

Advantage Auto Insurance Policy

Automobiles • Motorcycles



Effective May 1, 2014



**MEMBERSHIP
IS REWARDING**

BCAA Advantage Auto Policy

Underwritten by Royal & Sun Alliance Insurance Company of Canada

- Section A – Excess Third Party Liability
- Section B – Accident Benefits – Not Applicable
- Section C – Loss of or Damage to Insured Vehicle
- Section D – Excess Underinsured Motorist Protection – Not Applicable
- Section E – Not Applicable
- Section F – Optional Coverages
- Section G – General Provisions, Definitions and Exclusions
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Section A – Excess Third Party Liability

A.1 Insuring Agreement

In consideration of the payment of the premium specified and of the statements contained in the Advantage Auto Insurance Application/Declaration and subject to the limits, terms, conditions, special provisions, general provisions, definitions and exclusions herein stated and subject always to the condition that the Excess Insurer, Royal & Sun Alliance Insurance Company of Canada (RSA), shall be liable only under the section(s) or subsection(s) of this policy for which premium is specified in the Advantage Auto Insurance Application/Declaration and no other.

It is understood and agreed that the Excess Insurer's (RSA) limit of liability under Section A of the Insuring Agreements of the Policy shall be excess insurance within the meaning of the Insurance (Vehicle) Act of British Columbia, R.S.B.C. 1996, Chapter 231 and the Regulations made thereunder.

Liability under this policy shall not attach unless and until the first loss and underlying Insurer has admitted liability or unless and until the Insured has by final judgment been adjudged to pay an amount which exceeds such first loss limit and then only after the first loss Insurer has paid or been held liable to pay the full amount of the first loss limit.

This policy will not cover you if your vehicle is registered and licensed outside of B.C., or if you are not a resident of B.C.

Neither the inclusion of more than one (1) entity in the name of the Insured nor the addition of any additional Insured under this policy shall in any way operate to increase the limit of liability set forth in Section A of the Advantage Auto Insurance Application/Declaration.

The Excess Insurer agrees to indemnify the Insured and, in the same manner and to the same extent as if named herein as the Insured, the Lessee and every other person who with the Insured's or the Lessee's consent personally drives the vehicle, or personally operates any part thereof, against the liability imposed by law upon the Insured, the Lessee or upon any such other person for loss or damage arising from the ownership, use or operation of the vehicle and resulting from:

A.2 Bodily Injury To or Death of Any Person or Damage to Property

The Excess Insurer shall not be liable under this section:

- a) for any liability imposed by any worker's compensation law upon any person insured by this section; or
- b) for loss or damage resulting from bodily injury to or the death of any employee of any person insured by this section while engaged in the operation or repair of the vehicle; or
- c) for loss of or damage to property carried in or upon the vehicle or to any property owned or rented by, or in the care, custody or control of the Lessee or any other person who personally drives the vehicle; or
- d) for any amount in excess of the limit(s) stated in Section A of the Advantage Auto Insurance Application/Declaration, and expenditures provided for in the Additional Agreements of this section, subject

- always to the provisions of the section of the Insurance (Vehicle) Act relating to the nuclear energy hazard; or
- e) for any liability arising from contamination of property carried in the vehicle.

A.3 Additional Agreements of Excess Insurer

Where indemnity is provided by this section, the Excess Insurer shall:

- 1) upon receipt of notice of loss or damage caused to persons or property, serve any person insured by this policy by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Excess Insurer; and
- 2) defend in the name and on behalf of any person insured by this policy and at the cost of the Excess Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and
- 3) pay all costs taxed against any person insured by this policy in any civil action defended by the Excess Insurer and any interest accruing after entry of judgment upon that part of the judgment which is within the limit(s) of the Excess Insurer's liability. The word "costs" used in this policy means interest accruing after entry of judgment upon that part of the judgment which is within the limit of the Excess Insurer's liability, investigation, adjustment and legal expenses, excluding, however, all office expenses of the Insured, all expenses of salaried employees of the Insured and general retainer fees for counsel normally paid by the Insured; and
- 4) in case the injury be to a person, reimburse any person insured by this policy for outlay for such medical aid as may be immediately necessary at the time of such injury; and
- 5) be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit(s) stated in Section A of the Advantage Auto Insurance Application/Declaration; and
- 6) not set up any defense to a claim that might not be set up if the policy were a vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

A.4 Agreements of Insured

Where indemnity is provided by this section, every person insured by this policy:

- 1) by acceptance of this policy, constitutes and appoints the Excess Insurer his or her irrevocable attorney to appear and defend in any province or territory of Canada in which action is brought against the Insured arising out of the ownership, use or operation of the vehicle; and
- 2) shall reimburse the Excess Insurer, upon demand, in the amount which the Excess Insurer has paid by reasons of the provisions of any statute relating to vehicle insurance and which the Excess Insurer would not otherwise be liable to pay under this policy.

See also General Provisions, Definitions, Exclusions and Prescribed Conditions of this Policy

Section B – Accident Benefits – Not Applicable

Section C – Loss of or Damage to Insured Vehicle

C.1 Insuring Agreement

In consideration of the payment of the premium specified and of the statements contained in the Advantage Auto Insurance Application/Declaration and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated and subject always to the condition that the Insurer shall be liable only under the subsections of Insuring Agreement C for which a premium is specified in the Advantage Auto Insurance Application/Declaration and no other.

The Insurer agrees to indemnify the Insured against direct and accidental loss of or damage to the vehicle, its equipment, the Motorcycle side car or the Motorcycle trailer, as described on the Application/Declaration.

For the purpose of this coverage the word Vehicle and Motorcycle are interchangeable.

This policy will not cover you if your vehicle is registered and licensed outside of B.C., or if you are not a resident of B.C.

C.2 Loss of or Damage to Insured Vehicle

Subsection 2 – Collision or Upset

Loss or damage caused by collision with another object or by upset.

Subsection 3 – Comprehensive

Loss or damage caused from any peril other than by collision with another object or by upset.

The words “another object” as used in this Subsection 3 shall be deemed to include:

- a) a vehicle to which the vehicle is attached; and
- b) the surface of the ground and any object therein or thereon.

Comprehensive includes, but is not limited to, loss or damage caused by fire, lightning, theft, vandalism, malicious mischief, windstorm, earthquake, hail, impact with animals, missiles, falling or flying objects, riot, civil commotion, rising water or the stranding, sinking, burning, derailment, or collision of a conveyance transporting the vehicle on land or water.

C.3 Deductible Clause

Each occurrence causing loss or damage covered under any subsection of this Section C, except loss or damage caused by fire or lightning or theft of the entire vehicle covered by such subsection, shall give rise to a separate claim in respect of which the Insurer’s liability shall be limited to the amount of loss or damage in excess of the amount deductible, if any, stated in the applicable subsection of Section C of the Advantage Auto Insurance Application/Declaration.

If you select a \$300 deductible for Comprehensive coverage, the deductible amount applicable to any claim for windshield damage shall be \$200.

