting".

Echelon reserves the right to withdrawal binding authority.

RISKS TO BE REFERRED

- All Motorhomes in excess of $150,000. Underwriting approval is required prior to binding coverage and may be subject to higher physical damage deductibles.
- Motorhomes and/or Trailers where the applicant is not both the actual and registered owner of the vehicle.
- Motorhomes and/or Trailers registered to a business.
- Motorhomes and/or Trailers with unrepaired cosmetic damage that does not affect the safe operation of the vehicle.

UNDERWRITING RULES

A. Echelon will decline to issue, terminate or refuse to renew a contract of insurance for the following reason(s):

1. Any risk submitted by any Broker(s) who does not have an active contract with Echelon. However, the risk may qualify through another producer, subject to the applicable underwriting rules.
2. The applicant refuses or fails to pay any outstanding premium amount owed to Echelon Insurance for any personal lines policy issued to the named insured by Echelon.
3. The applicant and/or principal operator(s) has non-disclosed and/or misrepresented information required on the application for insurance and on any request for policy change, that may have a bearing on the acceptance or rating of the risk as described in the application.
4. A material change in risk including, but not limited to, ownership, use, operator(s), relocation outside Alberta, or modifications to the vehicle.
5. The applicant/insured or any person who is a regular or frequent operator of the vehicle has been found by a court of competent jurisdiction, in either criminal or civil proceedings, to have committed a fraud in any way connected with any vehicle insurance in the past ten (10) years.
6. Failure to co-operate with Claims or Underwriting departments during the investigation of or clarification of information required to adjust a loss or underwrite the risk. Information is limited to those questions contained on the approved Alberta Automobile Application (SAF 1) form.
7. If the applicant willfully makes a false statement in respect of a claim under the contract.
8. Any risk previously cancelled by Echelon, within the past twelve (12) months for non-disclosure and/or misrepresentation.
9. Any risk where the information required to issue, renew or process an application, policy change or a signed AB-S.E.F. has not been received. This rule does not apply to the AB-S.E.F. No. 38, refer to rule B1.
10. Motorhomes and/or Trailers not registered or plated in Alberta.
11. Motorhomes and/or Trailers, that are permanently parked, or used as a principal residence, unless used temporarily while insured is working away from home on a job site, such as oil and gas workers. **A 25% surcharge will be applied to Section C coverage**.
12. Motorhomes and/or Trailers located outside the Province of Alberta for six (6) consecutive months or more, operated for six (6) months or more in the USA, or being used regularly to commute into the USA.
13. Vacation trailers temporarily parked with no wheels attached. Nondisclosure of any additions that form part of the trailer such as a deck etc. Pictures must be provided, and the value of the addition will be added to the trailer.
14. Horse trailer(s) written without the towing vehicle or, have a carrying capacity of more than two (2) horses.
15. Utility type trailers, truck campers and caps written without the towing vehicle.
16. Motorhomes and/or Trailers, which are principally garaged and operated in a location, which is not accessible by Echelon year round.
17. Motorhomes and/or Trailers that are registered under a temporary license plate sticker, also referred to as a trip permit.
18. Rented and/or leased Motorhomes and/or Trailers.
19. Motorhomes and/or Trailers with physical damage coverage only.
20. Motorhomes valued in excess of $350,000 (including taxes) or new list price in excess of $350,000 (including taxes). **Value in excess of $150,000 requires underwriting approval**.
21. Trailers valued in excess of $150,000 (including taxes) or new list price in excess of $150,000 (including taxes).
22. Motorhomes and/or Trailers twenty (20) years old or older are not written, but may be renewed subject to a satisfactory physical inspection and a safety certificate which must be provided prior to renewal.

23. Motorhomes and/or Trailers that have been modified, customized, restored, enhanced or homemade.
24. Buses, vans, commercial trailer/18 wheelers with living quarters or that have been converted into a Motorhome.
25. Motorhomes and/or Trailers that have been declared a total loss or identified as rebuilt.
26. Motorhomes and/or Trailers with non-repaired damage that affect the safe operation of the vehicle.
27. Motorhomes and/or Trailers used to drive to and from work, renting, driver training, any business use, commercial use, used as delivery vehicles (e.g. pizza, Chinese food, drug store, courier services etc.) or “Peer-to-Peer” rentals.
28. Unsafe or unfit Motorhomes and/or Trailers, which cannot pass government safety specifications.
29. More than one (1) cancellation for Non-Payment within the preceding thirty-six (36) months prior to the inception date of the application or the renewal expiration date.
30. The named insured/principal operator of a Motorhome and/or Trailer that is under twenty-five (25) years of age and/or licensed less than three (3) years will not be written.
31. The driving status of the principal operator or all drivers listed and rated on the policy is shown as unlicensed, non-renewable or suspended.
32. Risk where the principal operator or the listed driver(s) is not ordinarily a resident of Canada, and intends to be in Canada for a period of less than one (1) year.
33. Risk where the principal operator and/or operators(s) are not permanently residing in Alberta.
34. The operator(s) who has/have not obtained a valid Alberta Class 5 driver’s license or equivalent. (An International driving permit is not considered a valid driver’s license).
35. The operator(s) has an at fault Motorhome and/or Trailer accident/claim in the preceding thirty-six (36) months prior to the inception date of the application or the renewal expiration date.
36. The operator(s) has more than two (2) at fault Motorhome and/or Trailer accidents/claims in the preceding six (6) years prior to the inception date of the application or the renewal expiration date.
37. The operator(s) has any Criminal Code/Serious conviction in the preceding thirty-six (36) months prior to the inception date of the application or the renewal expiration date.
38. The operator(s) has any Major conviction(s) in the preceding thirty-six (36) months prior to the inception date of the application or the renewal expiration date.
39. The operator(s) has more than three (3) Minor convictions in the preceding thirty-six (36) months prior to the inception date of the application or the renewal expiration date.
40. The operator(s) has any license suspension related to a conviction in the in the preceding thirty-six (36) months prior to the inception date of the application or the renewal expiration date. This does not include any license suspension for administrative or medical reasons.
41. Any driver or policy holder that is abusive or threatening to any company or Brokers staff and the police or security has been contacted and a formal report documenting the incident is available.

