



**QUÉBEC AUTOMOBILE INSURANCE POLICY FORM**  
**(Q.P.F.)**

**No. 4**  
Garage Form

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## INTRODUCTION

The following provides general explanations concerning the insurance contract to make it easier to understand. These explanations must not be used to create any right or coverage.

In case of ambiguity or discrepancy between the introduction and the laws applicable to the insurance contract, the terms of the laws will prevail.

### 1. DOCUMENTS INCLUDED IN INSURANCE CONTRACT

The following documents form part of the insurance contract:

- This document, i.e., the “Québec Automobile Insurance Policy Form (Q.P.F.) No. 4 – Garage Form,” a standard document approved by the *Autorité des marchés financiers*.  
Note that the “*Declarations*” section of this insurance policy contains information specific to the **named insured**.
- The **endorsements** listed in Item 4, “*Declarations*”.

Below is useful information to help understand the insurance contract:

- Refer to the “*Table of Contents*” to see how the insurance contract is structured and to locate specific information.
- Words and expressions in bold throughout this document and in the **endorsements** are explained in the “*Definitions*” section. Note that the **endorsements** may include their own definitions.
- The insurance contract must be read as a whole. Consequently, clauses must be interpreted as they relate to each other and considering the entire insurance contract.
- Coverage described in Sections A, B and C is different and applies separately.

### 2. OBLIGATION TO INFORM INSURER

Both before the contract is made and after, any and all information that may influence the risk must be reported to the **insurer**. This information must also be reported upon renewal of the insurance contract.

Among other information, the following must be reported:

- Any location that is newly used or newly acquired for the purpose of carrying out the **described business activity**.
- Any change to the **described business activity**, including any new activity.
- Any change in the use of **vehicles of which the named insured is the owner**, including any new use.
- Any new person who makes frequent or regular use of an **vehicle of which the named insured is the owner**.
- Any **loss**, including any automobile accident.
- Any conviction of an insured person for an offence under the *Highway Safety Code*.
- Any criminal conviction of an insured person.

In case of doubt over the obligation to report specific information, it is advisable to contact the **insurer**.

The obligation to inform the **insurer** is detailed in Article 4, “*General conditions*”.

## DECLARATIONS

### ITEM 1

Name and address of the named insured:

Address of the specified location:

### ITEM 2

Contract period:

From \_\_\_\_\_ \* to \_\_\_\_\_ \* exclusively.

\*at 12:01 A.M. standard time at the address of the named insured.

### ITEM 3

Business activities carried out in the course of operating the specified location:

.....  
Vehicles used in connection with these business activities are subject to the insurance contract.

Name of creditor entitled to the indemnities under Section B, to the extent of the creditor's interest:

### ITEM 4

The perils covered by the insurance contract are those for which an **amount of insurance**, a **deductible** or an **insurance premium** is shown in the table below. Coverage is subject to the conditions set out in the insurance contract.

<u>COVERAGE</u>	<u>PERILS</u>	<u>AMOUNT OF INSURANCE</u>	<u>DEDUCTIBLE(**)</u>	<u>INSURANCE PREMIUM</u>
Section A: Civil liability	<b>Property damage or bodily injury to another person</b>	\$ per loss, for all specified locations in the insurance contract	\$	\$
Section B: Damage to vehicles of which the named insured is the owner	<u>Protection 1(*):</u> "All perils"	\$	\$	\$
	<u>Protection 2:</u> Perils of collision and upset	N/A	\$	\$
	<u>Protection 3(*):</u> All perils other than collision or upset	\$	\$	\$
	<u>Protection 4(*):</u> Specific perils	\$	\$	\$
	(*) Except with respect to collision or upset, the <b>insurance premium</b> takes into account: <input type="checkbox"/> the basis of the <b>named insured's</b> monthly report forms.			

	<input type="checkbox"/> a _____% co-insurance basis. <input type="checkbox"/> the following basis: _____.			
(**) The <b>deductible</b> will be determined based on the following terms: per vehicle, per <b>loss</b> or on another basis agreed to with the <b>insurer</b> . The applicable term must be indicated in this table.				
<b>Section C:</b>  <b>Civil liability arising from damage to customers' vehicles</b>	<u>Protection 1(*):</u> "All perils"	\$	\$	\$
	<u>Protection 2:</u> Perils of collision and upset	\$	\$	\$
	<u>Protection 3(*):</u> All perils other than collision or upset	\$	\$	\$
	<u>Protection 4(*):</u> Specific perils	\$	\$	\$
	(*) Except with respect to collision or upset, the <b>insurance premium</b> takes into account a _____% of co-insurance.  (**) The <b>deductible</b> will be determined based on the following terms: per vehicle, per <b>loss</b> or on another basis agreed to with the <b>insurer</b> . The applicable term must be indicated in this table.			
<b>Endorsements:</b>				\$
Due date for payment of <b>insurance premium</b> :	<input type="checkbox"/> Total advance <b>insurance premium</b> : <input type="checkbox"/> Total <b>insurance premium</b> :			\$

## ITEM 5

Where the **insurance premium** is an advance premium, the basis of rating and calculation of the **insurance premium** must be as stated in **endorsement** Q.E.F. No. 4-79a – *Calculation of advance insurance premium*. This **endorsement** must be attached to the insurance contract.

## ITEM 6

Important statements for analyzing the risk:

## ITEM 7

Information for the named insured:

Name of insurance agent or broker:

Address of insurance agent or broker:

**SECTION A**  
**COVERAGE FOR CIVIL LIABILITY ARISING FROM PROPERTY DAMAGE AND BODILY**  
**INJURY CAUSED TO ANOTHER PERSON**  
***(MANDATORY INSURANCE)***

## 1. PRINCIPAL COVERAGE

Section A covers the following risk: the financial consequences that an insured person may incur if held civilly liable for **damage** caused to **another person** by an insured vehicle.

The insured person's civil liability must arise from the fact that he or she is the **owner** of the vehicle or was driving or using it.

The **named insured**'s civil liability may also arise from the operation or use, by a person other than the name insured, of an insured vehicle.

## 2. INSURED VEHICLES

Unless the context indicates otherwise, the expression "insured vehicle" under Section A refers to the following:

- A. Any **vehicle of which the named insured is the owner**.
- B. Any **vehicle of which the named insured is not the owner**, including any **customer's vehicle**.

## 3. INSURED PERSONS

### 3.1 When named insured is the owner of insured vehicle

The insured persons are as follows:

- A. The **named insured**;
- B. Any person who drives the insured vehicle; and
- C. Any person who uses the insured vehicle. Any person who operates part of a vehicle is deemed to be using that vehicle.

The legal representatives and succession of these insured persons are also insured.

A person who steals or assists in stealing an insured vehicle is not insured.

### 3.2 When named insured is not owner of insured vehicle

#### 3.2.1 In connection with described business activity

The insured persons are as follows:

- A. The **named insured**;
- B. Any person other than the **named insured** who drives or uses the insured vehicle, where the person is not the actual **owner** or the registration holder.

Where the person is the actual **owner** or the registration holder, the person is insured only if the vehicle is used in connection with a **garage business**.

Any person who operates a part of a vehicle is deemed to be using that vehicle.

The legal representatives and succession of these insured persons are also insured.

#### 3.2.2 In connection with personal use or travel

The insured persons are as follows:

- A. The **named insured**;
- B. The following persons where the insured vehicle is a **passenger vehicle** and these persons drive or use the vehicle with the **owner's consent**:
  - The **spouse** of the **named insured**;
  - An employee, shareholder, member or partner of the **named insured** having at his or her disposal on a regular basis a **passenger vehicle** provided by the **named insured**;
  - The **spouse** of such employee, shareholder, member or partner.

The following persons are not insured where the **owner**, registration holder or regular or frequent user of the insured vehicle is:

- A person whose domicile is the same as that of the **named insured** or his or her **spouse**;
- A person whose domicile is the same as that of the employee, shareholder, member or partner of the **named insured**;
- A person whose domicile is the same as that of the **spouse** of the employee, shareholder, member or partner.

Any person who operates a part of a vehicle is deemed to be using that vehicle.

The legal representatives and succession of these insured persons are also insured.

## 4. CLARIFICATION CONCERNING DAMAGE UNDER PRINCIPAL COVERAGE

### 4.1 Damage to trailers or semi-trailers of which insured persons are not the owners

When **damage** is caused to a trailer or semi-trailer of which an insured person is not the **owner** and the trailer or semi-trailer:

- is attached to a **passenger vehicle** insured under this Section A; or
- is not attached to any vehicle at the time of **loss**, but is generally attached to a **passenger vehicle** that is insured under this Section A;

the financial consequences suffered by the insured person will be covered if the trailer or semi-trailer is not designed or used for carrying passengers, for demonstration, sales, office or dwelling purposes, or in connection with a **described business activity**.

### 4.2 Damage under Direct Compensation Agreement

When **property damage** is caused to a **vehicle of which the named insured is the owner**, such damage may be covered under Section A as provided for by the *Direct Compensation Agreement* made in accordance with the *Automobile Insurance Act*.

### 4.3 Damage caused to another named insured

When a **named insured** suffers **damage** caused by another **named insured**, the person who suffers the **damage** will be deemed to be **another person** and may therefore be indemnified by the **insurer** under Section A.

## 5. ADDITIONAL COVERAGES

The insurer also agrees to the following:

### 5.1 Protection and defence of insured persons' interests

When a **loss** is reported, the **insurer** will protect the interests and assume the defence of the insured persons.

The **insurer** is free to act as it wishes with regard to investigation, transaction or settlement.

If the **loss** occurs in Canada or the United States, the **insurer** may not raise any legal defence prohibited to insurers where the **loss** occurred.

### 5.2 Bearing certain costs related to legal action

When an insured person is sued, the **insurer** will bear:

- the legal and other costs arising from the lawsuit; and
- any interest on the **amount of insurance**.

### 5.3 Reimbursement of medical treatment

When **another person** suffers **bodily injury**, the **insurer** will reimburse expenses incurred by an insured person for immediately necessary medical treatment.

### 5.4 Bearing costs claimed by municipality

The **insurer** bears the costs claimed from the **named insured** by a municipality under the *Act respecting municipal taxation* and its regulations if its fire protection service was called to prevent or fight a fire in a **vehicle of which the named insured is the owner**.

## 6. EXCLUSIONS

### 6.1 Exclusions due to application of certain laws

Section A excludes:

A. Any **bodily injury** when compensation is provided for under the:

- *Automobile Insurance Act*;
- *Act respecting industrial accidents and occupational diseases*;
- *Crime Victims Compensation Act*.

However, if the *Automobile Insurance Act* does not apply, coverage will be provided.

B. Any liability imposed under a workers' compensation act.

### 6.2 Exclusions related to business activities

Section A excludes:

A. Any **loss** that occurs in the course of an activity for consideration that is not a **described business activity**.

The **insurer** may accept to insure a vehicle in connection with such an activity by specifying it in the "Declarations" section or by way of an **endorsement**.

B. Any **bodily injury** caused to an employee, shareholder, member or partner of the **named insured** in connection with a **described business activity**.

C. Any **damage** caused to a person who is engaged in a **garage business** while an insured vehicle is in the person's custody, except where:

- this person is the **named insured**, or the **named insured's** employee, shareholder, member or partner; or
- the vehicle is driven in Québec.

D. Any **damage** caused to a **customer's vehicle**.

### 6.3 Exclusions related to types of vehicles

Section A excludes **loss** attributable to certain types of **vehicles of which the insured is the owner**, including:

- A. Vehicles designed or modified for racing purposes.
- B. Vehicles designed for the bulk transportation of petroleum products or other goods, while so used.
- C. Vehicles designed for the transportation or towing of **motor vehicles**, while so used.

This exclusion does not apply to **tow trucks**.

Moreover, this exclusion does not apply to transportation or towing activities carried out for the **named insured** in connection with the **named insured's described business activity**.

The **insurer** may accept to insure these types of vehicles by specifying them in the *"Declarations" section* or by way of an **endorsement**.

### 6.4 Exclusions related to use of insured vehicle

Section A excludes **loss** that occurs while the insured vehicle is used:

- A. as a taxicab, sightseeing vehicle, bus, coach or other chauffeur-driven vehicle.
- B. to carry explosives.
- C. to carry radioactive material for research, education, development, industrial or other related purposes.
- D. to carry property for consideration.
- E. for public road construction, repair or maintenance.
- F. as farm or contractor's equipment on behalf of a person other than the **named insured** for compensation.

The **insurer** may accept to insure these uses by specifying them in the *"Declarations" section* or by way of an **endorsement**.

### 6.5 Exclusion related to provided vehicles

Section A excludes **loss** attributable to a vehicle provided for frequent or regular use by the **named insured** to a person other than an employee, shareholder, member or partner of the **named insured**.

The **insurer** may accept to insure such a vehicle by specifying it in the *"Declarations" section* or by way of an **endorsement**.

### 6.6 Exclusion related to rented vehicle

Section A excludes **loss** that occurs while the insured vehicle is rented to any other person.

This exclusion does not apply where the rented vehicle is a **vehicle of which the insured is the owner**, in the following cases:

- A. The vehicle is leased for at least one year but has not yet been delivered.

- B. The vehicle is rented to a person who has brought in another vehicle to the **named insured** for repair or servicing.
- C. The vehicle is rented to a person whose previous vehicle was accepted as a trade-in by the **named insured** for a new vehicle acquired, leased for at least one year or leased under a contract of leasing but not yet delivered.

The **insurer** may accept to insure a rented or leased vehicle by specifying it in the "Declarations" section or by way of an **endorsement**.

## 7. INDEMNITY PAYABLE BY INSURER

### 7.1 General rule

The indemnity payable by the **insurer** may not be greater than the **amount of insurance**, plus any expenses described under the additional coverage. This rule applies even if:

- there are more than one insured person or multiple interests;
- more than one person suffers **damage**;
- more than one insured person is civilly liable for **damage** arising from one and the same **loss**; and
- **damage** differs in nature.

If more than one insured person is civilly liable for **damage** arising from one and the same **loss** and the **amount of insurance** is insufficient, the **named insured** will be given priority for principal coverage.

If there is more than one **specified location** under the insurance contract and an **amount of insurance** is written for each of them, these amounts cannot be combined for one and the same **loss**.

### 7.2 Order of priority when more than one insurance contract applies

If more than one insurance contract applies to one and the same **loss**, the civil liability insurance contract issued to the **owner** of the vehicle involved in the **loss** applies first, except in the cases provided below.

#### 7.2.1 Specific rules for vehicle of which the named insured is not the owner

When **damage** is caused by a **vehicle of which the named insured is not the owner** that is in the custody of a **garage business** at the time of **loss**, this Section A applies first.

Otherwise, the civil liability insurance contract issued to the **owner** of the vehicle applies first. This Section A will then apply only if the insurance of this **owner** is insufficient,

- up to the **amount of insurance**, and
- only for the amount exceeding the obligation of the **owner**'s insurer.

#### 7.2.2 Specific rules for vehicle of which the named insured is the owner when in the custody of a person engaged in a garage business

When **damage** is caused by a **vehicle of which the named insured is the owner** while in the custody of a **garage business** at the time of **loss**, the insurance contracts will apply in the following order of priority:

- A. The insurance contract of the person who engages in a garage business and in whose custody the vehicle has been placed applies first, provided such contract covers the person's civil liability without expressly designating the vehicles that are insured.
- B. This Section A only applies if that person's insurance is insufficient,
  - up to the applicable **amount of insurance**, and
  - only for the amount exceeding the obligation of that person's insurer.

### 7.3 Adjustment of amount of insurance by law

If the **loss** occurs in Canada or the United States and the **amount of insurance** is less than the minimum amount prescribed by the applicable laws regarding automobile insurance which are in force where the **loss** occurred, the **amount of insurance** will be adjusted to comply with this minimum requirement.

### 7.4 Cases where insured persons must refund indemnity

If the **insurer** is required to indemnify **another person** under a legal provision regarding automobile insurance and the **insurer** is not otherwise required to do so under the insurance contract, the insured persons agree to refund such indemnity to the **insurer**, upon request.

### 7.5 Limitation of amount of insurance for nuclear hazard

If **damage** arose out of the occurrence of a **nuclear hazard**, the applicable **amount of insurance** will be limited to the minimum amount prescribed by either of the following laws, depending on the type of vehicle involved in the **loss**:

- *Automobile Insurance Act*,
- *Act respecting off-highway vehicles*.