C.4 Exclusions

The Insurer shall not be liable,

- 1) under any subsection of Section C for loss or damage:
 - a) to tires or consisting of or caused by mechanical fracture or breakdown of any part of the vehicle or by rusting, corrosion, wear and tear, freezing, or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire, theft or malicious mischief covered by such subsection; or
 - b) caused by the conversion, embezzlement, theft or secretion by any person in lawful possession of the vehicle under a mortgage, conditional sale, lease or other similar written agreement; or
 - c) caused by the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretense; or
 - d) caused directly or indirectly by contamination from radioactive material; or
 - e) to contents of trailers or to rugs or robes; or
 - f) to audio and video media for use with an audio or video player or recorder when such audio and video media is detached therefrom; or
 - g) where the insured drives or operates the vehicle:
 - i) while under the influence of intoxicating liquor or drugs to such an extent as to be for the time being incapable of the proper control of the vehicle; or
 - ii) while in a condition for which he or she is convicted of an offence under section 253 (a) (impaired driving) or section 253 (b) (breathalyzer offence) or under or in connection with circumstances for which he or she is convicted of an offence under section 254 (5) (failure or refusal to provide breath or blood sample) of the Criminal Code (Canada); or
 - h) where the Insured permits, suffers, allows or connives for the use of the vehicle by any person contrary to the provisions of g); or
- 2) under Subsection 2 (Collision or Upset) only:
 - a) for loss or damage to the Described Vehicle arising out of the use or operation on a highway within British Columbia of a vehicle where:
 - i) the names of both the owner and the driver of that other vehicle are not ascertainable; or
 - ii) the name of the driver of that other vehicle is not ascertainable and its owner is not liable to an action for damages for the said loss or damage.

However, if in the circumstances described above, you recover indemnity from the Insurance Corporation of British Columbia (ICBC) for such loss or damage pursuant to section 24 of the Insurance (Vehicle) Act, we will pay the difference between the prescribed deductible to your claim against ICBC and the Collision deductible, if lower, under this policy; or
- 3) under Subsection 3 (Comprehensive) only:
 - a) for loss or damage caused by theft by any person or persons residing in the same dwelling premises as the Insured, or by any employee of the Insured engaged in the operation, maintenance or repair of the vehicle whether the theft occurs during the hours of such service or employment or not; or
 - b) for loss or damage caused by mysterious disappearance of Personal Property or Motorcycle Riding Gear.

C.5 Additional Agreements of Insurer

1. Where loss or damage arises from a peril for which a premium is specified under a subsection of this section, the Insurer further agrees:
 - a) to pay general average, salvage and fire department charges and customs duties of Canada or of the United States of America for which the Insured is legally liable;
 - b) to waive subrogation against every person who, with the Insured's consent, has care, custody or control of the vehicle, provided always that this waiver shall not apply to any person:
 - 1) having such care, custody or control in the course of the business of selling, repairing, maintaining, servicing, storing or parking vehicles; or
 - 2) who has:
 - i) committed a breach of any condition of this policy; or
 - ii) driven or operated the vehicle in the circumstances referred to in paragraph g) of the Exclusions to Section C of this policy;
 - c) to indemnify the Insured and any other person who personally drives a temporary substitute vehicle as defined in the General Provisions of this policy against the liability imposed by law or assumed by the Insured or such other person under any contract or agreement for direct and accidental physical loss or damage to such vehicle and arising from the care, custody and control thereof; provided always that:
 - i) such indemnity is subject to the deductible clause and exclusions of each such subsection;
 - ii) if the owner of such vehicle has or places insurance against any peril insured by this section, the indemnity provided herein shall be limited to the sum by which the deductible amount, if any, of such other insurance exceeds the deductible amount stated in the applicable subsection of this policy;
 - iii) where indemnity is provided under this paragraph c), the Insurer shall:
 - (a) upon receipt of notice of loss or damage caused to a temporary substitute vehicle, serve any person insured by this policy by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and
 - (b) defend in the name and on behalf of any person insured by this policy and at the cost of the Insurer any civil action which at any time be brought against such person on account of such loss or damage to a temporary substitute vehicle; and
 - (c) pay all costs taxed against any person insured by this policy in any civil action defended by the Insurer and any interest accruing after entry of judgment upon that part of the judgment which is within the limit(s) of this Insurer's liability.
2. Loss of Use by Theft – Where indemnity is provided under Subsection 3 of Section C, the Insurer further agrees, following a theft of the entire vehicle covered thereby, to reimburse the Insured for expenses not exceeding \$40 for any one (1) day nor totaling more than \$800 incurred for the rental of a substitute vehicle or the use of taxicabs and public means of transportation. Reimbursement is limited to such expense incurred during the period commencing seventy-two (72) hours after such theft has been reported to the Insurer or the police and terminating, regardless of the expiration of the policy period:

- a) upon the date of the completion of repairs to or the replacement of the property lost or damaged; or
- b) upon such earlier date as the Insurer makes or tenders settlement for the loss or damage caused by such theft.

See also General Provisions, Definitions, Exclusions and Prescribed Conditions of this Policy

Section D – Excess Underinsured Motorist Protection – Not Applicable

Section E – Not Applicable

Section F – Optional Coverages

Optional Coverages that can be added to your policy for an additional premium.

F.1 Insuring Agreement

In consideration of the payment of the premium specified and of the statements contained in the Advantage Auto Insurance Application/Declaration and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated and subject always to the condition that the Insurer shall be liable only under the Sections for which a premium is specified in the Advantage Auto Insurance Application/Declaration and no other.

The insurer agrees to indemnify the Insured in accordance with the coverage provided by the endorsements described below but only for those endorsements which show on the Advantage Auto Insurance Application/Declaration as having been added to this Policy and for which a premium has been paid.

If more than one (1) vehicle is insured under the policy, the endorsements shown on the Advantage Auto Insurance Application/Declaration shall apply only to the vehicle(s) against which the endorsements are designated in the schedule of vehicles forming part of the Advantage Auto Insurance Application/Declaration. If the endorsements are designated with respect to more than one (1) vehicle in the schedule of vehicles forming part of the Advantage Auto Insurance Application/Declaration, then the coverages provided shall be construed as if provided by separate policies of insurance with respect to each vehicle to which the endorsements are applicable.

The endorsements shown on the Advantage Auto Insurance Application/Declaration are attached to and form part of the policy and shall be effective from 12:01 a.m. Standard Time on the effective date of the policy or renewal thereof, or if added to the policy during the policy period, they shall be effective from 12:01 a.m. Standard Time on the effective date of the endorsement specifying the additional coverage.

For the purpose of this coverage the word Vehicle and Motorcycle are interchangeable.