B. Echelon will decline to provide, restrict or refuse to continue coverage for the following reasons:

1. Physical damage coverage will not be written when a special, extraordinary or after-market equipment valued over $1500 exists on vehicles (other than Standard factory installed equipment), where an AB-S.E.F. No. 38 has not been purchased and **signed by the insured**.
2. Multi Motorhome and/or Trailers with different liability limits will not be written policy will be issued with the highest common limit.
3. Any risk with two (2) or more not at fault Collision/All Perils type accidents in the preceding thirty-six (36) months prior to the inception date of the application or the renewal expiration date will be subject to a minimum deductible of $1000 for Collision/All Perils.
4. Any risk with two (2) or more not at fault Comprehensive/Specified Perils type accidents in the preceding thirty-six (36) months prior to the inception date of the application or the renewal expiration date will be subject to a minimum deductible of $1000 for Comprehensive/Specified Perils.

GENERAL SECTION

APPLICATIONS

For any New Business, an approved and fully completed application must be signed by all named insured's and submitted to Echelon. It is therefore important to ensure that applicants understand the need to disclose all accidents, claims, cancellations and convictions of all drivers even when the operator is not at-fault. Not- at-fault collision accidents will not be a factor in rating.

CLAIMS REPORTING

All claims are to be reported to an Echelon office.

Toll Free: 1-866-252-2854 or 1-800-324-3566

Local: 905-214-7880

Fax: 905-214-7892

Toll Free Fax: 1-866-291-1102

24 Claims Hours: 1-866-931-0570

Email clerical@echeloninsurance.ca

COVERAGE EFFECTIVE DATE AND TIME

Coverage will commence as of the binding date and time indicated in the policy application or endorsement properly completed by the Brokers. In no circumstance may coverage be shown as effective prior to the date and time of completion of the application form. If there is any other insurance in force, binding may not be made effective before the expiry of that other insurance or if that other insurance is to be cancelled, a Liability Insurance Card may not be prepared before the insurer concerned has issued the notice of cancellation, or the insured has signed the request for cancellation, as the case may be. When coverage is to commence or at some future date, show the binding time as 12:01 a.m. local time and make the effective date on the application/endorsement the date coverage commences.

DRIVER’S LICENSE

This indicates that the driver holds a valid driver's license to drive the type of vehicle insured. All operators must hold a valid Alberta Class 5 license. An international license shall not be considered to be a valid driver's license.

INVESTIGATIVE REPORTS

Brokers, service representatives and/or underwriters will automatically or using discretion, obtain different kinds of reports from independent companies. The information received will help to ensure acceptability, proper rating and risk classification.

These reports are ordered from external sources and can include government records, financial services, consumer reports and previous carrier reports.

LETTERS OF AUTHORIZATION (LETTERS OF BROKERAGE)

Mid-term Letters of Authorization are not acceptable. If the insured wishes to change broker’s mid-term, the policy must be cancelled and a new policy issued. We will allow pro-rata cancellation in these cases. We accept Letters of Authorization on renewal only. For full pay policies, the payment is required to be included with the Letter of Authorization.

POLICY TERM

Motorhome and Trailer rates are for a period of one (1) year, twelve (12) months. No other policy term is available.

PREMIUM ADJUSTING FOR POLICY CHANGES DURING THE POLICY TERM

Increase in Premium: We will charge and collect all mid-term policy changes which require premium in excess of $10.00.

The rates to be applied are those that are in effect as of the effective date of the new business policy or the latest renewal.

If an additional premium is not paid, the policy will be CANCELLED in accordance with the Statutory Conditions of the policy.

Decrease in Premium: Any return premium will be refunded to the insured except non-refundable charges for specific coverage as stated in this manual.

Deletion of Coverage or Vehicles: The effective date for deletion should be documented as the day and time as requested. Back dating is not permitted.

PROVINCIAL TRANSFERS

Insured’s that move to another Province must cancel their Echelon policies and arrange coverage upon their arrival in that Province.

REINSTATEMENTS

Under some circumstances, and subject to prior approval by Echelon Underwriting, reinstatement of a policy cancelled by Echelon may be allowed provided all conditions are met and the risk meets Echelon eligibility rules and guidelines. The request for reinstatement and any additional requested information and/or documentation must be received prior to the expiry date of coverage as shown on the registered letter of cancellation. The Broker must collect any refund sent with the registered letter as well as, any other amount owing and any applicable service fees/charges. In all other situations, policies will not be reinstated. A new application may be considered.

RENEWALS

A renewal is produced 55 - 45 days prior to renewal date. The renewal provides details of coverage and premium and is to be kept by the insured if the renewal is accepted.

Payment should be accompanied by the payment stub.

A 30-day grace period is permitted on renewal. If the policy has not been paid within the 30-day grace period the risk will be treated as new business requiring a fully completed and signed application accompanied by the full estimated premium.

THIRD PARTY LIABILITY

Multi vehicle policies with different Third Party Liability limits will not be written.