### 7.6 Specific rule for trailers or semi-trailers attached to a motor vehicle

When one or more trailers or semi-trailers are attached to a **motor vehicle**, the vehicles will be held to be one and the same vehicle.

This rule means that, if **damage** is caused by the **motor vehicle**, trailer or semi-trailer, a single **amount of insurance** will apply, namely, the highest amount.

The same rule will apply if the vehicles are insured under different insurance contracts with the **insurer**.

## 8. REPRESENTATION MANDATE

The insured persons mandate the **insurer** to represent them in any lawsuit brought against them in Canada or the United States.

The lawsuit must arise from the fact that an insured person is the **owner** of the insured vehicle or that an insured person was driving or using it.

The lawsuit brought against the **named insured** may also arise from the fact that a person other than the **named insured** was driving or using an insured vehicle.

This representation mandate includes the right for the **insurer** to appear on behalf of the insured persons and to assume their defence.

The insured persons renounce their right to withdraw this mandate from the **insurer** without the **insurer's** consent.

**SECTION B:**  
**COVERAGE FOR DAMAGE TO VEHICLES OF WHICH THE NAMED INSURED IS THE**  
**OWNER**  
**(OPTIONAL INSURANCE)**

## 1. PRINCIPAL COVERAGE

### 1.1 Description of principal coverage

Section B covers:

- any direct and accidental **damage** to an insured vehicle or the equipment and accessories used exclusively with this vehicle; and
- the disappearance of an insured vehicle or the equipment and accessories used exclusively with this vehicle.

The **damage** or disappearance must result from the occurrence of a peril covered by the applicable protection.

### 1.2 Description of protections

*To determine which protection applies, refer to Item 4, "Declarations."*

#### 1.2.1 Protection 1 – "All perils" coverage

This protection covers **damage** caused by any type of peril. However, perils and **damage** listed in Article 5, Section B are excluded.

#### 1.2.2 Protection 2 – Coverage against perils of collision and upset

This protection covers **damage** caused by the perils of collision and upset.

"Collision" includes:

- any collision between an insured vehicle and the ground;
- any collision between two vehicles attached to each other; and
- any collision between an insured vehicle and a person or an animal.

"Upset" of an insured vehicle may be partial or total.

However, perils and **damage** listed in Article 5, Section B are excluded.

#### 1.2.3 Protection 3 – Coverage against all perils other than collision or upset

This protection covers **damage** caused by perils other than collision or upset.

Coverage includes **damage** caused by the following perils:

- the perils listed in Protection 4;
- falling or flying objects;
- malicious mischief; and
- projectiles.

Like Protection 2, this protection also covers **damage** caused by a collision between an insured vehicle and a person or an animal.

However, perils and **damage** listed in Article 5, Section B are excluded.

#### 1.2.4 Protection 4 – Coverage against specific perils

This protection only covers **damage** caused by the following perils:

- attempted theft;
- civil commotion;
- earthquakes;
- explosions;
- falling or forced landing of aircraft or parts of aircraft;
- fire;
- hail;
- lightning;
- riots;
- rising water;
- stranding, sinking, burning, derailment or collision of any railroad car, vessel or **tow truck** upon which an insured vehicle is being transported;
- theft; and
- windstorms.

However, perils and **damage** listed in Article 5, Section B are excluded.

## 2. INSURED VEHICLES

Unless the context indicates otherwise, the expression “insured vehicle” under Section B refers to any **vehicle of which the named insured is the owner**.

## 3. INSURED PERSON

The insured person under Section B is the **named insured**.

## 4. ADDITIONAL COVERAGES

When the principal coverage applies, Section B will include the following additional coverage:

#### 4.1 Bearing costs claimed by municipality

The **insurer** bears the costs claimed from the **named insured** by a municipality under the *Act respecting municipal taxation* and its regulations if its fire protection service was called to prevent or fight a fire in an insured vehicle.

#### 4.2 Bearing other costs

When the **named insured** is civilly liable, the **insurer** will bear the following costs:

- general average costs;
- salvage costs; and
- customs duties of Canada and the United States.

### 5. EXCLUSIONS

#### 5.1 Common exclusions

Section B excludes:

A. **Damage** to tires, except:

- if **damage** is coincident with other **damage** insured under the same coverage; or
- in case of fire, theft or malicious mischief insured under the same coverage.

B. **Damage** caused by:

- breakdown;
- corrosion;
- explosion within the combustion chamber;
- freezing;
- mechanical failure;
- normal wear and tear; and
- rust.

However, such damage will not be excluded:

- if **damage** is coincident with other **damage** insured under the same coverage; or
- in case of fire, theft or malicious mischief insured under the same coverage.

C. For Protection 2 only, **damage** to the insured vehicle occurring after the theft of the vehicle and before its recovery by the **named insured**.

However, such damage will not be excluded if the theft was committed by:

- a person whose domicile is the same as that of the **named insured**;
- a person employed by the **named insured** in connection with a **described business activity**.

D. For Protection 3 and Protection 4 only, theft committed by one of the following persons:

- a person whose domicile is the same as that of the **named insured**;

- a person employed by the **named insured** in connection with a **described business activity**, whether or not the theft occurs in the course of such employment.
- E. Conversion, embezzlement, theft or secretion of an insured vehicle by any person in lawful possession thereof under a hypothec, conditional sale, lease or contract of leasing, or under any other similar written agreement.
- F. Voluntary parting with title or ownership, with or without breach of trust, fraud or deceitful representation.
- G. Tapes or accessories for use with a tape recorder, or compact discs, unless in place in a device.
- H. Whether or not war is declared, **damage** caused directly or indirectly by:
  - bombardment;
  - civil war;
  - insurrection;
  - invasion;
  - military power;
  - operation of armed forces while engaged in hostilities;
  - rebellion;
  - revolution; and
  - usurped power.

## 5.2 Exclusion related to business activities

Section B excludes any **loss** that occurs in the course of an activity for consideration that is not a **described business activity**.

The **insurer** may accept to insure a vehicle in connection with such an activity by specifying it in the “*Declarations*” section or by way of an **endorsement**.

## 5.3 Exclusions related to types of vehicles

Section B excludes any **loss** that causes **damage** to certain types of vehicles:

- A. Vehicles designed or modified for racing purposes.
- B. Vehicles designed for the bulk transportation of petroleum products or other goods, while so used.
- C. Vehicles designed for the transportation or towing of **motor vehicles**, while so used.

This exclusion does not apply to **tow trucks**.

Moreover, this exclusion does not apply to transportation or towing activities carried out for the **named insured** in connection with the **named insured's described business activity**. However, the transported or towed vehicles remain excluded, as provided for in Article 5.4 B., Section B.

The **insurer** may accept to insure these types of vehicles by specifying them in the “*Declarations*” section or by way of an **endorsement**.

## 5.4 Exclusions related to use of insured vehicle

Section B excludes:

A. Any **loss** that occurs while the insured vehicle is used:

- as a taxicab, sightseeing vehicle, bus, coach or other chauffeur-driven vehicle;
- to carry explosives;
- to carry radioactive material for research, education, development, industrial or other related purposes;
- to carry property for consideration;
- for public road construction, repair or maintenance;
- as farm or contractor's equipment on behalf of a person other than the **named insured** for consideration.

The **insurer** may accept to insure these uses by specifying them in the "*Declarations*" section or by way of an **endorsement**.

B. Vehicles transported or towed by a vehicle, other than a **tow truck**, designed for transportation or towing purposes.

## 5.5 Exclusion related to provided vehicles

Section B excludes **loss** that causes **damage** to a vehicle provided for frequent or regular use by the **named insured** to a person other than an employee, shareholder, member or partner of the **named insured**.

The **insurer** may accept to insure such a vehicle by specifying it in the "*Declarations*" section or by way of an **endorsement**.

## 5.6 Exclusion related to rented vehicle

Section B excludes **loss** that occurs while the insured vehicle is rented to any other person.

This exclusion does not apply in the following cases:

- A. The vehicle is leased for at least one year but has not yet been delivered.
- B. The vehicle is rented to a person who has brought in another vehicle to the **named insured** for repair or servicing.
- C. The vehicle is rented to a person whose previous vehicle was accepted as a trade-in by the **named insured** for a new vehicle acquired, leased for at least one year or leased under a contract of leasing but not yet delivered.

The **insurer** may accept to insure a rented or leased vehicle by specifying it in the "*Declarations*" section or by way of an **endorsement**.

## 5.7 Exclusion related to vehicles sold on credit by named insured

Under Section B, a vehicle sold on credit by the **named insured** is excluded as of the time the purchaser takes possession thereof.

## 6. DEDUCTIBLE PAYABLE BY NAMED INSURED

The **named insured** must assume the **deductible** for the applicable protection. However, if the **damage** is caused by lightning or fire, the **deductible** will not apply.

The **deductible** may apply:

- A. per insured vehicle that has incurred **damage** in one and the same **loss**;
- B. per **loss**: The **deductible** applies only once for all **damage** arising out of the same cause in any one event, regardless of the number of vehicles having incurred **damage**; or
- C. on another basis agreed to with the **insurer**.

*To determine the terms under which the **deductible** will apply, refer to Item 4, "Declarations" or the applicable **endorsement**.*

## 7. INDEMNITY PAYABLE BY INSURER

### 7.1 General rule

The indemnity payable by the **insurer** is equal to the value of **damage**, less the **deductible**. It also includes any expenses described under the additional coverage.

*For the rules to determine the value of **damage**, refer to Article 2, "Reporting a loss and submitting a claim."*

### 7.2 Amount of insurance

This Article 7.2 applies to Protection 1, except for **damage** caused by collision or upset, and Protections 3 and 4.

The indemnity payable may not be greater than the **amount of insurance** that applies per **specified location** and per **loss**, plus any expenses described under the additional coverage.

#### 7.2.1 Amount of insurance for newly acquired location

A location is deemed newly acquired if:

- it has been acquired by the **named insured** during the insurance contract period for the purpose of carrying out a **described business activity**;

and

- the **insurer** has been informed of the new acquisition within 14 days thereof.

The **amount of insurance** applicable to a newly acquired location is as follows:

- If there is only one **specified location**, the **amount of insurance** on this location will apply.
- If there are more than one **specified locations**, the lesser **amount of insurance** on those locations will apply.

### 7.2.2 Amount of insurance for location not used by named insured

For a location not used by the **named insured** where a **garage business** is carried out, the maximum amount payable by the **insurer** is determined as follows:

- If there are four insured vehicles or less, the amount is equal to the total value of the vehicles.
- If there are more than four insured vehicles, the amount is equal to four times the average value of the vehicles.

### 7.2.3 Amount of insurance where the insurance premium takes into account co-insurance

Where the **insurance premium** takes into account co-insurance, the **named insured** must maintain an **amount of insurance** for each **specified location** that is equal to or greater than the minimum amount determined as follows:

$$\text{Minimum amount} = \frac{\text{Percentage indicated in Item 4, "Declarations" for Section B}}{\text{Total value of insured vehicles at the specified location}}$$

If this minimum amount is not maintained, in the event of a partial loss, the **named insured** must pay a portion of the value of **damage**. The indemnity payable by the **insurer** will be limited to the amount determined as follows:

$$\text{Indemnity payable} = \frac{\text{Amount of insurance}}{\text{for Section B}} \times \frac{\text{Value of damage}}{\text{Minimum amount}}$$

If only one insured vehicle incurs **damage** in the event of **loss**, the co-insurance clause does not apply.

## 7.3 Time of payment

The **insurer** must pay the indemnity:

- within 60 days after the date on which the **loss** is reported to the **insurer**; or
- within 60 days after receipt by the **insurer** of the information or supporting documents that it requested.

## 7.4 Specific rules for trailers or semi-trailers attached to a motor vehicle

If one or more trailers or semi-trailers are attached to a **motor vehicle** and the vehicles incur **damage** in one and the same loss:

- the vehicles will be held to be separate vehicles; and
- their own coverage, **amount of insurance** and **deductible** will apply.

## 8. ADJUSTMENT OF ADVANCE INSURANCE PREMIUM

### 8.1 General rule

Item 4, "Declarations" indicates whether the **insurance premium** is an advance premium.

In such instance, the **insurance premium** is determined by the **insurer** based on information indicated in endorsement *Q.E.F. No. 4-79a – Calculation of advance insurance premium*.

When the insurance contracts ends, this premium is adjusted based on information indicated in endorsement *Q.E.F. No. 4-79b – Calculation of final insurance premium*.

### 8.2 Specific rule for Protections 1, 3 and 4 of Section B

Item 4, "Declarations" indicates whether the **insurance premium** is determined based on the **named insured**'s monthly statements.

In such instance, the advance **insurance premium** indicated in Item 4 is determined based on information declared by the **named insured** in endorsement *Q.E.F. No. 4-79a – Calculation of advance insurance premium*.

It is then adjusted based on the **named insured**'s monthly report forms according to the following rules:

- A. The **named insured** must, on a monthly basis, report the number and value of all insured vehicles as at the last business day of each month. This information must be reported in endorsement *Q.E.F. No. 4-79 Monthly inventory statement for calculation of final insurance premium*, for each **specified location**.
- B. Based on the **named insured**'s monthly statements, the **insurer** determines the monthly **insurance premium** payable in proportion to the rate specified in endorsement *Q.E.F. No. 4-79a – Calculation of advance insurance premium*.

When the total of these monthly premiums exceeds the advance **insurance premium** specified in Item 4, "Declarations," the **named insured** must pay the excess to the **insurer** at the end of each month.

**SECTION C**  
**COVERAGE FOR CIVIL LIABILITY ARISING FROM DAMAGE TO CUSTOMERS' VEHICLES**  
**(OPTIONAL INSURANCE)**

## 1. PRINCIPAL COVERAGE

### 1.1 Description of principal coverage

Section C covers the risk of financial consequences that an insured person may incur if held civilly liable for:

- **damage** caused to an insured vehicle or the equipment and accessories used exclusively with this vehicle; and
- the disappearance of an insured vehicle or the equipment and accessories used exclusively with this vehicle.

The **damage** or disappearance must result from the occurrence of a peril covered by the applicable protection.

### 1.2 Description of protections

*To determine which protection applies, refer to Item 4, "Declarations".*

#### 1.2.1 Protection 1 – "All perils" coverage

This protection covers **damage** caused by any type of peril. However, perils and **damage** listed in Article 5, Section C are excluded.

#### 1.2.2 Protection 2 – Coverage against perils of collision and upset

This protection covers **damage** caused by the perils of collision and upset.

"Collision" includes:

- any collision between an insured vehicle and the ground;
- any collision between two vehicles attached to each other; and
- any collision between an insured vehicle and a person or an animal.

"Upset" of an insured vehicle may be partial or total.

However, perils and **damage** listed in Article 5, Section C are excluded.

#### 1.2.3 Protection 3 – Coverage against all perils other than collision or upset

This protection covers **damage** caused by perils other than collision or upset.

Coverage includes **damage** caused by the following perils:

- the perils listed in Protection 4;
- falling or flying objects;
- malicious mischief; and
- projectiles.

Like Protection 2, this protection also covers **damage** caused by a collision between an insured vehicle and a person or an animal.

However, perils and **damage** listed in Article 5, Section C are excluded.

#### 1.2.4 Protection 4 – Coverage against specific perils

This protection only covers **damage** caused by the following perils:

- attempted theft;
- civil commotion;
- earthquakes;
- explosions;
- falling or forced landing of aircraft or parts of aircraft;
- fire;
- hail;
- lightning;
- riots;
- rising water;
- stranding, sinking, burning, derailment or collision of any railroad car, vessel or **tow truck** upon which an insured vehicle is being transported;
- theft; and
- windstorms.

However, perils and **damage** as listed in Article 5, Section C are excluded.

## 2. INSURED VEHICLES

Unless the context indicates otherwise, the expression “insured vehicle” under Section C refers to any **customer’s vehicle**.

## 3. INSURED PERSONS

The insured persons under Section C are as follows:

- A. The **named insured**;
- B. Any person other than the **named insured** who drives or uses the insured vehicle, where the person is not the **owner** or the registration holder.

Where the person is the actual **owner** or the registration holder, the person is insured only if the vehicle is used in connection with a **garage business**.

Any person who operates a part of a vehicle is deemed to be using that vehicle.

## 4. ADDITIONAL COVERAGES

When the principal coverage applies, Section C will include the following additional coverage:

### 4.1 Protection and defence of insured persons' interests

When a **loss** is reported, the **insurer** will protect the interests and assume the defence of the insured persons.

The **insurer** is free to act as it wishes with regard to any investigation, transaction or settlement.