See also General Provisions, Definitions, Exclusions and Prescribed Conditions of this Policy

F.1.1 Emergency Accident Assistance Endorsement

It is hereby understood and agreed that in the event of loss or damage to the insured vehicle for which indemnity is provided by Section C – Loss of or Damage to Insured Vehicle, the Insurer agrees to reimburse the Insured up to \$100 in any one (1) occurrence for reasonable emergency assistance expenses relating to transportation and communication. The amount of insurance provided does not include the cost of parts or supplies, gasoline, oil, batteries or tires.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.2 Lock Re-keying – Disappearing Deductible Endorsement

The Insurer agrees to reimburse the Insured up to a maximum of \$1,500 for the cost of re-keying the locks on the insured vehicle if the keys or remote keyless entry transmitter to that vehicle are stolen. The Comprehensive Coverage deductible does **not** apply.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.3 Valet Service Endorsement

In the event of loss or damage to the insured vehicle for which indemnity is provided by Section C - Loss of or Damage to Insured Vehicle and if the insured vehicle is repaired at a BCAA Approved Auto Repair Centre, the Insurer agrees to, after the loss or damage has been reported to the Insurer:

- 1) pick up and deliver the damaged vehicle to the BCAA Approved Auto Repair Centre; and
- 2) provide transportation for the Insured, within a twenty-five (25) km radius from the BCAA Approved Auto Repair Centre, when the Insured is picking up the vehicle after repairs relating to the insured damage have been completed.

No indemnity is provided by this endorsement if the loss or damage to the insured vehicle is limited to its tires, windshield or windows.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.4 Travel Benefits Endorsement

In the event that the Insured is involved in a vehicle accident, or if the Insured's vehicle (which must be licensed in British Columbia) is stolen while the Insured is traveling on business or vacationing away from home (outside your place of residence), the Insurer agrees to reimburse the Insured for the following:

- a. the cost of delivering the damaged vehicle back home for repairs, or the cost of delivering a recovered stolen vehicle back home, subject to a maximum reimbursement of \$750;
- b. the cost of reasonable additional living expenses (lodging, meals, transportation expenses and phone calls) incurred by the Insured and any accompanying individuals, subject to a \$1,000 maximum for two (2) people or a \$2,000 maximum for three (3) or more people, as a direct result of a vehicle accident involving the insured vehicle or the theft of the insured vehicle while the Insured is traveling away from home;
- c. travel expenses to return home using the most direct route, subject to a \$3,000 maximum for one (1) or two (2) people, or a \$6,000 maximum for three (3) or more people;
- d. replacement vehicle expenses (maximum \$500) for a rented or borrowed vehicle only.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.5 Loss of Use Endorsement

In the event of loss or damage to the insured vehicle for which indemnity is provided by Section C – Loss of or Damage to Insured Vehicle, the Insurer agrees to reimburse the Insured as the result of loss of use of the insured vehicle, for expenses reasonably incurred for the rental of a substitute vehicle, including fares for taxicabs or public means of transportation.

Provided always, that:

1. The Insurer shall not be liable for such expense in excess of \$1,000 per occurrence;
2. Reimbursement is limited to such expense incurred commencing:
 - a) at the time the loss or damage occurs if the insured vehicle cannot be operated under its own power;
 - b) in the case of theft of the entire vehicle, at 12:01 a.m. the day following the report of such theft to the Insurer or to the police;
 - c) in other cases, at the time the insured vehicle is delivered for repair due to the loss or damage;
 and terminating regardless of the expiration of the policy period, upon:
 - (i) the date of completion of repairs or replacement of the property lost or damaged; or
 - (ii) upon such earlier date that the Insurer settles or offers to settle the loss or damage;
3. The indemnity provided by the policy for Loss of Use by Theft under Additional Agreement 2 of Section C is replaced by this endorsement but in no event shall the amounts stated in this endorsement be less than those stated in Additional Agreement 2 of Section C of the policy;
4. No indemnity is provided by this endorsement unless the loss or damage to the vehicle exceeds any applicable deductible amount specified in the policy for such loss or damage.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.6 Legal Liability for Damage to Non-Owned Vehicles Endorsement

The Insurer agrees to indemnify the Insured or his or her spouse against the liability imposed by law upon the Insured or assumed by him or her under any contract or agreement for loss or damage arising from the care, custody or control of any vehicle, including its equipment, not owned by or licensed in the name of the Insured or by any person or persons residing in the same dwelling premises as the Insured, and resulting from loss of or damage thereto caused by such of the perils described herein for which a premium is specified in the Advantage Auto Insurance Application/Declaration and no other.

The Insurer further agrees to indemnify the Insured or his or her spouse against liability imposed by law upon the Insured or assumed by him or her under any contract or agreement or which is imposed by law upon or assumed by law upon any Canadian resident with a valid drivers license who is also named on a rental contract for a non-owned vehicle that is rented by the Insured or his or her spouse, for loss or damage arising from the care, custody or control of that rental vehicle, including its equipment and resulting from loss of or damage thereto caused by such of the perils described herein for which a premium is specified in the Advantage Auto Insurance Application/Declaration and no other.

The amount of indemnification shall be adjusted with and paid to the owner on behalf of an Insured as though the loss or damage suffered by the owner of the non-owned vehicle was a claim by the Insured for loss or damage to the vehicle owned by the Insured and described on the Advantage Auto Insurance Application/Declaration.

Provided always that:

- 1) The perils for which indemnity for loss or damage to such vehicles 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;
- 2) The indemnity provided by this endorsement shall be applicable only as respects a vehicle of the private passenger or station wagon, van or minivan type;
- 3) Not more than one (1) such vehicle shall be in the care, custody or control of the Insured or his or her spouse at any one (1) time;
- 4) The Additional Agreements of Insurer as stated in subsection 1) c) iii) of Section C of the policy to which this endorsement is attached shall, insofar as they are applicable to the subject matter of this endorsement, extend to the indemnity provided herein;
- 5) The Insurer shall not be liable under this endorsement for any amount in excess of \$60,000 (exclusive of interest and costs) for any one (1) occurrence;
- 6) The Insurer shall not be liable under this endorsement for loss of use of the rental vehicle charges, in excess of \$50 per day to a maximum of \$500 for any occurrence;
- 7) Such vehicle is being used with the consent of the owner or lessee thereof;
- 8) A deductible applies on each claim as described in Section C of the policy, except for loss or damage caused by fire, lightning or by theft of the entire vehicle;

- 9) Any non-owned vehicle rented by the Insured or his or her spouse for which coverage applies under this section must be rented from an established rental service under a written rental agreement for a period not exceeding forty-five (45) days.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.7 Replacement Cost Endorsement

In consideration of the premium stated in the Advantage Auto Insurance Application/Declaration and in the event that loss of or damage to the described vehicle for which indemnity is provided under Section C exceeds the deductible amount specified in the policy, the Insurer agrees to waive its rights under Prescribed Condition 5(5) and in the event of Total Loss to the vehicle the Insurer agrees to waive its rights under Prescribed Conditions 5(5) and 5(6), and:

1. If an Accident renders the Described Vehicle a Total Loss or Constructive Total Loss during the term of this Endorsement, the Insurer will, subject to condition 4 below, indemnify the Insured for direct and accidental loss or damage caused to the Described Vehicle, either:
 - a) by replacing the Described Vehicle at the Insurer's cost with the most current available model of a new vehicle of the same make and model and with equipment and options attached thereto similar to those listed on the Bill of Sale where such replacement vehicle is deliverable to the Insured by a dealer within thirty (30) days of the determination of a Total Loss or Constructive Total Loss; or
 - b) if a replacement vehicle as described in condition 1. a) is not deliverable by a dealer within thirty (30) days of the determination of a Total Loss or Constructive Total Loss, by paying the Insured the lesser of the following:
 - (i) the verified original Purchase Price actually paid by the Insured for the Described Vehicle as evidenced by the Bill of Sale; or
 - (ii) the manufacturer's list price at the date of purchase of the Described Vehicle together with any dealer options attached that may be listed on the Bill of Sale, plus a percentage of either (i) or (ii), whichever of these is paid, such percentage to be determined from the following table, by the model year number of the Described Vehicle;

| Model Year Number | Percentage to Be Added |
|--------------------------|-------------------------------|
| Model Year 1 | 2.5% |
| Model Year 2 | 5.0% |
| Model Year 3 | 7.5% |

OR

- c) where a replacement vehicle is available under condition 1. a) and the Insured elects not to replace the Described Vehicle in accordance with condition 1. a), by paying the Insured the settlement amount calculated under condition 1. b), provided that such amount does not exceed the cost of the replacement vehicle as determined under condition 1. a).