TERRITORIAL LIMITATIONS

The policy provides coverage in Canada and United States or upon a vessel plying between ports of these countries. We do not extend coverage to any other areas of the world.

DEFINITIONS

ACCIDENT

At-Fault Accident

An occurrence for which the applicant, insured, or operator is deemed to be entirely or partially responsible and resulting in Third Party Liability (Bodily Injury and Property Damage) and/or Collision damage arising out of the ownership, use or operation of a recreational vehicle in consequence of which;

a. An amount has been paid or would have been paid but for the existence of No Fault Legislation and/or the Quebec Direct Compensation Agreement; or

b. A loss remains unsettled or unpaid and for which the insured or applicant is deemed to be responsible; or

c. A civil suit is pending against the insured or applicant.

Not At-Fault Accident

Damage to a recreational vehicle will not be deemed to be a “chargeable accident” if:

1. It occurred while the recreational vehicle was legally parked, providing the details are reported to police authorities within twenty-four hours of the occurrence.
2. It was caused by a hit and run driver, providing the details are reported to police authorities within twenty-four hours of the occurrence.
3. 100% of the repair cost was recovered or would have been recoverable, but for the existence of No Fault Legislation and/or the Quebec Direct Compensation Agreement.
4. An occurrence in which the insured or applicant’s degree of fault is determined as zero either by the fault determination rules or the dispute resolution mechanism.
5. A Collision loss for which an uninsured party is responsible and where the deductible has been recovered in full from an Unsatisfied Judgment or similar fund shall not constitute a chargeable accident under this definition.
6. Claim expenses only, shall not constitute a chargeable accident under this definition.

Note:

- An accident applies to all coverage for which driving record is a factor.
- An accident as defined above, even if unreported, is always taken into account in rating even if there was no insurance in effect or the amount of the loss was repaid to the insurer by or on behalf of the applicant. Fault, not claim payment is the determining factor.

ENHANCED

Vehicle has been enhanced by altering its original factory specifications either for increased horse power or visual effects.

HOMEMADE

Vehicle was constructed with parts from different vehicles and assembled by a nonprofessional builder.

HOUSEHOLD

Every driver in the household shall be interpreted to mean every person who:

a. Under law is authorized to drive,
b. Has permission to operate the recreation vehicle,
c. Is a member of the household and,
d. Holds a valid recreation vehicle license.

These individuals must be named on the application for insurance or endorsement.

KIT

Vehicle is usually a replica or a new version of a vehicle that is delivered either in part or in whole to the purchaser.

LIST PRICE NEW

The retail selling price new (including taxes) of the vehicle/unit, including the value of any customizing features and all permanently attached equipment.

MODIFIED/CUSTOMIZED

The vehicle has been modified and/or customized from its original factory specifications.

NON-PLEASURE

Used for renting, driver training, demonstration, sales, office or any other business or commercial purpose, including “peer to peer” – not written by Echelon.

NON REPAIRED

The vehicle is not yet repaired but there is the intent to do so.

PEER-TO-PEER RENTAL

Peer-to-Peer rental is part of the sharing economy which allows an individual to offer their assets, such as a Motorhome or Trailer, for rent to another individual through a common online-enabled application or system.

PLEASURE USE

Used for pleasure/recreational purposes, not including use for driving to and from work.

UNREPAIRED

Describes a vehicle that is left in a damaged state with no intention to repair it.

MOTORHOME DEFINITION AND TYPES

A self-propelled vehicle containing living quarters that are an integral part of the vehicle and not removable.

Class A Motorhome	Class B Motorhome	Class C Motorhome
An RV with the living accommodations built on or as an integral part of a self-propelled motor vehicle.	A motorized RV built on a van chassis. This type of RV is usually called a "van conversion."	A recreational vehicle built on van or truck chassis, including the cab. Most often have a living quarter's section attached to a cab with a bed area at the front over the cab.
		

TRAILER DEFINITION AND TYPES

A unit designed to be towed by a motor vehicle and falling into one of the following categories:

a. Cabin or home trailers;

b. Tent Trailer;

c. Other trailer designed for pleasure use (e.g. boat trailer, utility trailer, horse trailer, motorcycle trailer, toy hauler).

Tent Camper Trailer	Travel Trailer	Fifth Wheel	Truck Camper	Utility Trailer
Also known as “hard - top” or “soft- top”. Very light and can usually be pulled by any type vehicle.	Also known as “hard-side” or “park model”. Can range in size from 12 ft. to 50 ft. Usually require a large car or truck to move around. Park models are meant to be left “on-site” for a season or sometimes used as a permanent home.	Can range in size from 15 ft. to 50 ft. and require at least a pickup truck for the small one to a “dual wheel” 3 ton pick-up to move around. The hitch sits in the bed of the truck and looks like a transport hitch.	Usually only used on pick-up trucks. Can vary in size but only in the length extended over the cab. Unit is held down to the truck by cables and chains.	All other trailers such as box, boat, horse trailers and toy carriers used for personal use only. Utility trailers must be written with the towing vehicle.
				

COVERAGE

AVAILABLE COVERAGE

- Liability (Bodily Injury and Property Damage) $1,000,000 and $2,000,000
- Direct Compensation – Property Damage
- Accident Benefits – as prescribed by Statute
- Uninsured Motorist
- All Perils: Minimum deductible $250, (other options available)
- Collision: Minimum deductible $250, (other options available)
- Comprehensive or Specified Perils: Minimum deductible $250, (other options available)
- AB-S.E.F. No. 44: up to $2,000,000
- $7,500 Personal Property (CAE 1)
- $2,500 Emergency Vacation Expense (CAE 2)

Refer to Endorsements for a complete list of optional coverage.

