

## Correspondence Table

QUEBEC AUTOMOBILE INSURANCE POLICY FORM  
Q.P.F. NO. 4 – GARAGE FORM AND ENDORSEMENTS (2010)  
vs  
QUEBEC AUTOMOBILE INSURANCE POLICY  
Q.P.F. NO. 4 –GARAGE FORM (2018)

The Groupement des assureurs automobiles presents here a correspondence table between the version in force at the time of publication (February 2010) and the version in clear language (April 2018) of the Quebec Automobile Insurance Policy Q.P.F. No. 4. This table makes it possible to easily find corresponding texts from one version to the other and where they are located in the form.

The left-hand column contains the clauses as they appear in the February 2010 version. The next column presents the equivalent clauses of the April 2018 version of the form, although not necessarily in order of appearance. We have therefore added a column on the far right showing the pages in the February 2010 form where these clauses can be found.

### Important notes on style:

You will see text written in a **different style**. This means that the text is not relevant to the correspondence sought, but is still significant for another part of the text elsewhere in the document.

Where necessary, we have added the [...] symbol to the text. This means that there is some text before or after the text being sought. We did not include it because it was not relevant. It was not been completely eliminated from the text and appears elsewhere in the table.



2010

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<i>New section</i>	<b>INTRODUCTION</b>	5
	<p>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.</p> <p>In case of ambiguity or discrepancy between the introduction and the laws applicable to the insurance contract, the terms of the laws will prevail.</p>	5
	<p><b>1. DOCUMENTS INCLUDED IN INSURANCE CONTRACT</b></p> <p>The following documents form part of the insurance contract:</p> <ul style="list-style-type: none"> <li>▪ This document, i.e., the “Québec Automobile Insurance Policy Form (Q.P.F.) No. 4 – <i>Garage Form</i>,” a standard document approved by the <i>Autorité des marchés financiers</i>.</li> </ul> <p>Note that the “<i>Declarations</i>” section of this insurance policy contains information specific to the <b>named insured</b>.</p> <ul style="list-style-type: none"> <li>▪ The <b>endorsements</b> listed in Item 4, “<i>Declarations</i>”.</li> </ul> <p>Below is useful information to help understand the insurance contract:</p> <ul style="list-style-type: none"> <li>▪ Refer to the “<i>Table of Contents</i>” to see how the insurance contract is structured and to locate specific information.</li> <li>▪ Words and expressions in bold throughout this document and in the <b>endorsements</b> are explained in the “<i>Definitions</i>” section. Note that the <b>endorsements</b> may include their own definitions.</li> <li>▪ 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.</li> <li>▪ Coverage described in Sections A, B and C is different and applies separately.</li> </ul>	5

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	<p><b>2. OBLIGATION TO INFORM INSURER</b></p> <p>Both before the contract is made and after, any and all information that may influence the risk must be reported to the <b>insurer</b>. This information must also be reported upon renewal of the insurance contract.</p> <p>Among other information, the following must be reported:</p> <ul style="list-style-type: none"> <li>▪ Any location that is newly used or newly acquired for the purpose of carrying out the <b>described business activity</b>.</li> <li>▪ Any change to the <b>described business activity</b>, including any new activity.</li> <li>▪ Any change in the use of <b>vehicles of which the named insured is the owner</b>, including any new use.</li> <li>▪ Any new person who makes frequent or regular use of an <b>vehicle of which the named insured is the owner</b>.</li> <li>▪ Any <b>loss</b>, including any automobile accident.</li> <li>▪ Any conviction of an insured person for an offence under the <i>Highway Safety Code</i>.</li> <li>▪ Any criminal conviction of an insured person.</li> </ul> <p>In case of doubt over the obligation to report specific information, it is advisable to contact the <b>insurer</b>.</p> <p>The obligation to inform the <b>insurer</b> is detailed in Article 4, "<i>General conditions</i>".</p>	5
<b>DECLARATIONS</b>	<b>DECLARATIONS</b>	6
<p style="text-align: center;"><b>ITEM 1</b></p> <p>Full name and business address of the Insured :</p> <p>Location of other premises where business is conducted:</p>	<p><b>ITEM 1</b></p> <p><u>Name and address of the <b>named insured</b>:</u></p> <p><u>Address of the <b>specified location</b> :</u></p>	6