This Endorsement does not apply with respect to betterment resulting from the repair or replacement of parts having prior un-repaired damages.

2. The Insurer may, subject to condition 4 below, extend the time frame contained in condition 1. a) for delivery of a replacement vehicle if such replacement vehicle cannot be delivered to the Insured by a dealer within thirty (30) days but can be delivered within ninety (90) days after the date of the Accident and the Insured is willing to wait up to ninety (90) days for the replacement vehicle to be delivered. If such replacement vehicle is not subsequently delivered within ninety (90) days, then indemnity shall only be afforded in accordance with condition 1. b). Where such vehicle is delivered within ninety (90) days, and the Insured subsequently elects not to accept the replacement vehicle, the settlement basis outlined in condition 1. c) will apply.
3. Where within the term of the Endorsement, an Accident causes direct loss or damage to the Described Vehicle that does not render the Described Vehicle a Total Loss or Constructive Total Loss, the Insurer agrees, subject to condition 4 below, to indemnify the Insured by paying for the cost of repairs of the Described Vehicle, using original equipment manufacturer parts for such repair, and without requiring the Insured to contribute any amount by way of depreciation or betterment to the cost of such worn or used parts as are replaced. If original equipment manufacturer parts are not available, the Insurer will indemnify the Insured by paying for the cost of repair of the Described Vehicle using new parts of like kind or quality to those used or recommended by the manufacturer of the Described Vehicle.
4. This Replacement Cost coverage only applies to a Described Vehicle if the loss occurs during the term of this Endorsement and within three (3) model years.
5. No indemnity is afforded by this Endorsement:
 - (a) where the Described Vehicle
 - (i) is a commercial vehicle having a licensed gross vehicle weight in excess of 5,000 kg; or
 - (ii) is not insured by Underlying Insurance under rate class 01, 02, 03, or 07 at the time of loss; or
 - (b) for a claim or demand
 - (i) for loss or damage arising out of repair of prior un-repaired loss or damage to the Described Vehicle at the same place or an adjacent place to any place on the Described Vehicle that has suffered repairable loss or damage for which a claim may be made under this Endorsement;
 - (ii) for loss or damage arising out of a claim for Accelerated Depreciation caused by or resulting from the repair of any loss or damage to the Described Vehicle;
 - (iii) for any claim for loss of use of the Described Vehicle; or
 - (iv) under condition 1, unless the Insured produces the Bill of Sale; or
 - (c) where the Insured is not a resident of British Columbia; or
 - (d) for a vehicle which is not licensed in the Province of British Columbia.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.8 Limited Waiver of Depreciation Endorsement

In the event that loss of or damage to the vehicle for which indemnity is provided under Section C – Loss of or Damage to Insured Vehicle exceeds the deductible amount specified in the policy, the Insurer agrees to waive its rights under Prescribed Condition 5(5) and in the event of total loss to the vehicle the Insurer agrees to waive its rights under Prescribed Conditions 5(5) and 5(6).

Provided that:

- a) the Insured is the original purchaser of the vehicle exclusive of the selling dealer; OR with respect to an insured vehicle of which the Insured is not the original purchaser of the vehicle, including car dealers' demonstration vehicles, if the loss occurs prior to December 31st of the third model year;
- b) the loss or damage occurs within thirty-six (36) months of the date on which the vehicle was first delivered to the Insured;
- c) with respect to a vehicle that is not a total loss, this Limited Waiver of Depreciation Endorsement does not apply with respect to:
 - (i) tires and batteries; or
 - (ii) betterment resulting from the repair or replacement of parts having prior un-repaired damage;
- d) in the event of total loss to the vehicle the Insurer shall pay the Insured the lesser of the actual purchase price of the vehicle and its equipment including taxes at the original date of purchase or the manufacturer's suggested list price of the vehicle and its equipment including taxes at the original date of purchase.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.9 Limited Waiver of Depreciation Endorsement (Specified Lessee)

In the event that loss of or damage to the leased vehicle for which indemnity is provided under Section C – Loss of or Damage to Insured Vehicle exceeds the deductible amount specified in the policy, the Insurer agrees, with respect to the lessee only, to waive its rights under Prescribed Condition 5(5) by which its liability is limited to the actual cash value of the leased vehicle at the time of loss or damage with proper deduction for depreciation.

Provided that:

- a) the specified Lessee is the first Lessee of the vehicle and the vehicle was new at the time of delivery to the Lessee;
- b) the loss or damage occurs within thirty-six (36) months of the date on which the leased vehicle was first delivered to the Lessee;
- c) with respect to a vehicle that is not a total loss, this Limited Waiver of Depreciation Endorsement (Specified Lessee) does not apply with respect to:
 - (i) tires and batteries; or

- (ii) betterment resulting from the repair or replacement of parts having prior un-repaired damage;
- d) the Insurer shall in no event be liable for more than the value of the vehicle and its equipment as stated in the Leasing Agreement of the specified Lessee or the manufacturer's suggested list price at the original date of purchase of the vehicle and its equipment, whichever is the lesser amount.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.10 Glass – Windshield Exclusion Endorsement

In consideration of the premium charged, it is hereby understood and agreed that the Insurer shall not be liable under Subsection 3 of Section C for loss or damage to windshield glass unless such loss or damage is caused by fire, lightning, theft or attempt thereof, windstorm, earthquake, hail, explosion, riot or civil commotion, falling or forced landing of aircraft or of parts thereof, rising water, or the stranding, sinking, burning, derailment or collision of any conveyance in or upon which the vehicle is being transported on land or water.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.11 Vehicle in Storage Endorsement

In consideration of the premium charged or returned, it is hereby understood and agreed that coverage is amended as shown on the declaration page, and applies with the stipulation that the vehicle is in storage under the following terms, and conditions:

- A) the vehicle is stored on private property;
- B) the vehicle is not on consignment for sale;
- C) the vehicle is not in the care, custody or control of a service garage or vehicle dealership;
- D) the vehicle is laid up and continuously withdrawn from use;
- E) we must be notified in order for coverage to be reinstated.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.12 No Glass Deductible Endorsement

In consideration of the premium charged, it is hereby understood and agreed that the Comprehensive Deductible as shown on the Declaration Page (Subsection 3) is waived for broken vehicle glass claims.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.13 Personal Property Endorsement

In consideration of the premium charged, it is hereby understood and agreed that the Comprehensive coverage as shown on the Declaration Page (Subsection 3) is extended to include Personal Property belonging to the Insured while within the vehicle insured.