GOLF CART

Maximum value of $5,000, Physical Damage only and must be written with a Motorhome and Trailer.

PREMIUM CALCULATION

All Perils coverage is calculated as the **sum** of Collision and Comprehensive premiums.

Specified Perils coverage is calculated as 75% of Comprehensive premium.

Note: Deletion of driving coverage is not permitted on single Motorhome policies.

LIABILITY LIMIT

$1,000,000

$2,000,000

DEDUCTIBLE OPTIONS

Deductible	DCPD	Collision	Comprehensive
0	1.000	N/A	N/A
250	0.872	1.163	1.020
500	0.750	1.000	1.000
750	0.689	0.919	0.980
1000	0.654	0.872	0.959
1250	0.627	0.837	0.949
1500	0.610	0.814	0.939
1750	0.601	0.802	0.929
2000	0.593	0.791	0.918
2250	0.584	0.779	0.908
2500	0.575	0.767	0.898

Higher deductibles are available in increments of $250. Premium calculation is based on the 2,500 factors.

DISCOUNTS

Discounts available for Motorhomes and/or Trailers

ANTI-THEFT DISCOUNT

A 5% discount is applied to a policy where the vehicle has a non factory professionally installed ignition or fuel disabling device, tracking system or a vehicle marking system.

The discount applies to Comprehensive coverage or Comprehensive portion of coverage

CAMPERS ASSOCIATION DISCOUNT

A 10% discount is applied to the policy where the applicant belongs to a camper association. Proof of membership must be provided at the time of issuance.

The discount applies to all coverage with the exception of any AB-S.E.F. endorsement.

MULTI-PRODUCT DISCOUNT

A 5% discount is applied to the policy when we insure more than one vehicle type (example a Motorhome and a Motorcycle) owned and operated by family members living in the same household.

The discount applies to all coverage with the exception of any AB-S.E.F. endorsement.

MULTI-VEHICLE DISCOUNT

A 10% discount is applied to the policy when we insure two or more of the same vehicle type (example two Motorhomes) owned and operated by family members living in the same household.

he discount applies to all coverage with the exception of any AB-S.E.F. endorsement.

PARKED UNIT DISCOUNT

A 10% discount is applied to the policy if the vehicle is seasonally parked in a trailer park. Written confirmation is required indicating where the vehicle is parked.

The discount applies to Collision coverage or Collision portion of coverage.

RUBBER ROOF DISCOUNT

A 10% discount is applied to the policy where the vehicle has a rubber roof.

The discount applies to Comprehensive coverage or Comprehensive portion of coverage.

Note: The maximum discount allowable per coverage for any combination of discounts listed above is 30%.

Note: Driver Age factors and Years with Company factors are automatically included in our rating process.

SURCHARGES

ACCIDENTS AND CONVICTIONS

Surcharge is automatically included in our rating process.

ALLOCATION OF AT FAULT CLAIMS/ACCIDENTS

A. The primary rule that is followed is that an operator can be charged for an accident on only ONE vehicle, that being the highest rated vehicle that the driver is principal operator of. However,

- If the driver is not the principal operator of a vehicle but operates one or more vehicle(s) occasionally, the driving record of the highest rated vehicle he/she operates will be charged with the accident(s). (In these cases the rating of the vehicle will be affected by both the principal operator and occasional operator).B. When an at-fault accident is incurred under the policy, the accident is charged to the operator and the vehicle which incurred the loss. However,

- If the driver is not the principal operator for that vehicle involved in the accident, but is the principal operator of another vehicle on the policy, the accident is to be charged to the highest rated vehicle on which the driver is the principal operator of.

- If the operator is not a listed driver on any vehicle on the policy (for example: a friend who borrowed the vehicle) the accident is charged to the principal operator of the vehicle involved in the accident.

- If a driver is being accident rated and is removed from the policy, the accident will continue to be charged to the principal operator of the vehicle involved in the accident.

Note: No split rating- when a loss is charged to one of the two sections of the driving record, the section which is unaffected by the actual loss must be rated with the same driving record as the section effected by the loss.

CONVICTIONS

Surcharge is automatically included in our rating process.

MINOR

Convictions of any moving traffic offenses, other than those specifically listed in “major” and “criminal code/serious” below under any Act governing highway traffic or any offenses substantially the same committed outside Canada (but not limited to):

Examples:

- Fail to notify police
- Fail to report damage to highway property backing up/unsafe/illegal/improper: any type
- Crowding driver's seat
- Door opening/illegal/obstructing traffic: any type
- Emergency vehicle/operating with no regard for safety
- Driving imprudently
- 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
- 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
- Signaling offences: any type
- Slow driving/endangering other: any type
- Speeding: any type, except when listed as major or serious
- 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
- Unsafe move
- Unsafe vehicle: any type
- Wrong side of road/wrong way: any type
- Yield, failing to: any type
- Improper speeding in a school or playground zone

Note: Parking tickets or other infractions governed by local bylaws are not considered convictions for rating purposes.