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<p><b>ARTICLE 2</b></p> <p>Contract period</p> <p>From ..... to .....</p> <p>12:01 a.m. standard time at the Insured's address stated above as to each of said dates.;</p>	<p><b>ITEM 2</b></p> <p><u>Contract period:</u></p> <p>From _____ * to _____ * exclusively.</p> <p>* at 12:01 A.M. standard time at the address of the <b>named insured</b>.</p>	6
<p><b>ITEM 3</b></p> <p>The automobiles in respect of which insurance is to be provided are those used in connection with the Insured's business described below and conducted at the locations specified in Item 1::</p> <p>State name of creditor to whom loss, if any, under Section B of the Insuring Agreements is payable to the extent of the creditor's interest:</p>	<p><b>ITEM 3</b></p> <p>Business activities carried out in the course of operating the <b>specified location</b> :</p> <p>.....</p> <p>Vehicles used in connection with these business activities are subject to the insurance contract.</p> <p><u>Name of creditor entitled to the indemnities under Section B, to the extent of the creditor's interest:</u></p> <p>.....</p>	6
<p><b>ITEM 4</b></p> <p>Insurance is hereby provided against one or more of the perils mentioned in this item, but only under the section(s) or subsection(s) for which a premium is specified and upon the terms and conditions of this contract and subject to the following amounts and deductibles.</p>	<p><b>ITEM 4</b></p> <p>The perils covered by the insurance contract are those for which an <b>amount of insurance</b>, a <b>deductible</b> or an <b>insurance premium</b> is shown in the table below. Coverage is subject to the conditions set out in the insurance contract.</p>	6



**2018**

<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 <b>loss</b> , for all <b>specified locations</b> in the insurance contract	\$ _____	\$ _____
Section B:  <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	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.				
Section C:  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 _____% 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>			\$ _____

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<p style="text-align: center;"><b>ITEM 5</b></p> <p>Where the premium is an advance premium only, the basis of rating and calculation of the premium shall be as stated in endorsement Q.E.F. No. 4-79a, Premium Computation Statement, attached hereto.</p>	<p style="text-align: center;"><b>ITEM 5</b></p> <p>Where the <b>insurance premium</b> is an advance premium, the basis of rating and calculation of the <b>insurance premium</b> must be as stated in <b>endorsement</b> Q.E.F. No. 4-79a – <i>Calculation of advance insurance premium</i>. This <b>endorsement</b> must be attached to the insurance contract.</p>	7
<p style="text-align: center;"><b>ITEM 6</b></p> <p style="text-align: center;"><b>IMPORTANT STATEMENTS FOR UNDERWRITING THE RISK</b></p>	<p style="text-align: center;"><b>ITEM 6</b></p> <p><u>Important statements for analyzing the risk:</u></p>	7
<p style="text-align: center;"><b>ITEM 7</b></p> <p style="text-align: center;"><b>NOTICE</b></p> <p>Agent or broker :</p> <p>At :</p>	<p style="text-align: center;"><b>ITEM 7</b></p> <p><u>Information for the <b>named insured</b>:</u></p> <p><u>Name of insurance agent or broker:</u></p> <p><u>Address of insurance agent or broker:</u></p>	7
<p style="text-align: center;"><b>INSURING AGREEMENTS</b></p> <p>Now, therefore, subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated and subject always to the condition that the Insurer shall be liable under the section(s) or subsection(s) of the following Insuring Agreements A, B and C for which a premium is specified in Item 4 of the Declarations and no other:</p>	<p><i>Retiré</i></p>	
<p style="text-align: center;"><b>SECTION A - CIVIL LIABILITY</b></p>	<p style="text-align: center;"><b>SECTION A</b></p> <p style="text-align: center;"><b>COVERAGE FOR CIVIL LIABILITY ARISING FROM PROPERTY DAMAGE AND BODILY INJURY CAUSED TO ANOTHER PERSON</b></p> <p style="text-align: center;"><b>(MANDATORY INSURANCE)</b></p>	8

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<p>The Insurer agrees to indemnify the Insured, the Insured's succession or legal representatives,</p> <p>1) <b>Owned Automobiles:</b></p> <p>and in the same manner and to the same extent as if named herein as the Insured, every other person who personally drives any owned automobile, or personally operates any part thereof, against the pecuniary consequences of civil liability the Insured or any such other person may incur for loss or damage arising from the ownership, use or operation of any such owned automobile and resulting from bodily injury to or death of others or damage to their property, provided coverage does not apply to any person having stolen or assisted in stealing such automobile; and</p>	<p><b>SECTION A</b></p> <p>1. <b>PRINCIPAL COVERAGE</b></p> <p>Section A covers the following risk: the financial consequences that an insured person may incur if held civilly liable for <b>damage</b> caused to <b>another person</b> by an insured vehicle.</p> <p>The insured person's civil liability must arise from the fact that he or she is the <b>owner</b> of the vehicle or was driving or using it.</p> <p>The <b>named insured's</b> civil liability may also arise from the operation or use, by a person other than the name insured, of an insured vehicle.</p> <p><b>SECTION A</b></p> <p>3. <b>INSURED PERSONS</b></p> <p>3.1 <b>When named insured is the owner of insured vehicle</b></p> <p>The insured persons are as follows:</p> <ul style="list-style-type: none"> <li>A. The <b>named insured</b>.</li> <li>B. Any person who drives the insured vehicle; and</li> <li>C. Any person who uses the insured vehicle. Any person who operates part of a vehicle is deemed to be using that vehicle.</li> </ul> <p>The legal representatives and succession of these insured persons are also insured.</p> <p>A person who steals or assists in stealing an insured vehicle is not insured.</p>	<p>8</p> <p>8</p>
<p>2) <b>Non-Owned Automobiles:</b></p> <p>against the pecuniary consequences of civil liability the Insured may incur for loss or damage arising from the use or operation for pleasure or in connection with the business of the Insured stated in the Declarations of any automobile not owned by the Insured and</p>	<p><b>SECTION A</b></p> <p>3. <b>INSURED PERSONS</b></p> <p>3.2 <b>When named insured is not owner of insured vehicle</b></p>	<p>9</p>