### 4.2 Bearing certain costs related to legal action

When an insured person is sued, the **insurer** will bear

- the legal and other costs arising from the lawsuit; and
- any interest on the **amount of insurance**.

### 4.3 Bearing costs claimed by municipality

Under the *Act respecting municipal taxation* and its regulations, where costs are claimed from the **named insured**, the **insurer** bears the costs charged to the **owner** of the insured vehicle by a municipality for the use of its fire protection service to prevent or fight a fire.

## 5. EXCLUSIONS

Section C excludes:

#### A. **Damage** to tires, except:

- if **damage** is coincident with other **damage** insured under the same coverage; or
- in case of fire, theft or malicious mischief insured under the same coverage.

#### B. **Damage** caused by:

- breakdown;
- corrosion;
- explosion within the combustion chamber;
- freezing;
- mechanical failure;
- normal wear and tear; and
- rust.

However, such damage will not be excluded:

- if **damage** is coincident with other **damage** insured under the same coverage; or
- in case of fire, theft or malicious mischief insured under the same coverage.

#### C. For Protection 2 only, **damage** to the insured vehicle occurring after the theft of the vehicle and before its recovery by the **named insured**.

However, such damage will not be excluded if the theft was committed by:

- a person whose domicile is the same as that of the **named insured**;

- a person employed by the **named insured** in connection with a **described business activity**.

D. For Protection 3 and Protection 4 only, theft committed by one of the following persons:

- a person whose domicile is the same as that of the **named insured**;
- a person employed by the **named insured** in connection with a **described business activity**, whether or not the theft occurs in the course of such employment.

E. Tapes or accessories for use with a tape recorder, or compact discs, unless in place in a device.

F. Whether or not war is declared, **damage** caused directly or indirectly by:

- bombardment;
- civil war;
- insurrection;
- invasion;
- military power;
- operation of armed forces while engaged in hostilities;
- rebellion;
- revolution; and
- usurped power.

## 6. DEDUCTIBLE PAYABLE BY NAMED INSURED

The **named insured** must assume the **deductible** for the applicable protection. However, if the **damage** is caused by lightning or fire, the **deductible** will not apply.

The **deductible** may apply:

- A. per insured vehicle that has incurred **damage** in one and the same loss; or
- B. per **loss**: The **deductible** applies only once for all **damage** arising out of the same cause in any one event, regardless of the number of vehicles having incurred **damage**; or
- C. on another basis agreed to with the **insurer**.

*To determine the terms under which the **deductible** will apply, refer to Item 4, "Declarations" or the applicable **endorsement**.*

## 7. INDEMNITY PAYABLE BY INSURER

### 7.1 General rule

The indemnity payable by the **insurer** is equal to the value of the **damage**, less the **deductible**. It also includes any expenses described under the additional coverage.

*For the rules to determine the value of **damage**, refer to Article 2, "Reporting a loss and submitting a claim".*

## 7.2 Amount of insurance

This Article 7.2 applies to Protection 1, except for **damage** caused by collision or upset, and Protections 3 and 4.

The indemnity payable may not be greater than the **amount of insurance** that applies per **specified location** and per **loss**, plus any expenses described under the additional coverage.

### 7.2.1 Amount of insurance for newly acquired location

A location is deemed newly acquired if:

- it has been acquired by the **named insured** during the insurance contract period for the purpose of carrying out **described business activity**;
- and
- the **insurer** has been informed of the new acquisition within 14 days thereof.

The **amount of insurance** applicable to a newly acquired location is as follows:

- If there is only one **specified location**, the **amount of insurance** on this location will apply.
- If there are more than one **specified locations**, the lesser **amount of insurance** on those locations will apply.

### 7.2.2 Amount of insurance for location not used by named insured

For a location not used by the **named insured** where a **garage business** is carried out, the maximum amount payable by the **insurer** is determined as follows:

- If there are four insured vehicles or less, the amount is equal to the total value of the vehicles.
- If there are more than four insured vehicles, the amount is equal to four times the average value of the vehicles.

### 7.2.3 Amount of insurance where the insurance premium is takes into account co-insurance

Where the **insurance premium** takes into account co-insurance, the **named insured** must maintain an **amount of insurance** for each **specified location** that is equal to or greater than the minimum amount determined as follows:

$$\text{Minimum amount} = \frac{\text{Percentage indicated in Item 4, "Declarations" for Section C}}{X} \times \text{Total value of insured vehicles at the specified location}$$

If this minimum amount is not maintained, in the event of a partial loss, the **named insured** must pay a portion of the value of **damage**. The indemnity payable by the **insurer** will be limited to the amount determined as follows:

$$\text{Indemnity payable} = \frac{\text{Amount of insurance for}}{\text{Section C}} \times \text{Value of damage}$$

Minimum amount

If only one insured vehicle incurs **damage** in the event of **loss**, the co-insurance clause does not apply.

### 7.3 Specific rules for trailers or semi-trailers attached to a motor vehicle

If one or more trailers or semi-trailers are attached to a **motor vehicle** and the vehicles incur **damage** in one and the same loss, the vehicles will be held to be separate vehicles for the application of the protections, **amounts of insurance** and **deductibles**.

## GENERAL CONDITIONS

### 1. LAWS APPLICABLE TO INSURANCE CONTRACT

The insurance contract is governed by the following laws:

- *Civil Code of Québec;*
- *Code of Civil Procedure of Québec;*
- *Automobile Insurance Act and its regulations; and*
- *Act respecting off-highway vehicles, where applicable.*

Some of the general conditions of the insurance contract are a simplified version of the requirements of the above laws. In case of any ambiguity or discrepancy, the terms of the laws will prevail.

### 2. PLACES WHERE COVERAGE APPLIES

The coverage provided under the insurance contract will apply only if the **loss** occurs:

- in Canada or the United States; or
- on a vessel or in an aircraft travelling between the seaports and airports of those countries.

The **insurer** may accept, by way of **endorsement**, to cover a **loss** that occurs elsewhere.

### 3. CONTINUATION OF COVERAGE AFTER LOSS

A **loss** does not cause the insurance contract to terminate.

### 4. DISCLOSURE TO INSURER

#### 4.1 Initial declaration of risk

The **client**, and the insured person if the **insurer** requires it, is bound to represent the facts known to them that are likely to materially influence an insurer in:

- analyzing the risk;
- deciding whether or not to cover the risk; or
- setting the **insurance premium**.

However, the **client** and the insured person are not required to represent facts already known to the **insurer** or which the **insurer** is presumed to know because of their notoriety, unless the **insurer** asks questions in that regard.

#### 4.2 Aggravation of risk

##### 4.2.1 Obligation of insured person

The insured person is required to promptly report to the **insurer** any change that increases the risks specified in the insurance contract.

The facts to be reported must result from events within the control of the insured person. They must also be likely to materially influence an insurer in:

- analyzing the risk;
- deciding whether to continue or terminate the insurance contract; or
- setting the **insurance premium**.

#### 4.2.2 Rights of insurer

Upon being informed of any new facts, the **insurer** may:

- propose a new **insurance premium** to the **named insured** in writing. The **named insured** must then accept and pay the new **insurance premium** within 30 days of the proposal, failing which the insurance contract will terminate; or
- cancel the insurance contract subject to the conditions set out in Article 3, "*Effective date, renewal and expiry of insurance contract*".

However, if the **insurer** continues to accept payment of the **insurance premium** or if the **insurer** pays an indemnity after a **loss**, the **insurer** will be deemed to have accepted the new facts as reported.

### 4.3 Consequences of misrepresentation or non-disclosure

#### 4.3.1 Consequences for Section A

##### A. Nullification of Section A

Section A may be nullified at any time at the instance of the **insurer** if:

- a) the **client** or an insured person:
  - has falsely declared any of the information that must be reported, as stated in Articles 4.1 and 4.2 of this section (known as "misrepresentation"); or
  - has voluntarily failed to disclose any of the information referred to in Articles 4.1 and 4.2 of this section (known as "concealment");
- and
- b) such misrepresentation or concealment is likely to substantially influence a reasonable insurer in the decision to cover the risk.

##### B. Reduction of indemnity following a loss

If, following a **loss**, the **insurer** fails to establish that the misrepresentation or concealment was likely to substantially influence a reasonable insurer in the decision to cover the risk, the **insurer** will be required to pay a portion of the indemnity.

The indemnity is calculated in proportion to the **insurance premium** established by the **insurer** before becoming aware of the misrepresentation or concealment, divided by the **insurance premium** that the **insurer** would have established had the **client** or the insured person provided the information that they were required to disclose.

#### 4.3.2 Consequences for Sections B and C

##### A. Nullification of Section B or Section C

Section B or Section C may be nullified at any time at the instance of the **insurer** if:

- a) the **client** or an insured person:
  - has falsely declared any of the information that must be reported, as stated in Articles 4.1 and 4.2 of this section (known as "misrepresentation"); or
  - has voluntarily failed to disclose any of the information referred to in Articles 4.1 and 4.2 of this section (known as "concealment");and
- b) such misrepresentation or concealment is likely to substantially influence a reasonable insurer in the decision to cover the risk.

Following a **loss**, Section B or Section C may be nullified at the instance of the **insurer** even if the **loss** does not result from the risk so misrepresented or concealed.

##### B. Reduction of indemnity following a loss

Following a **loss**, and notwithstanding any misrepresentation or concealment, the **insurer** is required to pay a portion of the indemnity if the **insurer** fails to establish:

- the bad faith of the **named insured** or the **client**; or
- that it would not have covered the risk had it known the true facts.

The indemnity is calculated in proportion to the **insurance premium** established by the **insurer** before becoming aware of the misrepresentation or concealment, divided by the **insurance premium** that the **insurer** would have established had the **client** or the insured person provided the information that they were required to disclose.

## 5. BREACH OF WARRANTY

In the event of a breach of warranty aggravating the risk, coverage of the risk subject to the warranty will be suspended.

The suspension will cease when:

- an insured person remedies the breach; or
- the **insurer** gives its consent.

Warranties may be found, among others, in:

- the "*Declarations*" section; and
- the **endorsements**.

## 6. PROHIBITED USE OF INSURED VEHICLE

The insured vehicle may not be driven or operated by the insured persons:

A. When the insured persons:

- are under 16 years of age or the legal age to drive; and
- are not authorized to drive, by law, or qualified to drive or operate the vehicle.

B. To make any illicit trade or transportation.

C. To participate in a race or speed test.

In addition, the insured persons are not to allow **another person** to use the insured vehicle in the above situations.

## 7. INSPECTION OF INSURED VEHICLES

At any reasonable time, the **insurer** is entitled to inspect the insured vehicles and their equipment and accessories.

## 8. EXAMINATION OF NAMED INSURED'S BOOKS AND RECORDS

The **insurer** may examine the books and records of the **named insured** relating to the insurance contract. The **insurer** may do so provided it:

- gives 14 days prior notice to the **named insured**;
- obtains the written consent of the **named insured**; and
- conducts the examination during the **named insured**'s business hours.

## 9. NOTICES TO INSURER AND NAMED INSURED

Notices to the **insurer** may be sent by any recognized means of communication to the **insurer** or its authorized representative.

Notices to the **named insured** may be delivered personally to the **named insured** or by mail to the **name insured**'s last known address.

## REPORTING A LOSS AND SUBMITTING A CLAIM

### 1. WHAT TO DO IN THE EVENT OF LOSS

#### 1.1 Report information to insurer

##### 1.1.1 Report loss

Notice must be given to the **insurer** as soon as an insured person becomes aware of a **loss** that may be covered under the insurance contract.

Any interested person may also give such notice to the **insurer**.

Failure to fulfil the obligation to report the **loss** will result in the insured person losing his or her right to indemnity if such failure causes prejudice to the **insurer**.

##### 1.1.2 Report any additional information

When so requested by the **insurer**, the insured person will be required to inform the **insurer** as soon as possible of all the circumstances surrounding the **loss**, including:

- the probable cause of the **loss**;
- the nature and extent of the **damage**;
- the location of the insured vehicle or any other property;
- the rights of **another person**; and
- any other insurance contracts that may apply.

The insured person must also provide the **insurer** with supporting documents and declare under oath that all of the information provided is true.

If, for any serious reason, the insured person is unable to fulfil these obligations as soon as possible, the insured person will be entitled to a reasonable time in which to do so.

If the insured person fails to fulfil these obligations, any interested person may do so on the insured person's behalf.

The insured person must also provide the **insurer** promptly with a copy of any documents received in connection with a claim, including:

- notices;
- letters; and
- summonses and any other pleading.

##### 1.1.3 Consequences of deceitful representations

If a person makes a deceitful representation relating to a **loss**, the person will lose his or her right to an indemnity. The person will lose that right solely with respect to the **damage** caused by the occurrence of the peril to which the deceitful representation relates.

However, if the occurrence of the peril caused **damage** both to property for occupational use and to personal property, the person will lose his or her right to indemnity solely with respect to the **damage** caused to the class of property to which the deceitful representation relates.

## 1.2 Fulfil obligations relating to insured vehicle

### 1.2.1 Do not abandon insured vehicle

The insured person must not abandon the insured vehicle or any other damaged property without the **insurer**'s consent.

### 1.2.2 Facilitate salvage and inspection of insured vehicle by insurer

The insured person must facilitate the salvage of the insured vehicle and any other insured property.

The insured person must also facilitate the inspection by the **insurer**. This includes allowing the **insurer** and its representatives to visit any premises and inspect the insured vehicle and its equipment and accessories.

### 1.2.3 Protect insured vehicle

The insured person must ensure the protection of the insured vehicle from further loss or **damage**, as far as reasonably possible and at the expense of the **insurer**.

If the insured person fails to fulfil this obligation, any **damage** resulting directly or indirectly will be at the insured person's expense.

### 1.2.4 Do not perform repairs or remove physical evidence

Until the **insurer** has had a reasonable time to inspect the insured vehicle, as provided for in Article 7, "General conditions":

- no repairs must be made to the vehicle; and
- no physical evidence of the **damage** must be removed from the vehicle.

However, such actions may be taken if:

- they are necessary to protect the insured vehicle; or
- the **insurer** gives its consent in writing.

## 1.3 Refrain from commenting on liability and from settling claim

Except at his or her own cost, following a **loss**, the insured person must refrain from:

- commenting on his or her liability; and
- settling or attempting to settle any claim.

Should an insured person enter into an agreement (called a "transaction") in respect of the **loss**, without the consent of the **insurer**, the **insurer** will not be bound by such agreement.

## 1.4 Cooperate with insurer

The insured person must cooperate with the **insurer** in the processing of any claim.

## 2. HOW TO CALCULATE VALUE OF DAMAGE

The value of **damage** payable by the **insurer** may not be greater than the “actual cash value” of the insured vehicle.

Once the **named insured** has been indemnified, the **insurer** has the right to recover the damaged property in whole or in part (called “right of salvage”).

### 2.1 Value of damage payable by insurer for repair of insured vehicle

The value of **damage** is determined on the basis of, among other things, the cost of materials at the time of **loss**.

The materials used to repair the insured vehicle, or to replace the damaged parts, must be of like kind and quality, taking into account any kind of depreciation.

#### 2.1.1 Clarification concerning automobile body parts

The **insurer** will determine the cost of materials on the basis of original equipment manufacturer parts if:

- the vehicle is less than two years old or has less than 40,000 km; or
- the vehicle is used for commercial purposes and is less than one year old.

In all other instances, the **insurer** may base its determination on the cost of similar automobile body parts. However, the **named insured** may ask for original equipment manufacturer parts, if available, and must inform the **insurer** accordingly when reporting the **loss**. The **insurer** will then specify the applicable conditions and additional costs that the **named insured** will be required to pay.

#### 2.1.2 Parts out of stock or no longer manufactured

If the materials needed to repair the vehicle include replacement parts that are out of stock or no longer manufactured, the liability of the **insurer** will be limited to the latest list price of original equipment manufacturer parts.

The **insurer** may also take into account any kind of depreciation.

### 2.2 Value of damage payable by insurer for insured vehicle if total loss

If the insured vehicle is a total loss or constructive total loss, the value of **damage** will be equal to the “actual cash value” of the insured vehicle.

In spite of the total loss or constructive total loss of the insured vehicle, the **named insured** may ask for the vehicle to be restored to the condition it was in at the time of **loss**.

The **named insured** must provide the **insurer** with supporting evidence to determine the vehicle's condition at the time of **loss**.

In such instance, the **insurer** must accept the request if it considers that the costs are reasonable to restore the vehicle to the condition it was in at the time of **loss**.