Coverage on Personal Property is limited to \$500 per occurrence. No additional deductible to that which would apply to a loss under the vehicle coverage is attributed to a loss under this coverage, provided the loss under this coverage occurs in conjunction with a loss under the vehicle coverage.

Reimbursement is subject to evidence in the form of a receipt that the item(s) has been replaced.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.14 Smash and Grab Endorsement

No Glass Deductible:

In consideration of the premium charged, it is hereby understood and agreed that the Comprehensive Deductible as shown on the Declaration Page (Subsection 3) is waived for broken vehicle glass claims.

Personal Property:

In consideration of the premium charged, it is hereby understood and agreed that the Comprehensive coverage as shown on the Declaration Page (Subsection 3) is extended to include Personal Property belonging to the Insured while within the vehicle insured.

Coverage on Personal Property is limited to \$500 per occurrence. No additional deductible to that which would apply to a loss under the vehicle coverage is attributed to a loss under this coverage, provided the loss under this coverage occurs in conjunction with a loss under the vehicle coverage.

Reimbursement is subject to evidence in the form of a receipt that the item(s) has been replaced.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.15 Evenings and Weekends

In consideration of the premium charged, it is hereby understood and agreed that the insured vehicle will not be operated between the hours of 6:00 a.m. and 6:00 p.m. Monday to Friday inclusive, nor will it be used to drive to or from work or school, whether occasionally or otherwise.

Should the insured vehicle be involved in an at-fault accident between the hours of 6:00 a.m. to 6:00 p.m., Monday to Friday inclusive, the deductible as shown on the Declaration Page (Section C, Subsection 2, Collision or Upset) will be increased from \$300 to \$750.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.16 Pet Injury or Death Expense

In consideration of the premium charged, it is hereby understood and agreed that in the event of loss or damage to the insured vehicle for which indemnity is provided by Section C - Loss of or Damage to Insured Vehicle, the Insurer agrees to reimburse the Insured up to a maximum limit of \$750 for veterinary expenses made necessary as a result of the accident, for injury to or death of family pet(s) that was in the insured vehicle at the time of the accident.

This limit of coverage is an aggregate amount and is the maximum payable within any one (1) policy term.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.1.17 Motorcycle Riding Gear

In consideration of the premium charged, it is hereby understood and agreed that the Collision or Upset (Subsection 2) and Comprehensive (Subsection 3) coverage under Section C as shown on the Declaration Page is extended to include Motorcycle Riding Gear belonging to the Insured in the amount as shown on the declaration page.

No additional deductible to that which would apply to a loss under the vehicle coverage is attributed to a loss under this coverage, provided the loss under this coverage occurs in conjunction with a loss under the vehicle coverage.

Reimbursement is subject to evidence in the form of a receipt that the item(s) has been replaced.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

F.2 Definitions – Replacement Cost Endorsements

In the Replacement Cost Endorsement, Limited Waiver of Depreciation Endorsement, and Limited Waiver of Depreciation Endorsement (Specified Lessee), the following words or phrases have the following meanings:

“Accelerated Depreciation” means a method of depreciating the value of a vehicle that yields larger deductions in the earlier years of the life of the vehicle than in later years of the life of the vehicle.

“Accident” means an unforeseen occurrence or series of connected unforeseen occurrences causing direct loss or damage to the Described Vehicle and for which indemnity is afforded by this Endorsement.

“Bill of Sale” means the original or a facsimile of the original document by which the title to the Described Vehicle was transferred to the Owner as defined herein by the manufacturer of the Described Vehicle or the manufacturer’s agent or dealer, and in the case of equipment added to the vehicle after the effective date of the Endorsement means the original or a facsimile of the original document issued to the Insured at the date of purchase of such additional equipment.

“Constructive Total Loss” means the condition of the Described Vehicle that exists when it might be feasible to repair the Described Vehicle after it has been damaged but the cost of repairs to the Described Vehicle exceeds the Net Actual Cash Value of the Described Vehicle in the condition that the vehicle was in immediately prior to the occurrence of the loss or damage for which indemnity is afforded by this Endorsement.

“Described Vehicle” means the vehicle shown on the Advantage Auto Insurance Application/Declaration together with such permanently attached equipment as was in or on the vehicle at the date this Endorsement was added to the policy or was purchased thereafter provided that such Equipment is automatically afforded coverage in the policy wording.

“Endorsement” means the extended indemnity afforded by the Replacement Cost Endorsement but does not include any indemnity afforded by any Underlying Insurance policy to which this Endorsement is attached.

“Insured” means the named Owner of the Described Vehicle as stated on the Advantage Auto Insurance Application/Declaration and includes:

- (i) where the Owner is the Lessor of the Described Vehicle, the Lessee of the Described Vehicle to the extent of his or her insurable interest therein if the lease contains an option for the Lessee to purchase the Described Vehicle, regardless of when the option was exercised by the Lessee; and
- (ii) the holder of each lien registered against the Described Vehicle at the time the Described Vehicle was rendered a Total Loss or Constructive Total Loss under circumstances for which indemnity is afforded by this Endorsement.

“Model Year 1” means the model year number which applies to a Described Vehicle where the calendar year in which this Endorsement is issued is equal to or prior to the model year assigned to the Described Vehicle by its manufacturer.

“Model Year 2” means the model year number which applies to a Described vehicle where the calendar year in which this Endorsement is issued is the first calendar year subsequent to the model year assigned to the Described Vehicle by its manufacturer.

“Model Year 3” means the model year number which applies to a Described Vehicle where the calendar year in which this Endorsement is issued is the second calendar year subsequent to the model year assigned to the Described Vehicle by its manufacturer.

“Net Actual Cash Value” is the amount determined by subtracting the value or estimated value received from the sale of the salvage of the wrecked Described Vehicle from the actual cash value of the Described Vehicle immediately prior to the occurrence of the loss or damage for which indemnity is afforded by this Endorsement.

“**Owner**” means the first person or Insured who registers the Described Vehicle in the Owner’s name for the general purpose of operating the Described Vehicle on a highway.

“**Purchase Price**” means:

- (i) the total vehicle price including all manufacturer and dealer installed options (prior to the deduction of any trade-in allowance or factory, manufacturer’s and/or dealer’s discount), plus applicable taxes, and levies as shown on the Bill of Sale; or
- (ii) in the case of a leased Described Vehicle,
 - (a) the amount stated on the lease agreement as the price on which the lease is based, plus any amount stated on the same lease agreement as being the value of any optional equipment installed on the Described Vehicle by the dealer; **OR**
 - (b) where the amounts described in (a) above are not stated on the lease agreement, the wholesale price of the Described Vehicle (as evidenced by the factory invoice originating from the manufacturer of the Described Vehicle), plus the cost price of any dealer installed options (as evidenced by the dealer’s invoice), plus an additional 50% of the difference between the wholesale price stated on the factory invoice together with the cost price of any dealer installed options, and the manufacturer’s list price of the Described Vehicle including any dealer installed options, but where the Insured does not provide the Insurer with a copy of the factory invoice or the dealer invoice, the above additional percentage shall not be applied.