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 (but not limited to):

Examples:

- Exceeding the speed limit by 50 km/h or more
- Fail to report damage to highway property
- Failure to stop on request of or obey directions of a police officer
- Driving without insurance
- Novice driver failing/refusing breath sample (not identified as a criminal code conviction)
- Any conviction shown in the list of serious convictions, but not identified as a criminal code conviction
- Fail to obey school crossing stop sign
- Improper passing of a school bus
- Improper passing in a school or playground zone
- Graduated License (where applicable):
- Permit novice driver in contravention of cond./rest
- Drive on prohibited highway
- Drive at unlawful hour
- Driving without due care and attention
- Use of cell or mobile communication device while driving
- Distracted driving other than use of cell or mobile communication device while driving

CRIMINAL CODE/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 (but not limited to):

Examples:

- Criminal negligence committed in the operation or use of a motor vehicle
- Careless driving
- Manslaughter committed in the operation or use of a motor vehicle
- Driving while license under suspension
- Dangerous driving
- Driving without due care and attention
- Driving without insurance
- Device II
- Racing
- 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 license for a period in excess of 3 (three) months
- Novice driver fail/refuse breath sample

Notes:

1. Where a conviction shown is not recorded on the Driver Record Abstract as a Criminal Code Conviction but is shown under any Act governing highway traffic or any other Act within Canada or any other offence substantially the same committed within or outside Canada, that conviction is considered a Major conviction.
2. 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.

CONVICTIONS ASSOCIATED WITH ACCIDENTS

Some convictions are usually associated with an accident and full details should be disclosed. Accordingly, Echelon will charge for an at fault accident unless the applicant/insured can provide police or other suitable evidence that no accident occurred.

Conviction examples:

- fail to report an accident
- criminal negligence
- vehicular manslaughter
- failure to remain at the scene of an accident
- failure to report damage to highway property

SUSPENSION OF OPERATORS LICENSE

Administrative type suspension

An administrative lapse or a suspension of a driver's license is a documented driver's license lapse for administrative or medical reasons that are not connected to driving offence convictions. An Administrative Driver's License Suspension (ADLS) is also considered an administrative lapse because there is no driving offence conviction connected with the suspension.

Administrative type suspensions will not be considered for rating purposes.

ENDORSEMENTS

This section outlines the endorsements/policy change forms offered in conjunction with a Motorhome and/or Trailer policy written by Echelon, along with a brief explanation of the endorsement and our method of handling.

CAE 1

AGREEMENT TO PROVIDE COVERAGE UNDER SECTION C FOR CONTENTS OF THE DESCRIBED MOTORHOME OR VACATION TRAILER

Echelon agrees to indemnify the insured against direct and accidents loss of/or damage to contents of the describer Motorhome and/or Trailer. The perils for which indemnity for loss or damage to the Motorhome and/or Trailer is provided in this endorsement shall be the same perils as are stated in the similar subsections of Section C of the Policy to which this endorsement is attached. If more than one Motorhome and/or Trailer is insured under this policy, this endorsement shall apply only to the Motorhome and/or Trailer against which the CAE 1 is designated in the schedule of automobiles forming part of this policy.

Available Coverage:

- Trailer: up to $7,500 in total
- Motorhome: up to $ 7,500 in total

CAE 2

LOSS OF USE MOTORHOME AND VACATION TRAILER EMERGENCY ACCOMMODATION EXPENSE ENDORSEMENT

In the event that the described Motorhome and/or Trailer is rendered uninhabitable because of loss or damage for which indemnity is provided under subsection(s) of Section C, the insurer agrees to reimburse the insured for any additional necessary and reasonable expense for living accommodation.

If more than one Motorhome and/or Trailer is insured under this policy, this endorsement shall apply only to the Motorhome and/or Trailer with respect to which the CAE 2 is designated in the schedule of automobiles forming part of this policy.

Available Coverage:

- Trailer: up to $ 2500 maximum.
- Motorhome: up to $ 2500 maximum.

AB-S.E.F. NO. 13(H) – EXISTING HAIL DAMAGE – DELETION OF HAIL COVERAGE ENDORSEMENT

In consideration of the described vehicle having existing hail damage at the time of issuance of this endorsement, it is understood and agreed that the insurer shall not be liable under any subsection of Section C for loss or damage caused by hail. If the insured supplies evidence satisfactory to the insurer that the hail damage has been repaired, this endorsement will become null and void and have no effect.

The insured's signature is required.

AB-S.E.F. NO. 19(B) – LIMITATION OF AMOUNT ENDORSEMENT

The endorsement limits the amount payable to an amount specified in the endorsement or the actual cash value whichever is the lesser.

This endorsement is optional, **amount must be stated on the endorsement and the insured's signature is required**. The endorsement must be submitted with the new application or written endorsement request.

AB-S.E.F. NO. 23A – LIENHOLDER, MORTGAGEE OR ASSIGNEE ENDORSEMENT

This endorsement is used to recognize and protect the lienholder's interest in the insured vehicle.

AB-S.E.F. NO. 35 – EMERGENCY SERVICE EXPENSE ENDORSEMENT

This endorsement provides coverage for up to $50 per occurrence for towing and emergency service expenses if the insured vehicle is disabled. It does not include the cost of parts or supplies, gasoline, oil, batteries, or tires. **Coverage is available for Motorhomes only.**

Premium: $ 15 flat premium.

AB-S.E.F. NO. 38 – SPECIFIED LIMIT(S) – AUTOMOBILE ELECTRONIC ACCESSORIES AND ELECTRONIC EQUIPMENT ENDORSEMENT

This endorsement limits theft coverage for electronic accessories (other than factory installed) to the lesser of the actual value of the equipment or $1,500, unless the equipment is listed in the endorsement. An inspection of the vehicle must be performed to confirm that the equipment exists.

For all types of equipment, we require that the following information be obtained Make, Model, Serial #, date purchased, name of vendor, amount paid and that copies of the bills of sale were seen.

The insured's signature is required.

Premium: $30 per $1,000 of the limit of coverage excess of $1,500, shown on the endorsement.