## 2.3 Value of damage where insurer may decide to repair, rebuild or replace damaged property

In the absence of arbitration, and subject to the rights of preferred and hypothecary creditors, the **insurer** may decide to repair, rebuild or replace the damaged property with other property of like kind and quality, instead of making a cash payment.

Before repairing, rebuilding or replacing the property, the **insurer** must inform the **named insured** in writing within seven days after receipt of the proof of loss.

In addition, the property must be repaired, rebuilt or replaced within a reasonable amount of time.

## 3. RIGHT OF INSURER AFTER PAYING AN INDEMNITY (*RIGHT OF SUBROGATION*)

### 3.1 General rule

After paying an indemnity, the **insurer** will be subrogated to the rights of the insured person against the person responsible for the **damage**. This means that the rights of the insured person are transferred to the **insurer**.

Subrogation operates up to the amount of the indemnity paid by the **insurer**.

If the **insurer** cannot exercise its right of subrogation due to any act of the insured person, the **insurer** may be fully or partly released from its obligations towards the insured person.

### 3.2 Exceptions

In the following two instances, the **insurer** cannot ask the person responsible for the **damage** to reimburse the indemnity that it has paid:

- A. When that person is a member of the insured person's household;
- B. For Section B only, when that person had care, custody or control of the insured vehicle, with the consent of the **named insured**. This latter exception will not apply if the person:
  - was engaged in a **garage business** at the time of **loss** other than as an employee, shareholder, member or partner of the **named insured**; or
  - failed to comply with the insurance contract.

## 4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER

### 4.1 Request for arbitration

The **named insured** or the **insurer** may request arbitration in the event of disagreement on the following:

- the nature, extent or value of the **damage**;
- the adequacy of the repair or replacement.

Arbitration may be requested even if the validity of the insurance contract is being challenged.

#### 4.1.1 Request made by named insured

The **named insured** must send a written notice to the **insurer** indicating the reason of the disagreement.

The **insurer** must accept a request for arbitration made by the **named insured** and send the **name insured** an acknowledgment of receipt within 15 days after receiving the notice.

#### 4.1.2 Request made by insurer

The **insurer** must send a written notice to the **named insured** indicating the reason of the disagreement.

The **named insured** must send the **insurer** confirmation of his or her acceptance or refusal to submit the disagreement to arbitration within 15 days after receiving the notice.

### 4.2 Designation of experts and arbitrator

The **insurer** and the **named insured** must each choose an expert.

Depending on the nature of the disagreement, both experts must determine:

- the nature, extent and value of the **damage**. In order to do so, they must assess separately the “actual cash value” and the cost of repair or replacement; or
- the adequacy of the repair or replacement.

If their assessments differ, the experts must try to agree on a common value.

Should they fail to agree, they must submit their difference to a neutral arbitrator of their choosing, that is, an arbitrator who represents the interests of neither the **insurer** nor the **named insured**.

The **insurer** or the **named insured** must ask a competent court where the arbitration takes place to appoint the arbitrator or experts if:

- the **insurer** or the **named insured** fail to choose an expert within 30 days of the date of notice;
- the experts fail to choose an arbitrator within 15 days of their appointment;
- one of the experts or the arbitrator refuses to act or is unavailable.

### 4.3 Value of damage payable by insurer

Even if there is arbitration, the **insurer** will be required to pay the unchallenged portion of the value of **damage**. Payment must be made no later than:

- within 60 days after the **loss** was reported to the **insurer**; or
- within 60 days after receipt by the **insurer** of the information or supporting documents that it requested.

However, if the validity or application of the insurance contract is being challenged, the **insurer** will not be required to pay such amount within the above time periods.

Following arbitration, the **insurer** will be required to pay the amount determined by the arbitrator within 15 days after the date on which the **named insured** accepted the arbitrator's decision.

#### 4.4 Conduct of arbitration

The arbitration must follow the procedure outlined in articles 620 to 655, *Code of Civil Procedure* of Québec, with the necessary modifications due to specific rules set out in the insurance contract.

As stated in article 632, *Code of Civil Procedure* of Québec, the arbitrator may decide which procedure to apply for arbitration. Nonetheless, the arbitrator must ensure that the rules set out in articles 620 to 655, *Code of Civil Procedure* of Québec, are followed.

#### 4.5 Choice of language

The arbitrator, the **insurer** and the **named insured** may use the language of their choice during arbitration proceedings. Arrangements must be made to ensure that proceedings are understood by everyone.

#### 4.6 Place of arbitration proceedings

Arbitration proceedings take place in a location to be determined according to the domicile of the **named insured**.

#### 4.7 Arbitrator's decision

The arbitrator renders a decision based on the applicable laws of Québec.

The arbitrator's decision must be written and reasoned. It must also be signed and indicate the date and place where it was made.

The decision must be sent to the **insurer** and the **named insured** within 30 days after the date on which it was made.

#### 4.8 Costs and fees of arbitration

The **insurer** and the **named insured** each pay the costs and fees of their own expert and half the costs and fees of the arbitration proceedings.

However, if the arbitrator considers that the method for sharing the costs and fees of the arbitration proceedings is not justified or fair in the circumstances, the arbitrator may decide otherwise.

### 5. PRESERVATION OF RIGHTS OF NAMED INSURED AND INSURER

The actions of the **named insured** or the **insurer** are not considered as a waiver of their rights under the insurance contract if they relate to:

- investigation of **loss**;
- settlement of **loss**;
- arbitration; and
- proof of loss.

### 6. TIME TO START LEGAL ACTION UNDER INSURANCE CONTRACT (*PRESCRIPTION PERIOD*)

Any legal action arising from the insurance contract, including a lawsuit, must be started within three years after the date on which the right of action has arisen.

## **EFFECTIVE DATE, RENEWAL AND EXPIRY OF INSURANCE CONTRACT**

### **1. EFFECTIVE DATE AND EXPIRY OF INSURANCE CONTRACT**

The insurance contract takes effect and expires at the time and dates indicated in Item 2, "Declarations" or, where applicable, in the **endorsements**.

### **2. RENEWAL OF INSURANCE CONTRACT**

Upon its date of expiry, the insurance contract will be renewed automatically, unless notice to the contrary is given by the **named insured** or the **insurer**.

The insurance contract will be renewed for the same **insurance premium** and the same period, unless notice to the contrary is given by the **named insured** or the **insurer**.

The notice sent by the **insurer** may be a notice of non-renewal or a notice to change the **insurance premium**. The notice must be sent to the **named insured** no later than 30 days before the date of expiry of the insurance contract, at the last known address of the **named insured**.

If the **named insured** uses an insurance broker, the insurer's notice must be sent to the insurance broker who must then deliver it to the **named insured**.

### **3. CANCELLATION OF INSURANCE CONTRACT (*ENDING OF INSURANCE CONTRACT*)**

#### **3.1 Cancellation by named insured**

##### **3.1.1 Conditions to be met**

The **named insured** may cancel the insurance contract at any time by giving written notice to the **insurer**.

**Named insureds** may mandate one or more of them to send a notice on behalf of them all.

Cancellation takes effect upon receipt by the **insurer** of the notice from each **named insured** or his or her mandatory.

##### **3.1.2 Refund of insurance premium**

If the insurance contract is cancelled by the **named insured**, the **insurer** must refund any overpayment of **insurance premiums**, as calculated according to the "Cancellation table." The "Cancellation table" is part of the insurance contract.

However, if the **insurance premium** was paid to the **insurer** by the insurance broker, the **named insured** may be refunded solely for what has actually been paid or refunded to the insurance broker.

### 3.2 Cancellation by insurer

#### 3.2.1 Conditions to be met

##### A. Cancellation within 60 days

The **insurer** may cancel the insurance contract within 60 days after its effective date.

The **insurer** must send a written notice to each **named insured** or his or her mandatary.

Cancellation takes effect 15 days after receipt of the notice by each **named insured** or his or her mandatary, at their last known address.

##### B. Cancellation after 60 days

More than 60 days after the effective date of the insurance contract, the **insurer** may cancel the insurance contract only if:

- there has been an aggravation of risk which is likely to materially influence a reasonable **insurer** in its decision to maintain the insurance contract; or
- the **insurance premium** has not been paid.

The **insurer** must send a written notice to each **named insured** or his or her mandatary.

Cancellation is effective either:

- 30 days after receipt of the notice by each **named insured** or his or her mandatary, at their last known address; or
- 15 days after receipt of the notice by each **named insured** or his or her mandatary, at their last known address, if the described vehicle is a vehicle under Title VIII.1, *Highway Safety Code*, and is not a school bus.

#### 3.2.2 Refund of insurance premium

If the **insurer** cancels the insurance contract, it will be entitled only to the portion of the **insurance premium** corresponding to the number of days for which the **named insured** was actually covered under the insurance contract.

If the **named insured** paid the **insurance premium** in advance, the **insurer** must refund the overpayment. However, if the **insurance premium** was paid to the **insurer** by the insurance broker, the **named insured** may be refunded solely for what has actually been paid or refunded to the insurance broker.

## CANCELLATION TABLE

### SHORT RATE CANCELLATION TABLE (12 MONTHS)

**TABLE 1 : Motor vehicles except motorcycles and snowmobiles\***

Contract duration in days	Premium % to be retained	Contract duration in days	Premium % to be retained
1-4	10	187-190	55
5-8	11	191-194	57
9-12	12	195-198	58
13-16	13	199-202	59
17-20	14	203-206	60
21-24	15	207-210	61
25-28	16	211-214	62
29-32	17	215-218	63
33-36	18	219-223	64
37-40	19	224-227	65
41-44	20	228-231	66
45-48	21	232-235	67
49-52	22	236-239	68
53-56	23	240-243	69
57-60	24	244-247	70
61-64	25	248-251	71
65-68	25	252-255	72
69-72	27	256-259	73
73-77	28	260-263	74
78-81	29	264-267	75
82-85	30	268-271	76
86-89	31	272-275	77
90-93	32	276-279	78
94-97	33	280-283	79
98-101	34	284-287	80
102-105	35	288-291	81
106-109	36	292-296	82
110-113	37	297-300	83
114-117	38	301-304	84
118-121	39	305-308	85
122-125	40	309-312	86
126-129	41	313-316	87
130-133	42	317-320	88
134-137	43	321-324	89
138-141	44	325-328	90
142-145	45	329-332	91
146-150	46	333-336	92
151-154	47	337-340	93
155-158	48	341-344	94
159-162	49	345-348	95
163-166	50	349-352	96
167-170	51	353-356	97
171-174	52	357-360	98
175-178	53	361-364	99
179-182	54	365-368	100
183-186	55		

**TABLE 2 : Motorcycles and snowmobiles\***

Months	Snowmobiles	Motorcycles
January	25%	0
February	25%	0
March	15%	5%
April	0	10%
May	0	10%
June	0	20%
July	0	20%
August	0	20%
September	0	10%
October	0	5%
November	10%	0
December	25%	0

\*Applicable for motorcycles and snowmobiles. Table 1 applies to Sections B3 and B4 and is also considered in the calculation when Section B1 appears in the Coverage Summary page.

## DEFINITIONS

The definitions below apply to the words and expressions shown in bold in the insurance contract. Because of the context, a defined word or expression may not be shown in bold in the insurance contract, in which case it is being used in its ordinary meaning and the definition does not apply.

Some of the definitions are simplified versions of those set out in the following laws:

- *Civil Code of Québec*;
- *Code of Civil Procedure of Québec*;
- *Automobile Insurance Act*; and
- *Act respecting off-highway vehicles*.

In case of any ambiguity or discrepancy, the terms of the laws will prevail.

**AMOUNT OF INSURANCE:** The maximum amount payable by the **insurer** under Item 4, “*Declarations*” or in an **endorsement**.

**ANOTHER PERSON:** Anyone who, at the time of **loss**, is not an “insured person” under the insurance contract

**BODILY INJURY:** Any physical or mental injury, including death.

**CLIENT:** The person who submits an application to the **insurer** in order to enter into an insurance contract. The insurance application may be made for the client personally or for another person. The client is not necessarily the **named insured**.

**CUSTOMER’S VEHICLE:** Any **motor vehicle**, trailer or semi-trailer, including their equipment and accessories, that is:

- used in connection with the described business activity (including any motor vehicle held for sale on consignment); or
- towed or pushed by a **motor vehicle** driven by the **named insured** or the **named insured**’s employees, members, shareholders or partners in connection with a **described business activity**.

However, a **motor vehicle**, trailer or semi-trailer that the **named insured** has sold, leased for at least one year or offered for leasing but not yet delivered is not deemed to be a customer’s vehicle.

**DAMAGE:**

- In Section A, “**damage**” refers to both **property damage** and **bodily injury**.
- In Section B, “**damage**” refers solely to **property damage**.
- In Section C, “**damage**” refers solely to **property damage**.

**DEDUCTIBLE:** The amount left to be paid by the **named insured**.

**DESCRIBED BUSINESS ACTIVITY:** Any business designated in Item 3, « *Declarations* » and that is carried out in the course of operating a **specified location**.

**ENDORSEMENT:** A document modifying the insurance contract and officially called “*Québec Endorsement Form*” or “*Q.E.F.*”

**GARAGE BUSINESS:** Includes any business activity involving the custody, selling, equipping, repairing, maintaining, storing, parking, moving or servicing of **motor vehicles**, trailers or semi-trailers.

**INSURANCE PREMIUM:** The amount payable to the **insurer** in consideration of the coverage provided under the insurance contract.

**INSURER:** The insurer of this insurance contract.

**Loss:** A risk that occurs and causes **damage**.

**MOTOR VEHICLE:** A vehicle propelled by any power other than muscular force and adapted for transportation on public highways but not on rails.

**NAMED INSURED:** A person specified in Item 1, "Declarations."

**NUCLEAR HAZARD:** Risk arising from the hazardous properties of substances that are:

- radioactive, toxic or explosive; and
- prescribed under the *Nuclear Safety and Control Act* and its regulations.

**OWNER:** A person who acquires or possesses any **motor vehicle**, trailer or semi-trailer under one of the following:

- a document confirming the person's status as owner of the vehicle (called a "title of ownership");
- a document entitling the person to become the owner of the vehicle subject to certain conditions or at a certain time;
- a document entitling the person to use the vehicle as if such person were the owner, for a certain amount of time only;
- a lease for a period of not less than one year.

**PASSENGER VEHICLE:** **Motor vehicle** designed for transportation on a public highway and used for personal purposes. However, **passenger vehicles** do not include utility vehicles whose gross vehicle weight is equal to or greater than 4,500 kg (10,000 lbs).

**PROPERTY DAMAGE:** Any **damage** caused to a **motor vehicle** or another type of property, including their disappearance.

**SPECIFIED LOCATION:** A location stated in Item 1, "Declarations" or in an **endorsement**, and used by the **named insured**.

**SPOUSE:** A person who, at the time of **loss**:

- a) is married to and living with another person;
- b) is not married, but has been living in a *de facto* union with another person of the same or opposite sex and is publicly represented as his or her spouse. These conditions must exist for at least three years or, in the following cases, for at least one year:
  - A child has been born or is to be born of their union;
  - They have adopted a child together; or
  - One of them has adopted a child of the other.

**TOW TRUCK:** **Motor vehicle** equipped to lift and tow a **motor vehicle**, trailer or semi-trailer, or to load them onto its platform, and used exclusively for rendering assistance to or moving not more than two such vehicles.

**VEHICLE OF WHICH THE NAMED INSURED IS NOT THE OWNER:** Any **motor vehicle**, trailer or semi-trailer, including their equipment and accessories, of which the **named insured** is not the **owner**.

**VEHICLE OF WHICH THE NAMED INSURED IS THE OWNER:**

- Any **motor vehicle**, trailer or semi-trailer, including their equipment and accessories, of which the **named insured** is the **owner** and that is used in connection with a **described business activity**, non-profit activities or for personal travel.
- Any **motor vehicle**, trailer or semi-trailer, including their equipment and accessories, which the **named insured** has sold, leased for at least one year or offered for leasing, but not yet delivered.

Québec Endorsement Form  
Q.E.F. No. 4-2

**Vehicles of which the named insured is not the owner  
and when driven by named drivers**  
(Section A)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Additional insurance premium payable:**

- Amount payable: .....
- Due date: .....

**Endorsement description**

This **endorsement** extends coverage under Section A of the insurance contract by adding the following insured person to Article 3.2.2, "*In connection with personal use or travel*".

"C. ..... who  
Named driver(s)

with the consent of the **owner** drives or uses a vehicle of the ..... type.