“**Replacement Cost**” means only such restricted indemnity as is afforded by the words of this Endorsement.

“**Total Loss**” means the condition of the Described Vehicle that exists when the Described Vehicle is stolen and not recovered or is so severely or extensively damaged that it is not feasible to repair the Described Vehicle.

“**Underlying Insurance**” means a contract of insurance issued to the Owner of the Described Vehicle by Royal & Sun Alliance Insurance Company of Canada that provides coverage for loss of or damage to the insured vehicle for which the Insured has paid a premium under Section C of the Advantage Auto Insurance Application/Declaration, and which contract is in force at the time of loss or damage to the Described Vehicle for which the Insured makes a claim under this Endorsement.

Section G – General Provisions, Definitions and Exclusions

- 1) **Territory:** This policy applies only while the vehicle is being operated, used, stored or parked within Canada, the United States of America or upon a vessel plying between ports of those countries.
- 2) **Occupant Defined:** In this policy the word “occupant” means a person driving, being carried in or upon or entering or getting on to or alighting from a vehicle.
- 3) **Consent of Owner:** No person shall be entitled to indemnity or payment under this policy who is an occupant of any vehicle which is being used without the consent of the owner thereof.

- 4) **Garage Personnel Excluded:** No person who is engaged in the business of selling, repairing, maintaining, storing, servicing or parking vehicles shall be entitled to indemnity or payment under this policy for any loss or damage sustained while engaged in the use or operation of or while working upon the vehicle in the course of that business, unless the person is the owner of such vehicle or his or her employee or partner.
- 5) **Vehicle Defined:** In this policy except where stated to the contrary the words "**the vehicle**" mean:
- a) The Described Vehicle – a vehicle, trailer or semi-trailer specifically described in the Advantage Auto Insurance Application/Declaration or within the description of insured vehicles set forth therein;
 - b) A Newly Acquired Vehicle – a vehicle, ownership of which is acquired by the Insured (the word "Insured", within this paragraph shall also mean the Lessee specified herein) and, within fourteen (14) days following the date of its delivery to him or her, notified to the Insurer in respect of which the Insured has no other valid insurance (other than third party liability insurance provided to the owner of the vehicle by the Insurance Corporation of British Columbia), if either it replaces a vehicle described in the Advantage Auto Insurance Application/Declaration or the Insurer insures (in respect of the section or subsection of the Insuring Agreements under which claim is made) all vehicles owned by the Insured at such delivery date and in respect of which the Insured pays any additional premium required; provided however, that insurance hereunder shall not apply if the Insured is engaged in the business of selling vehicles;
 - c) A Temporary Substitute Vehicle – a vehicle not owned by the Insured, nor by any person or persons residing in the same dwelling premises as the Insured, while temporarily used as the substitute for the Described Vehicle which is not in use by any person insured by this policy, because of its breakdown, repair, servicing, loss, destruction or sale;
- and under Section A (Excess Third Party Liability) only**
- d) Any vehicle of the private passenger or station wagon type, other than the Described Vehicle, while personally driven by the Insured, or by his or her spouse if residing in the same dwelling premises as the Insured, provided that:
 - i) the Described Vehicle is of the private passenger or station wagon type;
 - ii) the Insured is an individual or are husband and wife;
 - iii) neither the Insured nor his or her spouse is driving such vehicle in connection with the business of selling, repairing, maintaining, servicing storing or parking vehicles;
 - iv) such other vehicle is not owned or regularly or frequently used by the Insured or by any person or persons residing in the same dwelling premises as the Insured;
 - v) such other vehicle is not owned, hired or leased by an employer of the Insured or by an employer of any person or persons residing in the same dwelling premises as the Insured;
 - vi) such other vehicle is not used for carrying passengers for compensation or hire or for commercial delivery;
 - e) If the Insured is a corporation, unincorporated association or registered co-partnership, any vehicle of the private passenger or station wagon type, other than the Described Vehicle, while personally driven by the employee or partner for whose regular use the Described Vehicle is furnished, or by his or her spouse if residing in the same dwelling premises as such employee or partner, provided that:
 - i) neither such employee or partner or his or her spouse is the owner of a vehicle of the private passenger or station wagon type;
 - ii) the Described Vehicle is of the private passenger type;

- iii) neither such employee, partner or spouse is driving the vehicle in connection with the business of selling, repairing, maintaining, servicing, storing or parking vehicles;
 - iv) such other vehicle is not owned, hired or leased or regularly or frequently used by the Insured or such employee or by any partner of the Insured or by any persons residing in the same dwelling premises as any of the aforementioned persons;
 - v) such other vehicle is not used for carrying passengers for compensation or hire or for commercial delivery;
- f) Trailers – any trailer used in connection with the vehicle.
- 6) **Two (2) or More Vehicles:**
- a) When the Insured owns two (2) or more vehicles which are insured as Described Vehicles under two (2) or more vehicle insurance policies, the limit of the Insurer under this policy with respect to the use or operation of a vehicle not owned by the Insured shall not exceed the proportion that the highest limit applicable to any one (1) vehicle described in this policy bears to the sum of the highest limits applicable under each policy and in no event shall exceed such proportion of the highest limit applicable to any one (1) vehicle under any policy;
 - b) A motor vehicle and one (1) or more trailers or semi-trailers attached thereto shall be held to be one (1) vehicle with respect to the limit(s) of liability under Section A and separate vehicles with respect to the limit(s) of liability, including any deductible provisions, under Section C.
- 7) **War Risks Excluded:** The Insurer shall not be liable under Section C of this policy for any loss or damage caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by operation of armed forces while engaged in hostilities, whether war be declared or not.
- 8) **Excluded Uses:** Unless coverage is expressly given by an endorsement of this policy, the Insurer shall not be liable under this policy while:
- a) the vehicle is rented or leased to another; provided that the use by an employee of his or her vehicle on the business of his or her employer and for which he or she is paid shall not be deemed the renting or leasing of the vehicle to another;
 - b) the vehicle is used to carry explosives, or to carry radioactive material for research, education, development or industrial purposes, or for purposes incidental thereto;
 - c) the vehicle is used as a taxicab, public omnibus, livery, jitney or sightseeing conveyance or for carrying passengers for compensation or hire; provided that the following uses shall not be deemed to be the carrying of passengers for compensation or hire:
 - i) the use by the Insured of his or her vehicle for the carriage of another person in return for the former's carriage in the vehicle of the latter;
 - ii) the occasional and infrequent use by the Insured of his or her vehicle for the carriage of another person who shares the cost of the trip;
 - iii) the use by the Insured of his or her vehicle for the carriage of a temporary or permanent domestic servant of the Insured or his or her spouse, as this term is defined in Section 1 of the Insurance Act;
 - iv) the use by the Insured of his or her vehicle for the carriage of clients or customers or prospective clients or customers;
 - v) the occasional and infrequent use by the Insured of his or her vehicle for the transportation of children to or from school or school activities conducted within the educational program.
- 9) **Personal Property Defined:** In this policy "Personal Property" means accompanying tangible moveable property owned by you that is used solely for your personal adornment or personal use.

