ALBERTA

ANTIQUE Program

NEW BUSINESS EFFECTIVE: JULY 1, 2023

RENEWALS EFFECTIVE: JULY 1, 2023

echelon Insurance

General Rules and Guidelines

Basic regulations of the program are as follows:

- No one under the age of 25 can drive the vehicle stock vehicles are excepted for drivers age 23 and 24 provided there is proof of a second vehicle insured with a clear driving record.
- There is a maximum of 5000km or 3000mi per year.
- The vehicle cannot be driven to and from work.
- Proof of other vehicle coverage may be required.

REQUIREMENTS FOR WRITING NEW BUSINESS

1. 3 Year driver's abstract (no more than 30 days old)
   - If the spouse is planning to drive the vintage vehicle, we also require a driver's abstract for them.
   - There can be no more than 2 tickets on the abstract in order to write the policy.

2. Copy of their insurance policy for the vehicle(s) they drive on a daily basis
   - There can only be 1 at fault accident in the last six years in order to qualify.
   - All drivers in the house must qualify for the program – if it is the husband writing the policy and the wife isn't even listed as a driver on the policy, but has an impaired, multiple at fault accidents, etc. we cannot write the policy – all drivers must qualify!

3. 6 (six) original, color photos of the vehicle – 2 interior, 1 on each side of the exterior, 1 of the engine and 1 of the open trunk AND appraisal if applicable. Rating is based on the appraised amount that must include all accessories including electronic equipment (stereos etc. but not limited to).

4. Copy of the bill of sale or registration for the vehicle we are insuring (mandatory).

5. A fully completed and signed application along with full premium payment is required to bind the risk. Application must be sent to Echelon within 3 business days for binding to take effect. Applications not sent in the described manner, will result in the policy effective dates to be amended to the date received by Echelon.

6. Our rules and guidelines serve only for initial risk selection. Final risk acceptability is subject to underwriting review and approval. Depending on the circumstances, Echelon could change the coverage, adjust the premium or cancel the risk in accordance with the rules and guidelines published in this manual.

POLICY CANCELLATION

BY THE INSURED

If for any reason the insured submits a request for cancellation, which must be confirmed in writing, Echelon will refund the unearned premium of any prepaid premium on a short rate basis subject to any minimum retained premium requirement.

BY ECHELON

Cancellation notification will be by registered mail or delivered in person providing the required notice period, Echelon will refund the unearned premium of any prepaid premium based on the table below.

MID-TERM CANCELLATIONS

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

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

NON-RENEWAL OF POLICIES

Echelon will provide 30 days written notice to the insured when we do not intend to renew a policy.

FLAT CANCELLATION OF A POLICY IS NOT PERMITTED

Whenever a policy is cancelled at the request of the insured and always subject to a minimum premium being retained, the following cancellation table will be used for calculating the retained premium.

CANCELLATION TABLE

Days In Force	% of Premium Retained	Days In Force	% of Premium Retained
1-15	38	46-60	86
16-30	50	61-75	98
31-45	70	76-365	100

Antique Automobiles – Use and Definition

The automobile can only be used or driven for hobby and/or collector car purposes. This includes being used or driven in exhibitions, parades, tours of similar functions organized by a properly constituted automobile club, car shows, including driving directly to and from one of these events; or for the purpose of repair, testing, or demonstration for sale. An occasional personal day outing, such as a pleasure drive, is also permitted.

The Automobile

1. The automobile must be at least 20 years old and meet the following requirements.

   Stock Automobiles

   Commonly referred to as an antique or classic, the automobile cannot:

   - Be substantially modified from the manufacturer's original product.
   - Have any performance enhancing modifications.

Pick-up trucks are acceptable. Motorcycles are not written under this program (see Motorcycle section for rates and rules).

Rates for Echelon Antique Program can be obtained via a calculator posted on the Broker Portal.

Modified or Customized Automobiles - Commonly referred to as Street Rods or Customs, the automobile cannot:

- Have a full roll cage or be tubed, unless the modifications are strictly for cosmetic or for authentic historical purposes.
- Be equipped with a nitrous oxide or jet fuel based enhanced or propulsion system of any kind.
- Have specialized 'fluid' hydraulics. E.g. a system that lifts or bounces the automobile is not acceptable. Air bag suspension or air hydraulics system is permissible. E.g. a system that replaces shock and spring.
- Other vehicle types may be considered such as Military Vehicles (contact underwriting prior to binding).