The named driver is not insured if he or she, any other named driver or the **named insured** has the same domicile as that of the **owner**, registration holder or regular or frequent user of the vehicle.

Moreover, the named driver is not insured if the vehicle is provided by his or her employer, or by the employer of a person whose domicile is the same as that of the named driver, another named driver or the **named insured**."

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-5a

**Vehicles leased under a contract of leasing**  
*Changes*  
*when lessor shown as insured*

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** extends the coverage of the insurance contract to the following lessor:

.....  
The lessor is considered as a **named insured** for the specified vehicle, except when he or she drives or uses the vehicle.

All other conditions of the insurance contract remain the same.

Québec Endorsement Form

Q.E.F. No. 4-5d

**Conversion of leased vehicles**  
(Section B)

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Additional insurance premium payable:**

- Amount payable: .....
- Due date: .....

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):  
.....

**Endorsement description**

This **endorsement** changes the exclusion set out in Article 5.1 E, Section B for the specified vehicle only, by replacing it with the following wording:

"E. Conversion, embezzlement, theft or secretion of the insured vehicle by any person in lawful possession thereof under a written agreement that is not a lease agreement and that is similar to a hypothec or conditional sale."

A **deductible** in the amount of \$..... applies to the indemnities payable under this **endorsement**.

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-8

**Deductible for property damage**  
(Section A)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

Name of insurer: .....

Named insured: .....

Endorsement to automobile insurance policy No.: .....

Effective date: This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

.....

Endorsement description

This **endorsement** changes Section A of the insurance contract by adding a **deductible for property damage** caused by the specified vehicle:

A maximum **deductible** amount of \$..... per **loss**.  
 A maximum **deductible** amount of \$..... per **loss**, when the vehicle is used to

.....

Agreement by named insured

When the **insurer** pays an indemnity for **property damage**, the **named insured** agrees to reimburse the **insurer** for up to the **deductible** amount.

Reimbursement is due by the **named insured** as soon as the **insurer** pays the indemnity.

Rights of insurer

In respect of the **deductible**, the **insurer** will be entitled to:

- act as it wishes with regard to any investigation, transaction or settlement;
- authorize the **named insured** to enter into a transaction or settlement with and indemnify **another person** that has suffered **property damage**. However, the total amount agreed upon in the transaction or settlement must not exceed the **deductible** amount.

All other conditions of the insurance contract remain the same.

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-8a

**Deductible for property damage and bodily injury**  
(Section A)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

Name of insurer: .....

Named insured: .....

Endorsement to automobile insurance policy No.: .....

Effective date: This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

.....

Endorsement description

This **endorsement** changes Section A of the insurance contract by adding a **deductible for property damage and bodily injury** caused by the specified vehicle:

A maximum **deductible** amount of \$..... per **loss**.  
 A maximum **deductible** amount of \$..... per **loss**, when the vehicle is used to

.....

Agreement by named insured

When the **insurer** pays an indemnity for **property damage** or **bodily injury**, the **named insured** agrees to reimburse the **insurer** for up to the **deductible** amount.

Reimbursement is due by the **named insured** as soon as the **insurer** pays the indemnity.

Rights of insurer

In respect of the **deductible**, the **insurer** will be entitled to:

- act as it wishes with regard to investigation, transaction or settlement;
- authorize the **named insured** to enter into a transaction or a settlement with and indemnify **another person** that has suffered **property damage**. However, the total amount agreed upon in the transaction or settlement must not exceed the **deductible** amount.

All other conditions of the insurance contract remain the same.

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-9

**Marine risk exclusion  
for amphibious vehicles**

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** excludes coverage under the insurance contract for **loss** occurring while the specified vehicle is navigating on water or while it is being launched into or landed therefrom.

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-16

**Suspension of coverage during vehicle storage**  
(Sections A and B)

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Date of storage:** ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** suspends certain coverage under the insurance contract due to storage of the specified vehicle.

**Suspension of coverage**

The **named insured** declares that the specified vehicle will be withdrawn from use and stored as of the date of storage and therefore requests that the following coverage be suspended from that date:

1. Suspended coverage under Section A

Coverage under Section A of the insurance contract is suspended with regard to the driving or use of the specified vehicle.

The **named insured** will continue to benefit from the other coverage under Section A.

2. Suspended coverage under Section B

Coverage under Protections 1 and 2, Section B of the insurance contract is suspended with regard to the driving of the specified vehicle.

The **named insured** will continue to benefit from the other coverage under Section B.

### End of suspension of coverage

The suspended coverage will be reinstated on one of the following dates:

- on the date determined by the **named insured**, if he or she has first informed the **insurer** accordingly;
- if no date has thus been determined, on April 1<sup>st</sup> following the date of storage.

The insurance contract must be in force for coverage to be reinstated.

### Refund of premium

The **named insured** is entitled to a refund of premium for the storage period, calculated on the following basis: .....

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-17

**Reinstatement of coverage after vehicle storage**  
(Sections A and B)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** reinstates coverage under the insurance contract when it has been suspended by Q.E.F. No. 4-16 entitled "Suspension of coverage during vehicle storage."

Reinstatement is not retroactive. Coverage will resume from the effective date of this **endorsement**.

**Refund of premium**

The **named insured** is entitled to the refund of premium shown in the table below, or entered specifically for this **endorsement** in the "Declarations" section of the insurance contract. Refund of premium is calculated on the basis set out in Q.E.F. No. 4-16.

COVERAGE	PERILS	REFUND OF PREMIUM
<b>Section A:</b> Civil liability	<b>Property damage or bodily injury to another person</b>	\$
<b>Section B: Damage to vehicles of which the named insured is the owner</b>	<u>Protection 1:</u> "All perils"	\$
	<u>Protection 2:</u> Perils of collision and upset	\$
<b>Total:</b>		\$

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-19

**Limitation of indemnity**  
(Section B)

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** limits the indemnity payable under Section B of the insurance contract to the lesser of the following amounts:

- the "actual cash value" of the specified vehicle; or
- \$.....

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

**Travel expenses**  
(Section B)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

Name of insurer:

Named insured:

Endorsement to automobile insurance policy No.:

Effective date: This **endorsement** will apply from ..... at 12:01 A.M.  
standard time at the address of the **named insured**.

Additional insurance premium payable:

- Amount payable: .....
- Due date: .....

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

Endorsement description

This **endorsement** extends coverage under Section B of the insurance contract by adding coverage under Article 4.3 as set out below.

This **endorsement** will apply only to the specified vehicle and only if the value of **damage** to the specified vehicle is greater than the **deductible** amount applicable to the **loss** that caused the **damage**.

**“4.3 Travel expenses”**

4.3.1 Description of travel expenses

If the **named insured** is no longer able to use the insured vehicle due to a covered **loss**, the **insurer** will reimburse expenses incurred for:

- leasing of a **motor vehicle** of a similar category as a temporary replacement for the insured vehicle;
- use of taxicab or any other mode of remunerated passenger transportation by automobile;
- public transportation; and
- additional expenses that would normally not have to be borne by the **named insured** for travel.

Upon submission of receipts, payment for the above expenses will be made up to a maximum of  
\$..... per **loss** for each insured vehicle.

#### 4.3.2 Application of coverage

If the entire insured vehicle was stolen, this coverage will apply only to expenses incurred from 12:01 A.M. the day after the theft is reported to the police or to the **insurer**.

For all other covered **losses**, this coverage will apply only to expenses incurred:

- from the time at which the insured vehicle can no longer be operated under its own power due to **damage** to the vehicle; or
- from the time at which the insured vehicle is delivered for repair, if it can still be operated in spite of **damage** to the vehicle.

Expenses will be eligible for reimbursement even if the insurance contract has expired since the **loss**.

Expenses will no longer be eligible for reimbursement once:

- the insured vehicle has been replaced or repaired; or
- a settlement agreement for the **loss** has been reached before the insured vehicle is replaced or repaired.”

All other conditions of the insurance contract remain the same.

**Travel expenses (broad form)**  
(Section B)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:**

**Named insured:**

**Endorsement to automobile insurance policy No.:**

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M.  
standard time at the address of the **named insured**.

**Additional insurance premium payable:**

- Amount payable: .....
- Due date: .....

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

**Endorsement description**

This **endorsement** extends coverage under Section B of the insurance contract by adding coverage under Article 4.3 as set out below.

This **endorsement** will apply only to the specified vehicle and only if the value of **damage** to the specified vehicle is greater than the **deductible** amount applicable to the **loss** that caused the **damage**.

**"4.3 Travel expenses**

4.3.1 Description of travel expenses

If the **named insured** is no longer able to use the insured vehicle due to a covered **loss**, the **insurer** will reimburse expenses incurred for:

- leasing of a **motor vehicle** of a similar category as a temporary replacement for the insured vehicle;
- use of taxicab or any other mode of remunerated passenger transportation by automobile;
- public transportation; and
- additional expenses that would normally not have to be borne by the **named insured** for travel.

Upon submission of receipts, payment for the above expenses will be made up to a maximum of  
\$..... per **loss** for each insured vehicle.

#### 4.3.2 Application of coverage

If the entire insured vehicle was stolen, this coverage will apply only to expenses incurred from 12:01 A.M. the day after the theft is reported to the police or to the **insurer**.

For all other covered **losses**, this coverage will apply only to expenses incurred:

- from the time at which the insured vehicle can no longer be operated under its own power due to **damage** to the vehicle; or
- from the time at which the insured vehicle is delivered for repair, if it can still be operated in spite of **damage** to the vehicle.

Expenses will be eligible for reimbursement even if the insurance contract has expired since the **loss**.

Expenses will no longer be eligible for reimbursement once

- the insured vehicle has been replaced or repaired; or
- a settlement agreement for the **loss** has been reached before the insured vehicle is replaced or repaired.

#### 4.3.3 Additional expenses covered during a trip

The persons insured under coverage 4.3.3. are:

- **named insured** and his or her **spouse**;
- an employee, shareholder, member or partner having at his or her disposal on a regular basis a vehicle provided by the **named insured**, as well as their spouse; and
- any person whose domicile is the same as that of the persons listed above.

When a covered **loss** occurs during a trip, the expenses described in paragraphs (a) and (b) below will be covered, in addition to the expenses listed in paragraph 4.3.1.

These expenses will be covered up to a maximum of .....% of the maximum amount payable per **loss** shown in paragraph 4.3.1.

(a) Any additional travel expenses incurred for the insured person to:

- continue the trip;
- return to his or her domicile;
- return to the place where the insured vehicle is usually parked.

These additional expenses include the cost of meals and accommodation and the cost of transportation of personal effects.

(b) Any other additional expenses similar to those described in paragraph (a), incurred to retrieve the insured vehicle where it was repaired and return it to one of the following places:

- the current location of the insured person. However, if that location is further away than the travel destination that had been planned before the **loss**, only the expenses required to return the insured vehicle to the planned destination are covered;
- the domicile of the insured person; or
- the place where the insured vehicle is usually parked.

The expenses must have been incurred by the insured person or any other person of his or her choice."

All other conditions of the insurance contract remain the same.

**Travel expenses and loss of income**  
(Section B)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

Name of insurer:

Named insured:

Endorsement to automobile insurance policy No.:

Effective date: This **endorsement** will apply from ..... at 12:01 A.M.  
standard time at the address of the **named insured**.

Additional insurance premium payable:

- Amount payable: .....
- Due date: .....

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

Endorsement description

This **endorsement** extends coverage under Section B of the insurance contract by adding coverage under Article 4.3 as set out below.

This **endorsement** will apply only to the specified vehicle and only if the value of **damage** to the specified vehicle is greater than the **deductible** amount applicable to the **loss** that caused the **damage**.

**“4.3 Travel expenses and loss of income”**

4.3.1 Description of travel expenses

If the **named insured** is no longer able to use the insured vehicle due to a covered **loss**, the **insurer** will reimburse expenses incurred for:

- leasing of a **motor vehicle** of a similar category as a temporary replacement for the insured vehicle;
- use of taxicab or any other mode of remunerated passenger transportation by automobile;
- public transportation; and
- additional expenses that would normally not have to be borne by the **named insured** for travel.

Upon submission of receipts, payment of the above expenses will be made up to a maximum of  
\$..... per **loss** for each insured vehicle.

#### 4.3.2 Description of indemnity for loss of income

If the **named insured** is no longer able to use the insured vehicle due to a covered **loss** and he or she cannot obtain a rental of a **motor vehicle** as a temporary replacement:

- that can serve the same purpose; or
- that is equipped with the same necessary specialized equipment and accessories as those of the insured vehicle;

the **insurer** will pay an indemnity for the amount of the actual loss of income.

Upon submission of supporting documents, payment of the loss of income indemnity will be made up to a maximum of \$..... per **loss** for each insured vehicle.

The term "actual loss of income" as used in this **endorsement** means loss of income less the **named insured**'s normal expenses that are no longer incurred.

#### 4.3.3 Application of coverage

If the entire insured vehicle was stolen, paragraphs 4.3.1 and 4.3.2 will apply only to travel expenses and actual loss of income incurred from 12:01 A.M. the day after the theft is reported to the police or to the **insurer**.

For all other covered **losses**, this coverage will apply only to travel expenses and actual loss of income incurred:

- from the time at which the insured vehicle can no longer be operated due to **damage**; or
- from the time at which the insured vehicle is delivered for repair, if it can still be operated in spite of **damage**.

Expenses will be eligible for reimbursement and the loss of income indemnity will be paid even if the insurance contract has expired since the **loss**.

Expenses will no longer be eligible for reimbursement and payment of the loss of income indemnity will stop once:

- the insured vehicle has been replaced or repaired; or
- a settlement agreement for the **loss** has been reached before the insured vehicle is replaced or repaired."

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-20c

**Travel expenses and loss of income (broad form)**  
(Section B)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

Name of insurer:

.....

Named insured:

.....

Endorsement to automobile insurance policy No.:

Effective date: This **endorsement** will apply from ..... at 12:01 A.M.  
standard time at the address of the **named insured**.

Additional insurance premium payable:

- Amount payable: .....
- Due date: .....

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

.....

Endorsement description

This **endorsement** extends coverage under Section B of the insurance contract by adding coverage under Article 4.3 as set out below.

This **endorsement** will apply only to the specified vehicle and only if the value of **damage** to the specified vehicle is greater than the **deductible** amount applicable to the **loss** that caused the **damage**.

**“4.3 Travel expenses and loss of income”**

4.3.1 Description of travel expenses

If the **named insured** is no longer able to use the insured vehicle due to a covered **loss**, the **insurer** will reimburse expenses incurred for:

- leasing of a **motor vehicle** of a similar category as a temporary replacement for the insured vehicle;
- use of taxicab or any other mode of remunerated passenger transportation by automobile;
- public transportation; and
- additional expenses that would normally not have to be borne by the **named insured** for travel.

Upon submission of receipts, payment of the above expenses will be made up to a maximum of  
\$..... per **loss** for each insured vehicle.

#### 4.3.2 Description of indemnity for loss of income

If the **named insured** is no longer able to use the insured vehicle due to a covered **loss** and he or she cannot obtain a rental of a **motor vehicle** as a temporary replacement:

- that can serve the same purpose; or
- that is equipped with the same necessary specialized equipment and accessories as those of the insured vehicle;

the **insurer** will pay an indemnity for the amount of the actual loss of income.

Upon submission of supporting documents, payment of the loss of income indemnity will be made up to a maximum of \$..... per **loss** for each insured vehicle.

The term "actual loss of income" as used in this **endorsement** means loss of income less the **named insured**'s normal expenses that are no longer incurred.

#### 4.3.3 Application of coverage

If the entire insured vehicle was stolen, paragraphs 4.3.1 and 4.3.2 will apply only to travel expenses and actual loss of income incurred from 12:01 A.M. the day after the theft is reported to the police or to the **insurer**.

For all other covered **losses**, this coverage will apply only to travel expenses and actual loss of income incurred:

- from the time at which the insured vehicle can no longer be operated due to **damage**; or
- from the time at which the insured vehicle is delivered for repair, if it can still be operated in spite of **damage**.

Expenses will be eligible for reimbursement and the loss of income indemnity will be paid even if the insurance contract has expired since the **loss**.

Expenses will no longer be eligible for reimbursement and payment of the loss of income indemnity will stop once:

- the insured vehicle has been replaced or repaired; or
- a settlement agreement for the **loss** has been reached before the insured vehicle is replaced or repaired."

#### 4.3.4 Additional expenses covered during a trip

The persons insured under coverage 4.3.4 are:

- the **named insured** and his or her **spouse**;
- an employee, shareholder, member or partner having at their disposal on a regular basis a vehicle provided by the **named insured**, as well as their spouse; and
- any person whose domicile is the same as that of the persons listed above.