- 10) **Motorcycle Defined:** In this policy "Motorcycle" means a motor vehicle that runs on two (2) or three (3) wheels and has a saddle or seat for the driver to sit astride.
- 11) **Motorcycle Riding Gear Defined:** In this policy "Motorcycle Riding Gear" means riding gear which is motorcycle specific and unique in the use and operation of a motorcycle. It includes items such as helmets, gloves, boots, jackets, vests, pants, chaps, rain gear and other protective apparel.
- 12) **Equipment/Modifications:** In this policy "equipment or modifications" means that equipment, such as saddlebags, attached to the motorcycle or modifications, such as custom paint, made to the motorcycle.

See also Prescribed Conditions of this Policy

Section H – Prescribed Conditions

Coverage provided by this contract that extends the limit of coverage that is specified in a certificate or a policy is provided on the same terms and conditions of the coverage that is extended, except in respect of a prohibition, exclusion or different limit of coverage that is permitted by the Insurance (Vehicle) Act.

Application and interpretation

1 (1) In these conditions:

"insured" means a person who, whether named or not, is insured by this optional insurance contract;

"territory" means a territory established by the insurer;

"vehicle rate class" means a vehicle rate class established by the insurer.

(2) These conditions apply only in respect of coverage provided by this contract that does not extend the limit of coverage that is specified in a certificate or a policy to a limit that is in excess of that provided by the certificate or policy.

[en. B.C. Reg. 166/2006, s. 93.]

Changes during term of contract

2 (1) In this section, **"the territory in which the vehicle is primarily located when not in use"** means the territory in which the place where the vehicle is kept when not being driven is located.

(2) The insured named in this contract must,

(a) within 10 days after

(i) the named insured's address is changed from the address set out in this contract, or

(ii) the named insured acquires a substitute vehicle for the vehicle described in this contract, or

(b) before

(i) the use of the vehicle described in this contract is changed to a use to which a different vehicle rate class applies than the vehicle rate class applicable to the use set out in this contract, or

(ii) a vehicle in respect of which the premium is established on the basis of the territory in which a vehicle of that vehicle rate class is used or principally used, as the case may be, is used or principally used in a different territory than that set out in this contract,

report the change of address, vehicle, use or territory to the insurer, and pay or be refunded the resulting difference in premium.

(3) If the premium for a vehicle is established on the basis of the territory in which the vehicle is primarily located when not in use and that territory as set out in this contract is changed, the insured named in this contract must, unless the vehicle is being used by the insured for vacation purposes, report the change to the insurer within 30 days of the change, and pay or be refunded the resulting difference in premium.

[en. B.C. Reg. 166/2006, s. 93; am.
B.C. Reg. 46/2007, Sch. 1, s. 13.]

Prohibited use

3 (1) The insurer is not liable to an insured who breaches this condition or a subcondition of this condition.

(2) An insured must not operate a vehicle for which coverage is provided under this contract

(a) if the insured is not authorized and qualified by law to operate the vehicle,

(b) for an illicit or prohibited trade or transportation,

(c) to escape or avoid arrest or other similar police action, or

(d) in a race or speed test.

(3) An insured does not contravene subcondition (2) merely because the insured operates a vehicle in contravention of a restriction or condition imposed on his or her driver's licence by section 30.06 (2), 30.07 (1) or (3), 30.071 (1), 30.08 (1), 30.10 (2) or (4) or 30.11 (1) of the Motor Vehicle Act Regulations, B.C. Reg. 26/58.

(4) An insured must not operate a vehicle for which coverage is provided under this contract contrary to the statements contained in the application for insurance for the vehicle, including, but not limited to,

(a) the use declared in the application for insurance for the vehicle,

(b) a statement relating to the time during which, and the territories in which, the vehicle may be operated, or

(c) a statement relating to the kind of goods, or number of passengers, that may be carried in or on the vehicle.

(5) Use of a vehicle does not contravene subcondition (4) if the premium paid for the vehicle rate class applicable to the use set out in the application for insurance is greater than or equal to the premium established by the insurer for the vehicle rate class that is applicable to the use to which the vehicle is put.

(6) An insured must not operate a motor vehicle for which coverage is provided under this contract if there is attached to the motor vehicle a trailer that is required to be registered and licensed under the *Motor Vehicle Act* or *Commercial Transport Act* and that is not registered and licensed under the *Motor Vehicle Act* or *Commercial Transport Act*.

(7) An insured named in this contract must not permit the vehicle described in this contract to be operated by a person or for a purpose that breaches this condition or a subcondition of this condition or would breach this condition or subcondition of this condition if the person were an insured.

(8) It is a breach of this condition if the injury, death, loss or damage in respect of which a claim is made by an insured is caused by or results from an intentional act of violence committed by the insured, while sane, by means of a vehicle.

(9) It is a breach of this condition if

(a) an insured is operating a vehicle while under the influence of intoxicating liquor or a drug or other intoxicating substance to such an extent that the insured is incapable of proper control of the vehicle,

(b) an insured is convicted of

(i) a motor vehicle related *Criminal Code* offence,

(ii) an offence under section 95 or 102 of the *Motor Vehicle Act*, or

(iii) an offence under a provision of the law of another jurisdiction in Canada or the United States of America that is similar to a provision referred to in subparagraph (i) or (ii),

(c) an insured is convicted of an offence under section 253 (b) of the *Criminal Code*, section 224 of the *Motor Vehicle Act* or a provision of another jurisdiction in Canada or the United States that is similar to either of those sections and the accident in respect of which a claim is made by the insured occurred during the commission of the offence by the insured and while the insured was operating a vehicle, or

(d) an insured is convicted of an offence under section 254 (5) of the *Criminal Code*, section 226 of the *Motor Vehicle Act* or a provision of the law of another jurisdiction in Canada or the United States of America that is similar to either of those sections and the accident in respect of which a claim is made by the insured occurred within the 2 hours preceding the commission of the offence by the insured and while the insured was operating a vehicle.

(10) In subcondition (9):

"convicted" includes being

(a) convicted under the *Young Offenders Act* (Canada) for contravening a provision referred to in the definition of "motor vehicle related *Criminal Code* offence" or section 253 (b) or 254 (5) of the *Criminal Code*, and

(b) convicted or the subject of a similar result in a jurisdiction of the United States of America under a law similar to the *Young Offenders Act* (Canada) for contravening a provision of the law of that jurisdiction that is mentioned in subcondition (9) (b) (iii), (c) or (d);

"motor vehicle related *Criminal Code* offence" means an offence under section 220, 221, 249, 252, 253 (a), 255 (2) or (3) or 259 (4) of the *Criminal Code* committed while operating or having care or control of a vehicle or committed by means of a vehicle.

[en. B.C. Reg. 166/2006, s. 93.]