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<p>resulting from bodily injury to or death of others or damage to their property.</p>	<p><b>3.2.1 In connection with described business activity</b></p> <p>The insured persons are as follows:</p> <p>A. The <b>named insured</b>.</p>	
<p>However, where the loss exceeds the amounts of insurance, the indemnity shall be applied first to the pecuniary consequences of civil liability incurred by the Named Insured.</p>	<p><b>SECTION A</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.1 General rule</b></p> <p>If more than one insured person is civilly liable for <b>damage</b> arising from one and the same <b>loss</b> and the <b>amount of insurance</b> is insufficient, the <b>named insured</b> will be given priority for principal coverage.</p>	13
<p><b>EXCLUSIONS</b></p> <p>The Insurer shall not be liable under this section:</p> <p>(1) except where the Automobile Insurance Act does not apply, for bodily injury or death covered under the said Act, the Act respecting industrial accidents and occupational diseases or the Crime Victims Compensation Act;</p>	<p><b>SECTION A</b></p> <p><b>6. EXCLUSIONS</b></p> <p><b>6.1 Exclusions due to application of certain laws</b></p> <p>Section A excludes:</p> <p>A. Any <b>bodily injury</b> when compensation is provided for under the :</p> <ul style="list-style-type: none"> <li>▪ <i>Automobile Insurance Act;</i></li> <li>▪ <i>Act respecting industrial accidents and occupational diseases;</i></li> <li>▪ <i>Crime Victims Compensation Act.</i></li> </ul> <p>However, if the <i>Automobile Insurance Act</i> does not apply, coverage will be provided.</p>	11
<p>(2) for any liability imposed by any workmen's compensation law upon any person insured by this section;</p>	<p><b>SECTION A</b></p> <p><b>6. EXCLUSIONS</b></p> <p><b>6.1 Exclusions due to application of certain laws</b></p> <p>Section A excludes:</p>	11

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	B. Any liability imposed under a workers' compensation act.	
(3) for loss or damage sustained by any person insured by this section, except as provided under a Direct Compensation Agreement established in accordance with the Automobile Insurance Act;	<p><b>SECTION A</b></p> <p>4. CLARIFICATION CONCERNING DAMAGE UNDER PRINCIPAL COVERAGE</p> <p>4.2 Damage under Direct Compensation Agreement</p> <p>When <b>property damage</b> is caused to a <b>vehicle of which the insured is the owner</b>, such damage may be covered under Section A as provided for by the <i>Direct Compensation Agreement</i> made in accordance with the <i>Automobile Insurance Act</i>.</p>	10
(4) for loss or damage resulting from bodily injury to or the death of any employee, shareholder, member or partner of any person insured by this section, while engaged in the business described in the Declarations;	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.2 Exclusions related to business activities</p> <p>Section A excludes:</p> <p>B. Any <b>bodily injury</b> caused to an employee, shareholder, member or partner of the <b>named insured</b> in connection with a <b>described business activity</b>.</p>	11
(5) for any sum in excess of the amount stated in Section A of Item 4 of the Declarations and expenditures provided for in the Additional Agreements of this section, irrespective of the number of persons or interests insured;	<p><b>SECTION A</b></p> <p>7. INDEMNITY PAYABLE BY INSURER</p> <p>7.1 General rule</p> <p>The indemnity payable by the <b>insurer</b> may not be greater than the <b>amount of insurance</b>, plus any expenses described under the additional coverage. This rule applies even if:</p> <ul style="list-style-type: none"> <li>▪ <b>there</b> are more than one insured person or multiple interests;</li> <li>▪ <b>more</b> than one person suffers <b>damage</b>;</li> <li>▪ <b>more</b> than one insured person is civilly liable for <b>damage</b> arising</li> </ul>	13