When a covered **loss** occurs during a trip, the expenses described in paragraphs (a) and (b) below will be covered, in addition to the expenses listed in paragraphs 4.3.1 and 4.3.2.

These expenses will be covered up to a maximum of:

- .....% of the maximum amount payable per **loss** shown in paragraph 4.3.1;
- .....% of the maximum amount payable per **loss** shown in paragraph 4.3.2;

without exceeding the higher of the above amounts.

(a) Any additional travel expenses incurred for the **named insured** to:

- continue the trip;
- return to his or her domicile;
- return to the place where the insured vehicle is usually parked.

These additional expenses include, among other things, the cost of meals and accommodation and the cost of transportation of personal effects.

(b) Any other additional expenses similar to those described in paragraph (a), incurred to retrieve the insured vehicle where it was repaired and return it to one of the following places:

- current location of the insured person. However, if that location is further away than the travel destination that had been planned before the loss, only the expenses required to return the insured vehicle to the planned destination are covered;
- the domicile of the insured person; or
- the place where the insured vehicle is usually parked.

The expenses must have been incurred by the insured person or any person of his or her choice.”

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-23a

**Notice to creditor**  
(Section B)

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract.*

Name of insurer: .....

Named insured: .....

Name of creditor: .....

Address of creditor: .....

Endorsement to automobile insurance policy No.: .....

Effective date: This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

.....

Endorsement description

This **endorsement** changes Section B of the insurance contract by adding the following obligation:

- The **insurer** must give the creditor notice at least 15 days before cancelling or changing any coverage under Section B.
- The **insurer** is required to do so only if cancelling or changing the coverage is prejudicial to the creditor.

All other conditions of the insurance contract remain the same.

**Creditor coverage**  
(Section B)

The **endorsement** heading must be entered in the “Declarations” section of the insurance contract.

Name of insurer: .....

Named insured: .....

Name of creditor: .....

Address of creditor: .....

Endorsement to automobile insurance policy No.: .....

Effective date: This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**

Additional insurance premium payable:

- Amount payable: .....
- Due date: .....

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

.....

Endorsement description

This **endorsement** provides that the indemnities under Section B of the insurance contract will be paid to the creditor if the specified vehicle is not repaired.

However, if the creditor is a preferred or hypothecary creditor, the indemnities will be paid to the creditor whether or not the specified vehicle is repaired.

The indemnities will be paid to the creditor to the extent of the creditor's interest and up to the amount that is due to the creditor.

Continuation of creditor coverage

The creditor will benefit from coverage under this **endorsement** even if:

- a condition or obligation set out in the following sections and articles of the insurance contract has not been met:
  - Article 7.3, Section B;
  - “General conditions” section;
  - “Reporting a loss and submitting a claim” section;
  - “Effective date, renewal and expiry of insurance contract” section.
- a misrepresentation or concealment was made in the application or the “Declarations” section of the insurance contract; or
- fraud or deceitful representation relating to a **loss** was committed or made by an insured person.

### Creditor's commitments

The creditor agrees to:

1. pay, at the **insurer**'s request, any **insurance premium** that is due and has not been paid; and
2. promptly report to the **insurer** any change that increases the risks specified in the insurance contract.

The creditor must also pay, at the **insurer**'s request, any additional **insurance premium** arising from an aggravation of risk.

The facts to be reported must result from events within the control of the creditor. They must also be likely to materially influence an **insurer** in:

- analyzing the risk;
- deciding whether to continue or terminate the insurance contract; or
- setting the **insurance premium**.

### Insurer's obligation

The **insurer** must give the creditor notice at least 15 days before cancelling or changing any coverage under Section B of the insurance contract.

The **insurer** is required to do so only if cancelling or modifying the coverage is prejudicial to the creditor.

### Right of insurer after paying an indemnity (*right of subrogation*)

When the **insurer** pays the creditor an indemnity to which the **named insured** would not have been entitled, the **insurer** will be subrogated to the rights of the creditor against the **named insured** for security given by the latter to the creditor. This means that the creditor's rights are transferred to the **insurer**. Subrogation operates up to the amount of the indemnity paid by the **insurer** to the creditor.

The **insurer** may also decide to pay the entire debt owed by the **named insured** to the creditor, plus accrued interest, in which case all security that the **named insured** provided to the creditor for the full amount of the debt plus interest will be transferred to the **insurer**.

In all instances, the conditions of subrogation must not bar a creditor from exercising its rights.

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-25

**Changes to Declarations**

*The **endorsement** heading must be entered in the “Declarations” section of the insurance contract. Details required for the **endorsement** may be entered in the “Declarations” section or in the **endorsement** itself, at the **insurer’s** option.*

Name of insurer: .....

Named insured: .....

Endorsement to automobile insurance policy No.: .....

Effective date: This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

.....

This **endorsement** may not be used in any way to change the standard wording of the insurance contract approved by the *Autorité des marchés financiers*.

Endorsement description

This **endorsement** makes the following changes to the details entered in the “Declarations” section of the insurance contract:

.....  
.....  
.....  
.....  
.....  
.....  
.....

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-27

**Civil liability resulting from damage caused to vehicles of which the named insured is not the owner**  
(including vehicles provided by an employer)  
(Section A)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Termination date:** This **endorsement** will apply until ..... at 12:01 A.M. standard time at the address of the **named insured** or, if no date is specified, until the expiry date of the insurance contract.

**Additional insurance premium payable:**

- Amount payable: .....
- Due date: .....

**Endorsement description**

This **endorsement** extends coverage under Section A of the insurance contract to the financial consequences that an insured person may incur when civilly liable for:

- **damage** caused to a vehicle of the ..... type or its equipment and accessories;
- disappearance of the vehicle or its equipment and accessories.

Civil liability may be contractual or extracontractual.

**Insured persons**

In this **endorsement**, "insured person" refers to:

- the **named insured**;
- his or her **spouse**;
- any person designated in a Q.E.F. No. 4-2 entitled "Vehicles of which the named insured is not the owner and when driven by named drivers" attached to the insurance contract;
- the legal representatives and the succession of all the above listed insured persons.

However, if the **named insured** is a legal person, partnership or association, "insured person" refers to:

- any employee, shareholder, partner or member authorized by the **named insured**;
- his or her **spouse**;
- any person designated in a Q.E.F. No. 4-2 attached to the insurance contract;
- the legal representatives and the succession of all the above listed insured persons.

Or solely to:

- the following persons: .....;
- their **spouses**;
- any person designated in a Q.E.F. No. 4-2 attached to the insurance contract;
- the legal representatives and the succession of all the above listed insured persons.

### Application

1. The insured person must have the care, custody or control of the vehicle or its equipment and accessories.
2. The **damage** must not be caused to a **customer's vehicle**.
3. The insured person or anyone whose domicile is the same as that of the **named insured** must not be the **owner** of the vehicle.

### Covered perils and insurance premiums

Coverage is provided only for those perils for which a **deductible** or an **insurance premium** is shown in the table below, or entered specifically for this **endorsement** in the "Declarations" section of the insurance contract:

<b>SECTION A</b> Coverage for civil liability arising from <b>property damage</b> and <b>bodily injury</b> caused to <b>another person</b>		
PERILS	DEDUCTIBLE	INSURANCE PREMIUM
<u>Protection 1: "All perils"</u>	\$  <b>Deductible per loss:</b>	\$
<u>Protection 2: Perils of collision and upset</u>	\$	\$
<u>Protection 3: All perils other than collision or upset</u>	\$	\$
<u>Protection 4: Specific perils</u>	\$	\$
	<b>Total:</b>	\$

If the **damage** is caused by lightning or fire, the **deductible** will not apply.

## Clarifications

- (1) Protections 1, 2, 3 and 4 have the same meanings as in Section B of the insurance contract. The exclusions specified in that section will apply, as the case may be.
- (2) An **amount of insurance** of
  - \$..... will apply per **loss**;
  - \$..... will apply per vehicle, up to an amount of \$..... per **loss**;plus the legal and other costs arising from a lawsuit.
- (3) Where applicable, the additional coverage provided under Section A of the insurance contract may apply.
- (4) The **insurer** agrees not to exercise any recourse against a person who, with the insured person's consent, has the care, custody or control of the vehicle or its equipment and accessories, unless that person:
  - was engaged in a **garage business** at the time of the **loss** other than as an employee, shareholder, member or partner of the **named insured**; or
  - failed to comply with the insurance contract.

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-27a

**Civil liability resulting from damage caused to vehicles of which the named insured is not the owner**  
(excluding vehicles provided by an employer)  
(Section A)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Termination date:** This **endorsement** will apply until ..... at 12:01 A.M. standard time at the address of the **named insured** or, if no date is specified, until the expiry date of the insurance contract.

**Additional insurance premium** payable:

- Amount payable: .....
- Due date: .....

**Endorsement description**

This **endorsement** extends coverage under Section A of the insurance contract to the financial consequences that an insured person may incur when civilly liable for:

- **damage** caused to a vehicle of the ..... type or its equipment and accessories;
- disappearance of the vehicle or its equipment and accessories.

Civil liability may be contractual or extracontractual.

**Insured persons**

In this **endorsement**, "insured person" refers to:

- the **named insured**;
- his or her **spouse**;
- any person designated in a Q.E.F. No. 4-2 entitled "Vehicles of which the named insured is not the owner and when driven by named drivers" attached to the insurance contract;
- the legal representatives and the succession of all the above listed insured persons.

However, if the **named insured** is a legal person, partnership or association, "insured person" refers to:

- any employee, shareholder, partner or member authorized by the **named insured**;
- his or her **spouse**;
- any person designated in a Q.E.F. No. 4-2, attached to the insurance contract;
- the legal representatives and the succession of all the above listed insured persons.

Or solely to:

- the following persons: .....;
- their **spouses**;
- any person designated in a Q.E.F. No. 4-2, attached to the insurance contract;
- the legal representatives and the succession of all the above listed insured persons.

#### Application

1. The insured person must have the care, custody or control of the vehicle, its equipment and accessories.
2. The **damage** must not be caused to a **customer's vehicle**.
3. The insured person or anyone whose domicile is the same as that of the **named insured** must not be the **owner** of the vehicle.
4. The employer of an insured person or the employer of anyone whose domicile is the same as that of the insured person must not be the **owner** of the vehicle.

#### Covered perils and insurance premiums

Coverage is provided only for those perils for which a **deductible** or an **insurance premium** is shown in the table below, or entered specifically for this **endorsement** in the "Declarations" section of the insurance contract:

<b>SECTION A</b> Coverage for civil liability arising from <b>property damage</b> and <b>bodily injury</b> caused to <b>another person</b>		
PERILS	DEDUCTIBLE	INSURANCE PREMIUM
<u>Protection 1: "All perils"</u>	\$	\$
<u>Protection 2: Perils of collision and upset</u>	\$	\$
<u>Protection 3: All perils other than collision or upset</u>	\$	\$
<u>Protection 4: Specific perils</u>	\$	\$
	Total:	\$

If the **damage** is caused by lightning or fire, the **deductible** will not apply.

## Clarifications

- (1) Protections 1, 2, 3 and 4 have the same meanings as in Section B of the insurance contract. The exclusions specified in that section will apply, as the case may be.
- (2) An **amount of insurance** of
  - \$..... will apply per **loss**;
  - \$..... will apply per vehicle, up to an amount of \$..... per **loss**;plus the legal and other costs arising from a lawsuit.
- (3) Where applicable, the additional coverage provided under Section A of the insurance contract may apply.
- (4) The **insurer** agrees not to exercise any recourse against a person who, with the insured person's consent, has the care, custody or control of the vehicle or its equipment and accessories, unless that person:
  - was engaged in a **garage business** at the time of the **loss** other than as an employee, shareholder, member or partner of the **named insured**; or
  - failed to comply with the insurance contract.

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-28

**Limitation of coverage for named drivers**

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** limits coverage under the insurance contract when the specified vehicle is, at the time of the **loss**, being driven or used by: ..... named driver(s)

In such instance, coverage will be limited to the following perils, or to those perils entered specifically for this **endorsement** in the "Declarations" section of the insurance contract:

COVERAGE	PERILS	AMOUNT OF INSURANCE	DEDUCTIBLE	COVERED / NOT COVERED
Section A: Civil liability	Property damage or bodily injury to another person	\$ ..... per loss, for all locations described in the insurance contract	\$	
Section B: Damage to owned vehicles	Protection 1: "All perils"	\$	\$	
	Protection 2: Perils of collision and upset	N/A	\$	
	Protection 3: All perils other than collision or upset	\$	\$	
	Protection 4: Specific perils	\$	\$	

<u>Section C:</u> Civil liability arising from <b>damage to</b> <b>customers'</b> <b>vehicles</b>	<u>Protection 1:</u> "All perils"	\$	\$	
	<u>Protection 2:</u> Perils of collision and upset	\$	\$	
	<u>Protection 3:</u> All perils other than collision or upset	\$	\$	
	<u>Protection 4:</u> Specific perils	\$	\$	

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

**Change in amount of insurance on aerodrome premises**  
(Section A)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. The applicable option and details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

Name of insurer: .....

Named insured: .....

Endorsement to automobile insurance policy No.: .....

Effective date: This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):  
.....

Endorsement description

Depending on the applicable option, this **endorsement** changes the **amount of insurance** under Section A of the insurance contract when the specified vehicle is, at the time of the **loss**, on the premises of an aerodrome.

Option 1: Reduction of amount of insurance

The **amount of insurance** under Section A is reduced to the minimum amount prescribed by the applicable laws regarding automobile insurance.

Option 2: Replacement of amount of insurance

Subject to the minimum amounts prescribed by the applicable laws regarding automobile insurance, the **amount of insurance** under Section A is replaced by the following: \$.....

Application

The **damage** caused by the specified vehicle must occur:

- on any take-off and/or landing runway of an aerodrome;
- in a hangar of an aerodrome;
- on any aircraft traffic, parking, servicing, repair or maintenance area;
- as a result of loading or unloading aircraft.

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-30

**Limitation of coverage for equipment and machinery attached to vehicle**  
(Section A)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

Subject to the *Automobile Insurance Act*, this **endorsement** limits coverage under Section A of the insurance contract by adding the following exclusion:

- Coverage will not be provided for the financial consequences that an insured person may incur if held civilly liable for **damage** caused by the following equipment or machinery, or accessories thereof, when attached or mounted on the specified vehicle:

.....

(Description of equipment or machinery)

For the above exclusion to apply:

- **damage** must be caused while the equipment or machinery, or accessories thereof, are at the site of their use; and
- the insured person's civil liability must result from the ownership, use or operation by the insured person or by another person of the equipment or machinery, or accessories thereof.

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

**Equipment not owned by the named insured**  
(Sections A and B)

*The **endorsement** heading must be entered in the “Declarations” section of the insurance contract. Details required for the **endorsement** may be entered in the “Declarations” section or in the **endorsement** itself, at the **insurer’s** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** extends coverage under the insurance contract to the following equipment not owned by the **named insured**:

**Application**

The equipment must be normally attached to the specified vehicle. In addition, the **named insured** must have the care, custody or control of such equipment.

1. **Section A**

Coverage under Section A is extended to the financial consequences that an insured person may incur if held civilly liable for **damage** caused to **another person** and resulting from the equipment described above.

2. **Section B**

Coverage under Section B as applicable to the specified vehicle is extended to:

- direct and accidental **damage** caused to the equipment described above;
- disappearance of such equipment.

For Section B, the indemnity will be payable up to the “actual cash value” of the equipment, subject to a maximum of \$..... Payment will be made jointly to the **named insured** and ..... to the extent of their respective interests.

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

**Recreational-purpose vehicles**

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Endorsement description**

This **endorsement** changes the insurance contract since a "recreational-purpose **motor vehicle**" is one of the "insured vehicles" under the insurance contract.

**Recreational-purpose motor vehicle**

"Recreational-purpose motor vehicle" means, among other things, any **motor vehicle**, whether commercially built or otherwise, of a type similar to:

- all-terrain vehicles;
- dune buggies;
- micro-cars;
- minibikes; and
- snowmobiles.

**Description of changes**

1. The expressions "**motor vehicle**" and "**passenger vehicle**" are replaced by "recreational-purpose motor vehicle" of the same type as that covered by the insurance contract.
2. The expression "trailers or semi-trailers" is replaced by "trailers used with a recreational-purpose motor vehicle" of the same type as that covered by the insurance contract.
3. In the "General Conditions" section, paragraph A. of Article 6 entitled "*Prohibited use of insured vehicle*" is replaced with the following paragraph:

"A. When they are not legally authorized to drive."