Requirements if loss or damage to persons or property

4 If this contract provides third party liability insurance coverage, the insured must

(a) promptly give the insurer written notice, with all available particulars, of

(i) any accident involving death, injury, damage or loss in which the insured or a vehicle owned or operated by the insured has been involved,

(ii) any claim made in respect of the accident, and

(iii) any other insurance held by the insured providing coverage for the accident,

(b) on receipt of a claim, legal document or correspondence relating to a claim, immediately send the insurer a copy of the claim, document or correspondence,

(c) cooperate with the insurer in the investigation, settlement or defence of a claim or action,

(d) except at the insured's own cost, assume no liability and settle no claim, and

(e) allow the insurer to inspect an insured vehicle (e) or its equipment or both at any reasonable time.

[en. B.C. Reg. 166/2006, s. 93.]

Requirements if loss of or damage to vehicle

5 (1) If loss of or damage to the vehicle insured under this contract occurs, the insured must, if the loss or damage is covered by this contract,

(a) on the occurrence of loss or damage

(i) promptly notify the insurer of the loss or damage, and

(ii) file a written statement with the insurer setting out all available information on the manner in which the loss or damage occurred, and

(b) within 90 days after the occurrence of the loss or damage file a proof of loss.

(2) The insurer may require that a proof of loss be sworn by the person filing it.

(3) If loss of or damage to a vehicle that is covered by this contract occurs, the owner or operator of the vehicle

(a) must, at the expense of the insurer, protect the vehicle as far as reasonably possible from further loss or damage, and

(b) until the insurer has had a reasonable opportunity to inspect the vehicle, must not, without the consent of the insurer, remove any physical evidence of the loss or damage to the vehicle or make any repairs to the vehicle, other than repairs that are immediately necessary to protect the vehicle from further loss or damage.

(4) The insurer is not liable under this contract

(a) for loss or damage resulting from the failure of an owner or operator to comply with subcondition (3) (a), or

(b) to an owner if the owner or an operator, to the prejudice of the insurer, contravenes subcondition (3) (b).

(5) The liability of the insurer for payment of indemnity for loss or damage to the vehicle is limited to the amount by which

(a) the cost of repairing or replacing the vehicle and its equipment or any part of it with material of a similar kind or quality,

(b) the declared value of the vehicle and its equipment, if appropriate, or

(c) the actual cash value of the vehicle and its equipment,

whichever is least, exceeds the deductible amount set out in this contract.

(6) The insurer is not liable for that part of the cost of repair or replacement that improves a vehicle beyond the condition in which it was before the loss or damage occurred.

(7) The insurer may determine

(a) whether a vehicle and its equipment or any part of it will be repaired or replaced, and

(b) whether to pay a garage service operator in respect of a repair or replacement instead of making a payment to the insured.

(8) The liability of the insurer for loss or damage to an obsolete part of an insured vehicle, or a part the manufacturer does not have in stock, is limited to the price at which the part was last listed on the manufacturer's price list.

(9) If the insurer replaces a vehicle or pays to an insured the declared value or actual cash value of a vehicle or its equipment or both, less any applicable deductible amount in accordance with subcondition (5),

(a) the insurer is entitled, at its option, to the salvage in the vehicle or its equipment or both, and

(b) the insured must, on request of the insurer, execute any documents necessary to transfer to the insurer title to the vehicle or its equipment or both.

(10) If an insured is a co-insurer under this contract of any loss or damage to a vehicle or its equipment or both,

(a) the insurer has conduct of the sale or other disposition of the salvage in the vehicle or its equipment or both, and

(b) the insured is entitled to share in the proceeds of the sale or other disposition of the salvage in the vehicle or its equipment or both in the same proportion as the insured is a co-insurer of the loss or damage.

(11) The insured must not leave a vehicle or its equipment or both with the insurer without its consent, refuse to take delivery of the insured's vehicle or its equipment or both from the insurer or otherwise abandon a vehicle or its equipment or both to the insurer without its consent.

[en. B.C. Reg. 166/2006, s. 93.]

Statutory declaration

6 (1) If required by the insurer, the insured must, on the occurrence of loss or damage for which coverage is provided by this contract, deliver to the insurer within 90 days after the occurrence of the loss or damage a statutory declaration stating, to the best of the insured's knowledge and belief, the place, time, cause and amount of the loss or damage, the interest of the insured and of all others in the vehicle, the encumbrances on the vehicle, all other insurance, whether valid or not, covering the vehicle and that the loss or damage did not occur through any wilful act or neglect, procurement, means or connivance of the insured.

(2) An insured who has filed a statutory declaration must

(a) on request of the insurer, submit to examination under oath,

(b) produce for examination, at a reasonable time and place designated by the insurer, all documents in the insured's possession or control relating to the loss or damage, and

(c) permit copies of the documents to be made by the insurer.

[en. B.C. Reg. 166/2006, s. 93.]

Inspection of vehicle

7 The insured must permit the insurer at all reasonable times to inspect the vehicle and its equipment.

[en. B.C. Reg. 166/2006, s. 93.]

Time and manner of payment of insurance money

8 (1) The insurer must pay the insurance money for which it is liable under this contract within 60 days after the proof of loss or statutory declaration has been received by it or, if an arbitration is conducted under section 177 of the Insurance (Vehicle) Regulation, within 15 days after the award is rendered.

(2) The insured must not bring an action to recover the amount of a claim under this contract unless the requirements of conditions 4, 5 and 6 are complied with and until the amount of the loss has been ascertained by an arbitrator under section 177, by a judgment after trial of the issue or by written agreement between the insurer and the insured.

(3) Every action or proceeding against the insurer in respect of loss or damage for which coverage is provided under this contract must be commenced within 2 years from the occurrence of the loss or damage.

[en. B.C. Reg. 166/2006, s. 93.]

Who may give notice and proof of claim

9 Notice of a claim related to loss or damage of the vehicle may be given and proof of claim and a statutory declaration may be made

(a) by the agent of the insured named in this contract in case of absence or inability of the insured to give the notice or make the proof or statutory declaration, if the absence or inability is satisfactorily accounted for, or

(b) if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

[en. B.C. Reg. 166/2006, s. 93.]

Termination

10 (1) This contract may be terminated

(a) by the insured named on this contract at any time on request, and

(b) by the insurer not less than

- (i) 5 days after the insurer gives written notice of termination to the insured in person, or
- (ii) 15 days after the insurer sends, by registered mail, written notice of termination to the last address of the insured according to the insurer's records.

(2) On termination the insurer must refund the excess of premium actually paid by the insured over the proportionate premium for the expired time less any debt owed by the insured to the insurer, but in no event must the proportionate premium for the expired time less any debt owed by the insured to the insurer be less than any minimum retained premium specified in this contract.

(3) If this contract is terminated by the insurer, the refund must accompany the notice unless the premium is subject to adjustment or determination as to the amount, in which case the refund must be made as soon as practicable.

[en. B.C. Reg. 166/2006, s. 93.]

Notice

11 (1) A written notice to the insurer may be delivered at, or sent by registered mail to, the head office of the insurer in British Columbia or to a person appointed as an agent by the insurer for the purpose of receiving notices.

(2) Written notice may be given to the insured named in this contract by letter personally delivered to the insured or by registered mail addressed to the insured at the insured's latest address according to the insurer's records.

(3) In this condition and condition 10, "**registered**" means registered in or outside Canada.

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