AB-S.E.F. NO. 39(A) – AT-FAULT ACCIDENT WAIVER ENDORSEMENT

This endorsement protects the renewal premium from increasing as result of an at-fault accident involving the vehicle to which this endorsement applies.

Premium: $30 flat premium.

AB-S.E.F. NO. 43R – LIMITED WAIVER OF DEPRECIATION ENDORSEMENT

This endorsement removes the right to deduct depreciation from the value of an automobile when settling a total loss claim. This endorsement is available only on policies issued to individuals who are the original owner of a new Motorhome and/or Trailer type vehicle and provide a copy of bill of sale.

- Coverage must be requested at the time of inception,
- The vehicle must carry physical damage coverage,
- Coverage available for 5 years or newer based on model year
- Coverage will be removed once the Motorhome turns 6 years old. Should the 6 year mark fall between renewals, the endorsement will remain in effect until renewal expiry date.
- Premium is a percentage of the physical damage coverage premium, determined by the age of the vehicle.
- Copy of original dealer invoice or copy of the bill of sale is required.
- Note: New Vehicle means vehicle with no more than 10,000kms

Vehicle Age	Collision	Comp
-2	0.060	0.060
-1	0.060	0.060
0	0.060	0.060
1	0.105	0.105
2	0.135	0.135
3	0.173	0.173
4	0.210	0.21
5	0.248	0.248
6 +	n/a	n/a

AB-S.E.F. NO. 44 – FAMILY PROTECTION ENDORSEMENT

This endorsement provides additional benefits to the insured and other insured persons who have a claim against another motorist for injuries or death if the other motorist has insufficient insurance to pay the claim.

Premium will automatically be included in our rating process where this coverage is selected.

POLICY CANCELLATION

MINIMUM POLICY/RETAINED PREMIUM

Motorhome and/or Trailer policies are subject to a minimum retained policy premium of **$100.00.**

BY THE INSURED

If insured submits a request for cancellation, which must be confirmed in writing, Echelon will refund the unearned premium of any prepaid premium, policy will be cancelled as per the **Seasonal Cancellation Table** listed below, effective 12:01am unless otherwise stated subject to any minimum retained premium requirement.

SEASONAL CANCELLATION TABLE

Month	Retained Premium	Month	Retained Premium	Month	Retained Premium
January	**Nil**	**May**	**10%**	**September**	**10%**
February	**Nil**	**June**	**20%**	**October**	**5%**
March	**5%**	**July**	**20%**	**November**	**Nil**
April	**10%**	**August**	**20%**	**December**	**Nil**

Notes:
1. For each specific month in the period of insurance charge the “Retained Premium” indicated above for that month.
2. For part of a month charge the pro rata of the percentage applicable to the complete month.

BY THE INSURER

Cancellation notification will be by registered mail or delivered in person providing the required notice period. Echelon will refund the unearned premium. Policy will be cancelled on a pro rata basis.

MID TERM CANCELLATIONS

Mid-term cancellations initiated by Echelon, after the policy has been in effect for more than 60 days can only be done for one of the following reasons;

a. Non-payment of or any part of the premium due under the policy;
b. The Insured has given false particulars of the described automobile;
c. The Insured has knowingly misrepresented or failed to disclose in an application for insurance, any fact required to be stated therein; or
d. For a material change in risk within the meaning of Statutory Condition 1.

FLAT CANCELLATION

Flat cancellation on new business is not permitted. Whenever a policy is cancelled at the request of the insured it is always subject to a minimum retained premium. The **Seasonal Cancellation Table** listed below will be used for calculating the retained premium.

Flat cancellation will be allowed on renewal if all renewal documents (insured copy); including liability cards are returned to the company by the renewal effective date. Any premium collected will be refunded to the insured. Minimum retained premium will not be applied.

NON RENEWAL

We will provide 45 days written notice to the Brokers when we do not intend to renew a policy. In the event that notification cannot be provided to the Broker 45 days prior to the renewal, we will provide 30 days written notice to the insured as to why the renewal is not being offered.

PAYMENTS

PAYMENT OPTIONS

- **All policies are issued on a Direct Bill basis; Broker Bill is not available on Personal Lines Products.**
- Payment may be made by Cash, Certified Cheque, Money Order, Visa, MasterCard, Monthly Payment Plan, Debit Card or Electronic Funds Transfer (EFT).
- Postdated cheques and/or partial payments are not acceptable.
- Guaranteed funds payments are cash, certified cheque, money order, Visa and MasterCard payments.
- Echelon offers a variety of payment options (see details below):
    - Full Payment
    - Monthly Payment Plan

Note: Outstanding premium on prior automobile policies must be paid in full before a new policy can be issued. Additional funds would be required to issue a new policy to avoid inequity.

Note: Request to change payment plans can only be done on renewal without collecting a down payment provided the completed forms are received a minimum of six weeks prior to the renewal.

FULL PAYMENT FOR POLICY

ONE TIME PAYMENT

Payment in full for insurance on all new business submissions using one of the payment methods described above.

Additional Premium: New business miscalculation of premium or mid-term changes generating additional premium will result in an invoice being mailed to the client for the full outstanding amount to be paid immediately. Failure to make the payment can result in cancellation of the policy by registered letter for non-payment.

Returned Premium; New business miscalculation of premium or mid-term changes generating return premium, will result in a refund cheque being mailed to the insured.