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-34

**Accident benefits insurance**

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

<u>Name of insurer:</u> .....
<u>Named insured:</u> .....
<u>Endorsement to automobile insurance policy No.:</u> .....
<u>Effective date:</u> This <b>endorsement</b> will apply from ..... at 12:01 A.M. standard time at the address of the <b>named insured</b> .
<u>Additional insurance premium payable:</u>
▪ Amount payable: .....
▪ Due date: .....

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## **ENDORSEMENT DESCRIPTION**

Depending on the applicable division, this **endorsement** provides for the payment of benefits when an accident causes **bodily injury** to an insured person.

*To determine which division applies, refer to the "Applicable division, maximum amount and insurance premium" section of this **endorsement**.*

## **CONDITIONS**

1. The **motor vehicle** must have been the direct cause of **bodily injury**, independently of any other cause.
2. Benefits are payable per accident and per insured person. If there are several insured vehicles under the insurance contract, benefits may not be combined
3. Only persons who comply with the conditions of the insurance contract and this **endorsement** may benefit from the coverage under this **endorsement**.

## **INSURED PERSONS**

Under Division 1, "insured person" refers to the **named insured**, his or her **spouse** and any **dependent children** of either.

Under Division 2, only the **named insured** is an "insured person."

## **APPLICABLE DIVISION, MAXIMUM AMOUNTS AND INSURANCE PREMIUM**

Coverage will apply only for the divisions and subdivisions where a maximum amount or an **insurance premium** is shown in the table below, or entered specifically for this **endorsement** in the "Declarations" section of the insurance contract.

<u>DIVISION</u>	<u>SUBDIVISION</u>	<u>MAXIMUM AMOUNT</u>	<u>INSURANCE PREMIUM</u>
1	A – Death benefits	Principal sum \$	\$
	B – Dismemberment benefits	Principal sum \$	\$
	C – Reimbursement of medical expenses	Maximum amount \$	\$
2 Total disability benefits		Maximum amount \$ per week	\$
		Total:	\$

## **DESCRIPTION OF DIVISIONS**

### **Division 1**

*Death and dismemberment benefits and reimbursement of medical expenses*

#### **Subdivision A - Death benefits**

When an insured person dies within 12 months after the accident leading to his or her death, the following benefits will be paid under Subdivision A:

- If the **named insured** dies: 100% of the principal sum, plus 10% of the principal sum per **dependent child** upon the death of the **named insured**.
- If the **spouse** of the **named insured** dies: .....% of the principal sum, plus 10% of the principal sum per **dependent child** upon the death of the **spouse**.
- If a **dependent child** dies: .....% of the principal sum.

Benefit payments will be made as follows:

- If the insured person dies leaving a **spouse**, the benefit will be payable to the **spouse**.
- If the insured person dies without leaving a **spouse**, the benefit will be payable to the **dependants**, in equal shares.
- If the insured person dies without leaving either a **spouse** or **dependants**, the benefit will be payable to the insured person's succession.
- If a **dependent child** dies, the benefit will be payable to the **named insured**.

If, as a result of the same accident, an insured person should suffer dismemberment and then die, the benefits that have already been paid under Subdivision B will be deducted from the benefit payable under Subdivision A.

#### **Subdivision B – Dismemberment benefits**

When an insured person loses his or her sight or a limb within 12 months after the accident that caused the loss, the following benefits will be paid under Subdivision B:

▪ <u>Loss of both hands:</u>	100% of the principal sum;
▪ <u>Loss of both feet:</u>	100% of the principal sum;
▪ <u>Loss of sight in both eyes:</u>	100% of the principal sum;
▪ <u>Loss of one hand and one foot:</u>	100% of the principal sum;
▪ <u>Loss of one hand and sight in one eye:</u>	100% of the principal sum;
▪ <u>Loss of one foot and sight in one eye:</u>	100% of the principal sum;
▪ <u>Loss of one arm:</u>	75% of the principal sum;
▪ <u>Loss of one leg:</u>	75% of the principal sum;
▪ <u>Loss of one hand:</u>	50% of the principal sum;
▪ <u>Loss of one foot:</u>	50% of the principal sum;
▪ <u>Loss of sight in one eye:</u>	50% of the principal sum.

Loss as used with reference to an eye means total and irrecoverable loss of sight.

Loss as used with reference to a limb means:

- For an arm: complete severance above the elbow.
- For a foot: complete severance through the knee, above the ankle or through the ankle.
- For a hand: complete severance through the elbow, above the wrist or through the wrist.
- For a leg: complete severance above the knee.

Benefits provided under this subdivision for the same accident may not exceed 100% of the principal sum.

#### Subdivision C – Reimbursement of medical expenses

Expenses reasonably incurred for the following services, care or treatments will be reimbursed under Subdivision C:

- ambulance services;
- dental treatment;
- hospital care;
- medical care;
- registered nursing care;
- surgical treatment.

The expenses must have been incurred within 2 years after the accident that caused them.

The total amount of expenses reimbursed for the same accident may not exceed the maximum amount for this subdivision.

#### Exclusion

Subdivision C excludes the portion of medical expenses covered by any other government or private insurance, unless the other insurance is similar to this coverage.

### Division 2 Total disability benefits

Division 2 provides for the payment of an income replacement benefit when the **named insured** becomes wholly and continuously disabled as a result of an accident. This benefit will be calculated on a weekly basis and will be payable only in addition to the following amounts:

- amounts payable by the *Société de l'assurance automobile du Québec* under the *Automobile Insurance Act*; and
- amounts payable under the *Act respecting industrial accidents and occupational disease* and the *Crime Victims Compensation Act*.

#### Conditions

1. The **named insured** must be employed on the date of the accident. The **named insured** is deemed to be employed in either of the following situations:
  - he or she was actively engaged in an occupation or employment for wages or profit;
  - he or she was 21 to 65 years of age and, in the 12 months preceding the accident, he or she was engaged in an occupation or employment for wages or profit for at least 6 months, whether continuously or not.
2. The disability must appear within 20 days after the accident that caused it.
3. The disability completely prevents the **named insured** from actively engaging in his or her occupation or employment.

## Limitations

For each accident:

- The **named insured** will not be entitled to benefits for the first 7 days of disability.
- Once the 7 days have elapsed, the **named insured** will be entitled to benefits for a maximum of ..... weeks.
- If the disability continues after the maximum number of weeks, benefits will continue to be payable for a further period of up to ..... weeks, if:
  - continuation of the disability is duly certified; and
  - the disability prevents the **named insured** from engaging in any occupation or employment for wages or profit on a permanent basis.

The **named insured** may not receive benefits greater than the money value of any occupation or employment that he or she engaged in for wages or profit before the accident.

If the **named insured** is covered under several insurance policies, benefits will be calculated as follows:

Money value of all activities		Benefit payable under Division 2 of this <b>endorsement</b>
Total benefits payable for the disability under all insurance policies	<b>X</b>	

## EXCLUSIONS

The following exclusions will apply:

- Bodily injury** caused directly or indirectly by sickness or disease, unless the sickness or disease was contracted as a direct result of an accident covered by this **endorsement**.
- Bodily injury** suffered by an insured person who committed or attempted to commit suicide, whether sane or insane, if this **endorsement** was not continuously in force for at least 2 years.
- Whether or not war is declared, **bodily injury** caused directly or indirectly by:
  - bombardment;
  - civil war;
  - insurrection;
  - invasion;
  - military power;
  - operation of armed forces while engaged in hostilities;
  - rebellion;
  - revolution; and
  - usurped power.

## **WHAT TO DO IN THE EVENT OF AN ACCIDENT**

### **Subdivision A - Death benefits**

In the event of an accident causing death, a claim must be submitted in writing to the **insurer**, accompanied by proof establishing, for example:

- death of the insured person;
- cause of death;
- rights of beneficiaries.

### **Subdivisions B and C, and Division 2 - Dismemberment benefits, reimbursement of medical expenses and total disability benefits**

In the event of an accident covered under Subdivision B or C, or Division 2, the insured person or any other person awarded compensation must fulfil the obligations outlined below. They may do so either personally or through an intermediary.

#### **Obligations to fulfil:**

- Within 30 days of learning of the accident, the person must inform the **insurer** in writing.
- Within 90 days of learning of the accident, the person must support the claim by providing the **insurer** with all the information that the **insurer** may reasonably expect as to the circumstances and extent of the accident.
- In the event of failure to satisfy the 30 or 90-day requirement, the person must demonstrate that he or she was unable to act within those time periods. Benefit payments may be made nonetheless if the person fulfils his or her obligations within one year after the accident.
- At the **insurer**'s request, the person must provide a medical certificate confirming the following information:
  - the cause and nature of the **bodily injury** for which the claim is being made;
  - the duration of total disability arising from such **bodily injury**.

## **AUTOPSY AND MEDICAL EXAMINATION**

### **Subdivision A - Death benefits**

If an insured person dies, the **insurer** may have an autopsy performed, subject to the requirements set out in the *Civil Code of Québec*.

### **Subdivisions B and C, and Division 2 - Dismemberment benefits, reimbursement of medical expenses and total disability benefits**

The **insurer** is entitled to require that the insured person undergo a medical examination within a reasonable time period, if warranted by the nature of the disability or the loss.

The **insurer** may have the insured person undergo a medical examination as often as may be reasonably required while the claim is pending.

The insured person will be required to submit to such examination.

## **TIME TO PAY BENEFITS**

### **Subdivision A - Death benefits**

The **insurer** must pay the benefits within 30 days after receipt of the required information and documents.

## Subdivisions B and C - Dismemberment benefits and reimbursement of medical expenses

The **insurer** must pay benefits or reimburse medical expenses within 60 days after receipt of the required information and documents.

## Division 2 - Total disability benefits

The **insurer** must pay the initial benefit within 30 days after receipt of the required information and documents. During the continuation of disability, subsequent payments will be made at 30-day intervals, subject to submission of the proof set out in the "*What to do in the event of an accident*" section of this **endorsement**.

## RIGHTS OF INSURER IN RELATION TO PAYMENT OF BENEFITS OR EXPENSES

The **insurer** may decide to pay all or part of the benefits or expenses directly to either the beneficiary of the insurance or the natural or legal persons providing the medical services, care or treatments. If any amount remains payable, the total amount of benefits or expenses already paid will then be deducted from the maximum amount under the appropriate subdivision.

Before paying benefits:

- the **insurer** may require a release from the person to whom it paid a benefit or reimbursed expenses.
- the **insurer** may require that it be subrogated to the beneficiary's recourses against the person responsible for the **bodily injury**, up to the amount of the benefit it has paid. This means that the beneficiary's recourses are transferred to the **insurer**.

In addition, the payment of a benefit or the reimbursement of medical expenses will not constitute an admission of liability as regards the accident. Such payment may therefore not be set up against the insured person or the **insurer** in respect of civil liability.

## DEFINITIONS

For the purposes of this **endorsement**, the following definitions will be in addition to or will replace the definitions contained in the insurance contract.

Bodily injury: Any injury of a physical nature, including death.

Dependent child:

- Any child under 18 years of age for whom the **named insured** or the **named insured's spouse** has legal and actual custody;
- Any child 18 years of age or older whose domicile is the same as that of the **named insured** and who is entirely dependent on the **named insured** and/or the **named insured's spouse** due to a mental or physical disability.

Dependants: This expression refers to the following persons:

- any **dependent child**; and
- the father or mother of the deceased insured person, if the following conditions are met:
  - the father or mother had the same domicile as the insured person on the date of the accident; and
  - the father or mother was principally dependent on the insured person for financial support up to the date of the accident.

Named insured:

- The expression "named insured" refers to any person named in Item 1, "*Declarations*" of the insurance contract;

- If the person named in Item 1 is a legal person, partnership or association, the expression will refer to each of its employees, shareholders, members or partners having at their disposal on a regular basis a vehicle covered under the insurance contract and provided by the **named insured** for which an **insurance premium** or a maximum amount is entered specifically for this **endorsement** (see Item 4, "Declarations" of the insurance contract).

*All other conditions of the insurance contract remain the same.*

**Changes to coverage for electronic equipment**  
(Section B)

The **endorsement** heading and the applicable option must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

Depending on the applicable option, this **endorsement** changes the coverage under Section B of the insurance contract for "electronic equipment" that is not "original electronic equipment."

**Option 4-37A: Limitation of indemnity**

In the event of a covered **loss**, the indemnity under Section B will be limited to \$..... for all damaged "electronic equipment" that is not "original electronic equipment."

In addition, the indemnity may not be greater than the "actual cash value" of the damaged "electronic equipment."

This limitation will apply even when a Q.E.F. No. 4-43 (A to F) entitled "Change to indemnity" is attached to the insurance contract.

**Option 4-37B: Exclusion from coverage**

All "electronic equipment" that is not "original electronic equipment" will be excluded from coverage under Section B.

**Definitions**

1. **Electronic equipment**

The expression "electronic equipment" as used in this **endorsement** means electronic devices that are:

- installed or meant to be installed permanently in or on the specified vehicle; and
- used for communicating, reproducing or recording sound or images or both simultaneously, including:
  - compact disc and DVD players;
  - personal navigation devices (GPS);
  - radios, including citizens band, two-way amateur or other radios; and
  - sound systems.

2. Original electronic equipment

The expression "original electronic equipment" as used in this **endorsement** means the electronic equipment that was:

- installed by the manufacturer or the dealer; and
- included in the original purchase price of the specified vehicle.

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-41

**Change to deductibles**  
(Section B)

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.*

Name of insurer: .....

Named insured: .....

Endorsement to automobile insurance policy No.: .....

Effective date: This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

.....

Endorsement description

This **endorsement** makes the following changes to the **deductible** amounts under Section B, as entered in Item 4, "Declarations" of the insurance contract:

.....  
.....

All other conditions of the insurance contract remain the same.

Québec Endorsement Form

Q.E.F. No. 4-43 (A to F)

**Change to indemnity**  
(Section B)

The **endorsement** heading and the applicable options must be entered in the “Declarations” section of the insurance contract. Details required for the **endorsement** may be entered in the “Declarations” section or in the **endorsement** itself, at the **insurer**’s option.

Name of insurer:

Named insured:

Endorsement to automobile insurance policy No.:

Effective date: This **endorsement** will apply from ..... at 12:01 A.M.  
standard time at the address of the **named insured**.

Additional insurance premium payable:

- Amount payable: .....
- Due date: .....

Specified vehicle: This **endorsement** will apply only to the following vehicle(s):

**ENDORSEMENT DESCRIPTION**

This **endorsement** extends coverage under Section B of the insurance contract by changing, depending on the applicable options, Article 2, “*Reporting a loss and submitting a claim*.”

Changes made by the following options relate to how the value of **damage** is calculated.

**APPLICATION OF ENDORSEMENT**

For the options to apply to the specified vehicle, they must be entered in the “Declarations” section of the insurance contract.

Except for Option 4-43C, the **named insured** may elect settlement in accordance with Article 2, “*Reporting a loss and submitting a claim*,” without the selected option being applied. In such instance, the **named insured** must submit a request to the **insurer**.

The **deductible** entered in the “Declarations” section for the specified vehicle will be assumed by the **named insured**.

**VALUE OF DAMAGE IN EVENT OF PARTIAL LOSS**

Options 4-43A and 4-43B relate to calculation of the value of **damage** payable by the **insurer** in the event of repair or replacement of damaged parts.

These options change Article 2.1, “*Reporting a loss and submitting a claim*.” However, the rules set out in the first paragraph of Article 2.1.1 of that section continue to apply.

Option 4-43A – Partial loss – New parts

In the event of partial loss, when the damaged parts can be repaired, the value of **damage** will be calculated in accordance with Article 2.1, *“Reporting a loss and submitting a claim.”* However, there will be no deduction for depreciation.

If the **insurer** determines that damaged parts cannot be repaired and must be replaced, there will be no deduction for depreciation. In addition:

- the value of **damage** will be calculated on the basis of the cost of new original equipment manufacturer parts;
- if glass is damaged, the **named insured** may ask for it to be replaced by a new original equipment manufacturer part or by a new similar part.

If a new part is out of stock or no longer being manufactured, the liability of the **insurer** will be limited to the latest list price of the new original equipment manufacturer part.

If the damaged parts are not repaired or replaced by new parts, Option 4-43A will not apply.