Pick-up trucks are acceptable. Motorcycles are not written under this program (see Motorcycle section for rates and rules).

2. Vehicles under restoration
   - May be covered for Liability and Comprehensive only.

3. Trailers
   - Has to be a matching set, i.e. Bolar trailer.
   - Can also insure Pace trailers – trailers that are used specifically for transporting the vintage vehicle.
   - Rate for physical damage the same as the vehicle that we insure. If more than one vehicle is insured, the rate to be applied is the highest rated vehicle. Liability is covered by the towing vehicle.

4. Deductibles
   - $0.00 deductible for DCPD (Direct Compensation – Property Damage)
   - $250 collision; $100 comprehensive for vehicles valued up to $49,999.
   - $500 collision and comprehensive for vehicles valued from $50,000-$99,999.
   - $1000 collision and comprehensive for vehicles valued from $100,000-$149,999.
   - For drivers age 23 & 24 the deductible is based on 5% of the insured value for both collision and comprehensive.
   - Vehicles valued over $150,000, we calculate the deductibles based on 5% of the insured value for both collision and comprehensive.
     - Glass is included, assuming no chips or cracks

5. Appraisals
   - Broker must go over the difference between AB-S.E.F. No. 19A and AB-S.E.F. No. 19B with their current and document this conversation in the Remarks section of the application.
   - Vehicles valued less than $50,000 are good for 5 years.
   - Vehicles valued over $50,000 are good for 3 years.
   - Appraisals are required on vehicles valued over $5000, but are not required on vehicles valued less than $5000.

6. Trucks
   - Cannot be used for hauling, towing or camping under any circumstances.

7. Vans
   - Cannot have propane stoves or heat or be used for camping.

8. Propane
   - The only exception to having propane on a vintage vehicle is if it is professionally installed and used only as an engine fuel (see #7 above).

9. Holiday Fee
    - 1-2 weeks - $25
    - 3-4 weeks - $50
    - Whatever mileage put on during trip does not count against annual mileage.
    - Covered both in Canada and the U.S.A.

10. Minimum Policy Premium
    - $100/term

11. Removing Vehicles
    - Vehicles removed from the program must stay off for a period of 1 year – insured cannot alternate between a personal policy and the vintage program as it reduces the collectability of the vehicle.
    - Policies are annual, and therefore we do not allow our clients to cancel a policy for the winter and re-write it in the spring.

12. Removing Coverage (Collision Only)
    - Not permitted.

13. Binding Authority
    - $100,000 – For higher limited you must have prior underwriting approval.

14. Maximum Insurable Limit per Vehicle
    - $750,000

15. Location Limit
    - $500,000 for the total value of all vehicles stored and insured.

16. Spare Parts
    - There is coverage for spare parts up to $7,500. Inventory may be required. For amounts greater than $7,500 up to $15,000 use 50% of the physical damage rate. For amounts greater than $15,000 contact underwriting.

17. Newly Acquired Vehicle
    - There is automatic coverage for 30 days on newly acquired vehicles.
    - Appraisal required within 30 days. If not received, policy may be cancelled.
    - Limited to vehicles valued at $50,000 or less. Over $50,000 requires binding approval by Echelon.

18. Logos
    - There can be NO logos or advertising at all on any vintage vehicles insured under this program.

ENDORSEMENTS

AB-S.E.F. No. 19(A) - Valued Automobile Endorsement

This endorsement will guarantee to pay the amount stated on the endorsement in the event of a total loss. That amount is determined by the appraisal of the car.

A dollar amount must be specified including tax (GST) and the client's signature is required.

AB-S.E.F. No. 19(B) - Limitation of Amount Endorsement

The standard auto policy insures the vehicle up to a limit of the actual cash value in the event of a loss. This endorsement is required when Echelon wishes to provide cover only up to a specific amount. In the event of loss Echelon's liability is limited to the Actual Cash Value or the amount stated on the endorsement, whichever is the lesser.

A dollar amount must be specified including tax (GST) and the client's signature is required.