Renewals: Renewals are issued with a statement of account. The Brokers or Echelon Insurance Company must receive this payment prior to 12:01 a.m. the day of renewal. If the payment is not received by this time, Echelon does offer a 30-day grace period on renewal during which payment can be remitted. Following the 30-day grace period the policy will be to have lapsed if payment has not been received

PAYMENT PLANS

ELIGIBILITY

- Annual policies where the total premium payable under the contract exceeds $300.
- The applicant/insured has not had more than one automobile insurance policy terminated by an insurer for non-payment of premium during the thirty-six months before the contract takes effect.

ENROLLMENT

1. Collect down payment (minimum two months premium). The down payment can be in the form of a certified cheque, money order, bank draft, Visa or MasterCard, or Electronic Funds Transfer (EFT).

   Note: Collection of a separate down payment is not required if insured chooses the funds to be taken Via EFT or if they choose credit card payment plan.
2. Complete the Payment Authorization Form and have the applicant/insured sign it.
3. Collect a void cheque for pre-authorized chequing.

PRE-AUTHORIZED MONTHLY PAYMENT PLAN (PAC)

The policy owner authorizes Echelon to automatically withdraw the premium payments from their bank account on a monthly basis over the term of the policy. Premiums are collected by means of electronic deduction that have be arranged through Canadian Banks, Trust Companies, Credit Unions, or any other financial organization where the client has chequing privileges.

The down payment can either be collected at the time of binding and sent to Echelon along with the application, or can be collected electronically from the insured’s bank account at the time the policy is issued. Once the policy is issued the insured will receive a statement of account outlining the monthly payment schedule.

CREDIT CARD MONTHLY PAYMENT PLAN

The policy owner authorizes Echelon to automatically charge their credit card on a monthly basis over the term of the policy. A separate down payment is not required as the down payment will be charged to the credit card upon the issuance of the policy. Once the policy is issued the insured will receive a statement of account outlining the monthly payment schedule.

CONVERTING FROM ONE PAYMENT PLAN TO ANOTHER

Request to change payment plans can only be done on renewal without collecting a down payment provided the completed forms are received a minimum of six weeks prior to the renewal.

ADDITIONAL PREMIUM

If an additional premium is required after the policy has been issued, calculate the additional mid-term premium plus provincial sales tax when applicable and collect same from the insured (cash, certified cheque, credit card, or debit card). The withdrawal amount will remain the same until the next renewal. If up-front payment is not feasible for the insured the remaining installments may be increased accordingly.

RETURN PREMIUM

If a return premium results from a policy change, the return premium will be calculated, and applied to the next installment(s). Refunds will be held for about 10 business days to allow the funds to clear and a cheque will be issued to the insured (excluding credit card payment plan where refund is applied directly to the credit card.

PAY PLAN RENEWALS

Renewals are continuous and the renewal policy declaration, along with a notice advising the new monthly installments to be debited to the insured's bank account or charged to the insured credit card commencing in the month prior to the renewal. If the insured does not accept renewal, the renewal documents must be returned by the renewal effective date to allow flat cancellation. Any premium collected will be refunded to the insured when the installment has cleared.

CHANGE TO BANKING INFORMATION

In the event that a client changes their chequing account number, or transfers to a different financial institution, a new "VOID" cheque and Echelon MPP authorization form must be completed. The new forms must be sent to Echelon Insurance at least 15 days prior to the payment withdrawal date. The insured should be advised to maintain sufficient funds in their old account to cover any scheduled withdrawals during the change process.

SERVICE FEES

- The fee is 3% of the total premium payable under the contract for the 12 month term.
- A payment default will result in a $50.00 return item fee, plus any applicable tax.

NON PAYMENT TERMINATIONS AND REINSTATEMENTS

Regulation 777/93 has been amended to include requirements with which an insurer must comply before terminating an insured's auto insurance contract due to non-payment of premium. An insurer cannot terminate the contract if the insurer receives the outstanding payment, plus any applicable administration fees, before the end of the notice period (no less than 30 days if the insurer gives notice by registered mail and no less than 10 days if the notice is given by personal delivery). If the amount is not paid in the manner specified in the regulation, then the contract is deemed to be terminated at the end of the notice period.

Non Payment Cancellation (Payment Plan)

Echelon General Insurance Company will collect withdrawals electronically from the client's bank account on the specified withdrawal date. If the required funds are not available on the first attempt, a notice is provided to the Broker only. It is the responsibility of the Broker to contact the insured to advise them that their regular monthly withdrawal was unsuccessful and to ensure that funds are available for the second attempt that will be made. Should the second attempt also be unsuccessful, a registered letter of cancellation for non-payment will be processed.

Registered Letter of Cancellation (Non Payment)

The registered letter of cancellation for non-payment will provide the insured with the amount of premium required including the $50 administration fee. This payment will be required prior to the date and time of cancellation in order for the policy to be reinstated. If the Broker accepts payment, you, the Broker, are required to notify Echelon General Insurance Company.

If payment is being made after the policy cancellation date has passed, approval is required from Echelon General Insurance Company to accept the payment. The decision to reinstate resides with Echelon’s Underwriting Department. A new policy application may be required instead of a reinstatement.

REINSTATEMENTS

All regularly scheduled payments will resume if the policy is reinstated. Any other payments that were missed prior to the policy being reinstated will be scheduled for withdrawal 7 days from the date that the reinstatement payment was made. If that payment is unsuccessful the policy may be cancelled for non-payment.

Note: Three returned payments in the policy term will result in the monthly pay plan being removed as an option for premium payment for the remainder of the term.