Option 4-43B – Partial loss – Waiver of depreciation

In the event of partial loss, the value of **damage** will be calculated in accordance with Article 2.1, *“Reporting a loss and submitting a claim.”* However, if the **insurer** determines that depreciation is to be applied to the value of **damage**, this option will cover such depreciation up to a maximum amount of \$..... per loss.

However, if the damaged parts are not repaired or replaced, Option 4-43B will not apply.

**VALUE OF DAMAGE IN EVENT OF TOTAL LOSS OR TOTAL CONSTRUCTIVE LOSS**

Options 4-43C, 4-43D, 4-43E and 4-43F relate to calculation of the value of **damage** payable by the **insurer** in the event of total loss or total constructive loss. They change Article 2.2, *“Reporting a loss and submitting a claim.”*

Option 4-43C – Total loss – Value of vehicle agreed in advance

In the event of total loss or total constructive loss, the **named insured** and the **insurer** agree that the value of the specified vehicle, on the date of the **loss**, will be: \$..... (“agreed value”).

Option 4-43D – Total loss – Waiver of depreciation

In the event of total loss or total constructive loss, the value of **damage** will be equal to the least of the following amounts:

- the price paid for the specified vehicle by the **named insured** who is the actual owner;
- the current price of the specified vehicle on the original date of purchase; or
- the price for which the **insurer** may, on the date of the **loss**, purchase a new vehicle with specifications or equipment and accessories similar to those of the specified vehicle.

Option 4-43E – Total loss – Replacement cost

In the event of total loss or total constructive loss, the **named insured** may choose one of the following three indemnity options:

1. Replacement by a new vehicle

If the specified vehicle is replaced by a new vehicle with the same specifications, equipment and accessories, the value of **damage** will be equal to the price of this vehicle.

If no such vehicle is available and the specified vehicle is replaced by a new vehicle with similar specifications, equipment and accessories, the value of **damage** will be equal to the price of this vehicle.

2. Replacement by a used vehicle, or by a new vehicle other than as in paragraph 1

If the specified vehicle is replaced by a used vehicle, or by a new vehicle other than as in paragraph 1, the value of **damage** will be equal to the higher of the following amounts:

- the price paid for the specified vehicle by the **named insured** who is the actual owner; or
- the price of the used or new vehicle that replaces the specified vehicle.

However, the value of **damage** may not be greater than the price that the **insurer** would have paid had paragraph 1 applied.

3. Marked-up price paid

The **named insured** may request to receive an indemnity in cash. In this case, the value of **damage** will be equal to the price paid for the specified vehicle by the **named insured** who is the actual owner, increased by an annually compounded percentage, calculated in proportion to the number of days elapsed between the date of the vehicle purchase contract and the date of the total loss or total constructive loss.

Price paid: price charged for the specified vehicle as indicated in the purchase contract, long-term lease or contract of leasing, including its equipment and accessories only.

The percentage to be used to calculate the marked-up price paid must correspond to the consumer price index (CPI) for the automobile sector, as published by the Institut de la statistique du Québec. If the CPI for the year of the **loss** is unknown, the CPI from the previous year must be used.

Option 4-43F – Total loss – Increased settlement

In the event of total loss or total constructive loss, the value of **damage** will be equal to:

- A** – the price paid for the specified vehicle by the **named insured** who is the actual owner, increased by .....% compounded annually and calculated proportionally to the number of days elapsed between ..... (date) and the date of the **loss**;  
or
- B** – the amount of \$..... increased by .....% compounded annually and calculated proportionally to the number of days elapsed between ..... (date) and the date of the **loss**;  
or
- C** – the “actual cash value” of the specified vehicle increased by .....% compounded annually and calculated proportionally to the number of days elapsed between ..... (date) and the date of the **loss**;  
or
- D** – the “actual cash value” of the specified vehicle increased by \$.....

In all instances, the value of **damage** may not be greater than the price for which the **insurer** may, on the date of the **loss**, purchase a new vehicle with specifications, equipment and accessories similar to those of the specified vehicle.

### **SPECIFIC RULE FOR VEHICLE LEASED OR UNDER A CONTRACT OF LEASING**

If the specified vehicle is leased or under a contract of leasing, and if Option 4-43D, 4-43E or 4-43F applies and the owner and lessee are designated in the insurance contract, only the lessee will be entitled to the difference between:

- the value of the specified vehicle, as calculated in accordance with the applicable option; and
- the “actual cash value” of the specified vehicle, as calculated in accordance with Article 2.2, *“Reporting a loss and submitting a claim.”*

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-44

**Addition of countries or places for application of coverage**

*The **endorsement** heading must be entered in the “Declarations” section of the insurance contract. Details required for the **endorsement** may be entered in the “Declarations” section or in the **endorsement** itself, at the **insurer’s** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Additional insurance premium payable:**

- Amount payable: .....
- Due date: .....

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** changes Article 2, “General conditions” to extend the application of coverage under the insurance contract to the following country or place:

.....  
The application of this coverage will also be extended in the event that the specified vehicle is on or in a vessel, aircraft or land vehicle used to carry the vehicle between Canada or the United States and the point of arrival in the following country or place:

.....  
Such country or place is also to be added to those referred to in:

- Articles 5.1, 7.3 and 8, Section A of the insurance contract; and
- Article 4.2, Section B of the insurance contract.

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-45A

**Warranty relating to the risk of theft of entire vehicle**  
(Section B)

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement to automobile insurance policy No.:** .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** changes Section B of the insurance contract by adding a warranty relating to the risk of theft of the entire specified vehicle.

**Description of warranty**

Within ..... days of the effective date of the **endorsement**, the **named insured** agrees that:  
[minimum of 30 days]

the following anti-theft or tracking system will be installed and maintained in working order:

.....

the following requirements will be met:

.....

**Consequence of any breach of warranty**

If the **named insured** fails to satisfy this warranty and this failure increases the risk of theft of the entire specified vehicle:

coverage for theft of the entire vehicle will be suspended; or

coverage for theft of the entire vehicle will be subject to a **deductible** of \$ ..... per **loss**.

This consequence will apply for as long as the **named insured** fails to remedy the breach of warranty.

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

**Warranty relating to the risk of theft of entire vehicle**  
(Section C)

*The **endorsement** heading must be entered in the “Declarations” section of the insurance contract. Details required for the **endorsement** may be entered in the “Declarations” section or in the **endorsement** itself, at the **insurer**’s option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Endorsement description**

This **endorsement** changes Section C of the insurance contract by adding a warranty relating to the risk of theft of the entire vehicle.

**Description of warranty**

Within ..... days of the effective date of the **endorsement**, the **named insured** agrees that:  
[minimum of 30 days]

**Consequence of any breach of warranty**

If the **named insured** fails to satisfy this warranty and this failure increases the risk of theft of the entire vehicle:

- coverage for theft of the entire vehicle will be suspended; or
- coverage for theft of the entire vehicle will be subject to a **deductible** of  
\$..... per **loss**.

This consequence will apply for as long as the **named insured** fails to remedy the breach of warranty.

All other conditions of the insurance contract remain the same.

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-70

**Exclusion of owned vehicles**

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Endorsement description**

This **endorsement** changes the insurance contract by adding the following exclusion:

The insurance contract excludes **vehicles of which the named insured is the owner** and vehicles registered in the name of the **named insured**, except for the following vehicles:

.....

All other conditions of the insurance contract remain the same.

**Signature of named insured**

**Additional insured persons**

*The **endorsement** heading must be entered in the “Declarations” section of the insurance contract. Details required for the **endorsement** may be entered in the “Declarations” section or in the **endorsement** itself, at the **insurer’s** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12 :01 A.M. standard time at the address of the **named insured**.

**Additional insurance premium payable:**

- Amount payable: .....
- Due date: .....

**Endorsement description**

This **endorsement** extends coverage under the insurance contract to the following persons where a vehicle is provided to them by the **named insured** for frequent or regular use:

.....  
Exclusion 6.5 of Section A and exclusion 5.5 of Section B are changed accordingly.

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-76

**Exclusion of financed vehicles with insurance**  
(Section B)

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Endorsement description**

This **endorsement** changes Section B as follows: Protections 1, 3 and 4 do not apply to vehicles held for sale by the **named insured** and which are financed with insurance.

This exclusion does not apply:

- in the case of collision and upset.
- to the value added to the vehicles by the **named insured** through the addition of machinery, equipment or accessories not included in the finance contract.

All other terms and conditions of the contract remain the same.

---

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-79

**Monthly inventory statement for  
calculation of final insurance premium**

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

<u>Name of insurer:</u> .....
<u>Named insured:</u> .....
<u>Endorsement to automobile insurance policy No.:</u> .....
<u>Effective date:</u> This <b>endorsement</b> will apply from ..... at 12:01 A.M. standard time at the address of the <b>named insured</b> .

Endorsement description

This **endorsement** constitutes the monthly inventory statement that the **named insured** must submit to the **insurer** when the **insurance premium** under the insurance contract is an advance premium. (Refer to Item 4, "Declarations" of the insurance contract.)

Inventory statement of named insured

	<b>INVENTORIES</b>		<b>FOR INSURER'S USE ONLY</b>		
<b>Location(s)</b>	<b>Number of vehicles of which the named insured is the owner</b>	<b>Wholesale market value</b>	<b>Annual rate for all coverage (according to Q.E.F. No. 4-79a)</b>	<b>Monthly insurance premium</b>	<b>Cumulative insurance premium to which the insurer is entitled</b>
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
Vehicles in transit*		\$	\$	\$	\$
Vehicles kept in private garages**		\$	\$	\$	\$

	<b>Total insurance premium</b>	\$
	<b>Total advance insurance premium</b>	\$
* <u>Vehicles in transit</u> : vehicles acquired by the <b>named insured</b> but not yet part of the <b>named insured's</b> fleet.		
** <u>Vehicles kept in private garages</u> : <b>vehicles of which the named insured is the owner</b> parked at locations other than <b>specified locations</b> .		
Due date for payment of <b>insurance premium</b> :	<input type="checkbox"/> Additional <b>insurance premium</b> payable: <input type="checkbox"/> Refund premium:	\$

I, the undersigned, ..... hereby declare that the values stated above are, to the best of my knowledge and belief, a true statement of the wholesale market values of all vehicles used in connection with these business activities and subject to the insurance contract at .....(date).

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-79a

**Calculation of advance insurance premium**

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**For contract period:** from ..... to .....

**Endorsement description**

This endorsement lists the basis of rating and calculation used to establish the advance **insurance premium** set out in the insurance contract.

Statements used to calculate the advance **insurance premium**:

COVERAGE (Refer to Item 4, "Declarations" of the insurance contract)	PERILS	BASIS OF RATING	ADVANCE INSURANCE PREMIUM
<u>Section A</u> Civil liability	<b>Property damage or bodily injury to other persons</b>		\$
<u>Section B</u> <b>Damage to owned vehicles</b>	<u>Protection 1</u> (*): "All perils"		\$
	<u>Protection 2</u> : Perils of collision and upset		\$
	<u>Protection 3</u> (*): All perils other than collision or upset		\$
	<u>Protection 4</u> (*): Specific perils		\$

(\*) Except with respect to collision or upset, the **insurance premium** will be calculated on:

- the basis of the **named insured's** monthly inventory statement.
- a \_\_\_\_\_% co-insurance basis.
- the following basis: \_\_\_\_\_.

<b>Section C</b> Civil liability arising from <b>damage to customers' vehicles</b>	<u>Protection 1(*):</u> "All perils"		\$
	<u>Protection 2:</u> Perils of collision and upset		\$
	<u>Protection 3(*):</u> All perils other than collision or upset		\$
	<u>Protection 4(*):</u> Specific perils		\$
(*) Except with respect to collision or upset, the <b>insurance premium</b> takes into account a _____ % co-insurance.			
Due date for payment of <b>insurance premium:</b>	<input type="checkbox"/> Total advance <b>insurance premium</b> : <input type="checkbox"/> Total <b>insurance premium</b> :		\$

All other conditions of the insurance contract remain the same.

Québec Endorsement Form  
Q.E.F. No. 4-79b

**Calculation of final insurance premium**

The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.

Name of insurer: .....

Named insured: .....

Endorsement to automobile insurance policy No.: .....

Effective date: This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

For calculation period: from ..... to .....

Endorsement description

This endorsement is used to calculate the final **insurance premium** based on the following statements.

.....  
.....  
.....

<b>COVERAGE</b> (Refer to Item 4, "Declarations" of the insurance contract)	<b>PERILS</b>	<b>BASIS OF RATING</b> (according to Q.E.F. No. 4-79a)	<b>FINAL INSURANCE PREMIUM</b>
<u>Section A</u> Civil liability	<b>Property damage or bodily injury to other persons</b>		\$
<u>Section B</u> Damage to vehicles of which the named insured is the owner	<u>Protection 1(*)</u> : "All perils"		\$
	<u>Protection 2</u> : Perils of collision and upset		\$
	<u>Protection 3(*)</u> : All perils other than collision or upset		\$
	<u>Protection 4(*)</u> : Specific perils		\$

(\*) Except with respect to collision or upset, the **insurance premium** will be calculated on:

- the basis of the **named insured**'s monthly inventory statement.
- a \_\_\_\_\_% co-insurance basis.
- the following basis: \_\_\_\_\_.

<b>Section C</b> Civil liability arising from <b>damage to customers' vehicles</b>	<u>Protection 1(*)</u> : "All perils"		\$
	<u>Protection 2</u> : Perils of collision and upset		\$
	<u>Protection 3(*)</u> : All perils other than collision or upset		\$
	<u>Protection 4(*)</u> : Specific perils		\$
(*) Except with respect to collision or upset, the <b>insurance premium</b> takes into account a _____ % co-insurance.			
Due date for payment of <b>insurance premium</b> :	<input type="checkbox"/> Total advance <b>insurance premium</b> : <input type="checkbox"/> Total <b>insurance premium</b> :	\$	\$

All other conditions of the insurance contract remain the same.

**Limitation or exclusion of coverage in case of theft or attempted theft**  
(Sections B and C)

The **endorsement** heading and applicable option must be entered in the “Declarations” section of the insurance contract. Details required for the **endorsement** may be entered in the “Declarations” section or in the **endorsement** itself, at the **insurer’s** option.

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No.: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Endorsement description**

This **endorsement** changes or excludes the coverage under Sections B and C of the insurance contract in the case of theft or attempted theft, depending on the applicable option. The **insurance premium** is reduced accordingly.

*To determine the applicable option, refer to Item 4, “Declarations” of the insurance contract.*

**Option 4-82A – Limitation of theft coverage (Section B)**

The coverage under Section B will not apply to theft from any space owned, rented, controlled or managed by the **named insured**, where:

- the space is an open lot or unroofed area; and
- a **garage business** is conducted.

This limitation of coverage will not apply to the theft of an entire vehicle.

**Option 4-82B – Limitation of theft coverage (Section C)**

The coverage under Section C will not apply to theft from any space owned, rented, controlled or managed by the **named insured**, where:

- the space is an open lot or unroofed area; and
- a **garage business** is conducted.

This limitation of coverage will not apply to the theft of an entire vehicle.

**Option 4-82C – Limitation of theft or attempted theft (Section B)**

The risk of theft or attempted theft is excluded from the coverage under Section B, except for the following vehicles:

.....  
.....

**Option 4-82D – Limitation of theft or attempted theft (Section C)**

The risk of theft or attempted theft is excluded from the coverage under Section C, except for the following vehicles:

.....  
.....

All other conditions of the insurance contract remain the same.

---

**Signature of named insured**

Québec Endorsement Form  
Q.E.F. No. 4-83

**Vehicles rented to other persons for periods of less than one year  
(unspecified lessees)**

*The **endorsement** heading must be entered in the "Declarations" section of the insurance contract. Details required for the **endorsement** may be entered in the "Declarations" section or in the **endorsement** itself, at the **insurer's** option.*

**Name of insurer:** .....

**Named insured:** .....

**Endorsement** to automobile insurance policy No: .....

**Effective date:** This **endorsement** will apply from ..... at 12:01 A.M. standard time at the address of the **named insured**.

**Additional insurance premium payable:**

- Amount payable: .....
- Due date: .....

**Specified vehicle:** This **endorsement** will apply only to the following vehicle(s):

.....

**Endorsement description**

This **endorsement** extends coverage under the insurance contract for **loss** that occurs while the insured vehicle is rented to **another person** for a maximum of ..... consecutive days.

Exclusion 6.6 of Section A and exclusion 5.6 of Section B are changed accordingly.

All other conditions of the insurance contract remain the same.