PREMIUM FINANCING CONTRACT

Echelon will permit premium finance contracts from third party finance companies (including brokers) subject to the following:

1. Contract must accompany the new business or renewal.
2. Full premium must accompany the new business or renewal.
3. All premium refunds will be sent to the finance company.
4. Additional premiums may be financed with full payment to Echelon.
5. In the event of cancellation initiated by the finance company, notice to the insured and any interested party will be sent by regular mail. The Brokers is responsible to notify the insured according to the terms of the finance contract. Echelon will cancel the policy as if the insured had requested cancellation using the short rate table.
6. Reinstatement is at the sole discretion of Echelon, a new application may be required.

RATING TERRITORIES

TERRITORY 1

Calgary District – Stat Code 101

The City of Calgary

TERRITORY 2

Northern District – Stat Code 105

That portion of the Province of Alberta lying north of Latitude 55 North, which includes but is not limited to the Peace River Block.

TERRITORY 3 – Stat Code 100

Cities of Medicine Hat, Lethbridge, Red Deer District and Town of Redcliff

All other locations in the Province of Alberta.

TERRITORY 4 Edmonton District – Stat Code 102

Being Townships 52, 53 and 54, Ranges 23, 24 and 25, west of 4th Meridian, which includes but is not limited to: Edmonton City, St. Albert, Lancaster Park, Sherwood Park, Namao.

LOCATION DIRECTORY

This "Directory" lists certain cities, towns, etc., alphabetically and shows the applicable Rating Territory and Statistical Location Plan Code. For places not listed, see complete territory descriptions above.

Location	Rating Territory	Stat. Code	Location	Rating Territory	Stat. Code	Location	Rating Territory	Stat. Code
Airdrie	3	100	Clairmont	2	105	Fort Vermillion	2	105
Alix	3	100	Claresholm	3	100	Fox Creek	3	100
Andrew	3	100	Coaldale	3	100	Gibbons	3	100
Athabaska	3	100	Coalhurst	3	100	Grand Centre	3	100
Banff	3	100	Cochrane	3	100	Grande Cache	3	100
Barrhead	3	100	Cold Lake	3	100	Grande Prairie	2	105
Bashaw	3	100	Consort	3	100	Grimshaw	2	105
Bassano	3	100	Coronation	3	100	Hanna	3	100
Beaumont	3	100	Crossfield	3	100	Hardisty	3	100
Beaverlodge	2	105	Crowsnest Pass	3	100	High Level	2	105
Beiseker	3	100	Daysland	3	100	High Prairie	2	105
Bentley	3	100	Delburne	3	100	High River	3	100
Berwyn	2	105	Devon	3	100	Hines Creek	2	105
Black Diamond	3	100	Didsbury	3	100	Hinton	3	100
Blackfalds	3	100	Drayton Valley	3	100	Hythe	2	105
Bob Accord	3	100	Drumheller	3	100	Innisfail	3	100
Bonnyville	3	100	Eckville	3	100	Jasper	3	100
Bowden	3	100	Edmonton	4	102	Killam	3	100
Bow Island	3	100	Edson	3	100	Lac la Biche	3	100
Boyle	3	100	Elk Point	3	100	Lacombe	3	100
Breton	3	100	Evansburg	3	100	Lamont	3	100
Brooks	3	100	Fairview	2	105	Lancaster Park	4	102
Bruderheim	3	100	Falher	2	105	Leduc	3	100
Calgary	1	101	Foremost	3	100	Legal	3	100
Calmar	3	100	Forestburg	3	100	Lethbridge	3	100
Camrose	3	100	Fort Chipewyan	2	105	Lloydminister	3	100
Cardston	3	100	Fort MacLeod	3	100	Magrath	3	100
Carstairs	3	100	Fort McMurray	2	105	Manning	2	105
Castor	3	100	Fort Saskatchewan	3	100	Mannville	3	100

LOCATION DIRECTORY CONTINUED

Location	Rating Territory	Stat. Code	Location	Rating Territory	Stat. Code	Location	Rating Territory	Stat. Code
Marwayne	3	100	Rimbey	3	100	Valleyview	2	105
Mayerthorpe	3	100	Rocky Mountain House	3	100	Vauxhall	3	100
McLennan	2	105	Rycroft	2	105	Vegreville	3	100
Medicine Hat	3	100	Saint Albert	1	102	Vermillion	3	100
Medley	3	100	Saint Paul	3	100	Viking	3	100
Milk River	3	100	Sedgewick	3	100	Vulcan	3	100
Millet	3	100	Sexsmith	2	105	Wabamun	3	100
Mirror	3	100	Sherwood Park	4	102	Wainwright	3	100
Morinville	3	100	Slave Lake	2	105	Warburg	3	100
Mundare	3	100	Smoky Lake	3	100	Wembley	2	105
Namao	4	102	Spirit River	2	105	Westlock	3	100
Nanton	3	100	Spruce Grove	3	100	Wetaskiwin	3	100
Nobleton	3	100	Stavely	3	100	Whitecourt	3	100
Okotoks	3	100	Stettler	3	100			
Olds	3	100	Stirling	3	100			
Onoway	3	100	Stony Plain	3	100			
Oyen	3	100	Strathmore	3	100			
Peace River	2	105	Sundre	3	100			
Penhold	3	100	Swan Hills	3	100			
Picture Butte	3	100	Sylvan Lake	3	100			
Pincher Creek	3	100	Taber	3	100			
Ponoka	3	100	Thorhild	3	100			
Provost	3	100	Thorsby	3	100			
Rainbow Lake	2	105	Three Hills	3	100			
Raymond	3	100	Tofield	3	100			
Redcliff	3	100	Trochu	3	100			
Red Deer	3	100	Turner Valley	3	100			
Redwater	3	100	Two Hills	3	100			