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	from one and the same <b>loss</b> ; and <ul style="list-style-type: none"> <li>▪ <b>damage</b> differs in nature.</li> </ul>	
(6) for loss or damage to any customer's automobile as defined in the General Provisions, Definitions and Exclusions;	<b>SECTION A</b> <b>6. EXCLUSIONS</b> <b>6.2 Exclusions related to business activities</b> Section A excludes: D. Any <b>damage</b> caused to a <b>customer's vehicle</b> .	11
(7) for any loss or damage resulting from bodily injury to or death of any person or damage to property arising out of a nuclear energy hazard and in excess of the compulsory amount of liability insurance prescribed by the Automobile Insurance Act or the Act respecting off-highway vehicles, depending on the type of vehicle involved.	<b>SECTION A</b> <b>7. INDEMNITY PAYABLE BY INSURER</b> <b>7.5 Limitation of amount of insurance for nuclear hazard</b> If <b>damage</b> arose out of the occurrence of a <b>nuclear hazard</b> , the applicable <b>amount of insurance</b> will be limited to the minimum amount prescribed by either of the following laws, depending on the type of vehicle involved in the <b>loss</b> : <ul style="list-style-type: none"> <li>▪ <i>Automobile Insurance Act,</i></li> <li>▪ <i>Act respecting off-highway vehicles.</i></li> </ul>	14
<b>See also General Provisions, Definitions, Exclusions and Conditions</b>	<i>Removed</i>	
<b>ADDITIONAL AGREEMENTS</b> Where indemnity is provided by this section, the Insurer further agrees :	<b>SECTION A</b> <b>5. ADDITIONAL COVERAGES</b> The <b>insurer</b> also agrees to the following :	10

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<p>(1) immediately upon receipt of notice of loss, to serve any person insured by this section by such investigation thereof, or by such transactions with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer;</p> <p>(2) to take up the interest of any person entitled to the benefit of the insurance and assume his defense in any action which may be brought against him;</p>	<p><b>SECTION A</b></p> <p><b>5. ADDITIONAL COVERAGES</b></p> <p><b>5.1 Protection and defence of insured persons' interests</b></p> <p>When a <b>loss</b> is reported, the <b>insurer</b> will protect the interests and assume the defence of the insured persons.</p> <p>The <b>insurer</b> is free to act as it wishes with regard to investigation, transaction or settlement.</p>	10
<p>(3) to bear, over and above the proceeds of the insurance, costs and expenses resulting from actions against the Insured, including those of the defense, and interest on the proceeds of the insurance;</p>	<p><b>SECTION A</b></p> <p><b>5. ADDITIONAL COVERAGES</b></p> <p><b>5.2 Bearing certain costs related to legal action</b></p> <p>When an insured person is sued, the <b>insurer</b> will bear:</p> <ul style="list-style-type: none"> <li>▪ the legal and other costs arising from the lawsuit ; and</li> <li>▪ any interest on the <b>amount of insurance</b>.</li> </ul>	10
<p>(4) to bear any fees the Insured is charged by a municipality under the Act respecting municipal taxation for the use of its fire protection service when the fire department is called to prevent or fight fire in an owned automobile;</p>	<p><b>SECTION A</b></p> <p><b>5. ADDITIONAL COVERAGES</b></p> <p><b>5.4 Bearing costs claimed by municipality</b></p> <p>The <b>insurer</b> bears the costs claimed from the <b>named insured</b> by a municipality under the <i>Act respecting municipal taxation</i> and its regulations if its fire protection service was called to prevent or fight a fire in a <b>vehicle of which the named insured is the owner</b>.</p>	11
<p>(5) if the injury is to a person, to reimburse any person insured by this section for expenses incurred for such medical aid as may be immediately necessary at the time of such injury;</p>	<p><b>SECTION A</b></p> <p><b>5. ADDITIONAL COVERAGES</b></p> <p><b>5.3 Reimbursement of medical treatment</b></p>	11

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	When <b>another person</b> suffers <b>bodily injury</b> , the <b>insurer</b> will reimburse expenses incurred by an insured person for immediately necessary medical treatment.	
(6) to be liable up to the minimum amount(s) of liability insurance prescribed by any legislation respecting automobile insurance and applying in that province or territory of Canada or in that State of the United States of America in which the accident occurred, if the amount(s) is(are) higher than the amount(s) stated in Section A of Item 4 of the Declarations;	<p><b>SECTION A</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.3 Adjustment of amount of insurance by law</b></p> <p>If the <b>loss</b> occurs in Canada or the United States and the <b>amount of insurance</b> is less than the minimum amount prescribed by the applicable laws regarding automobile insurance which are in force where the <b>loss</b> occurred, the <b>amount of insurance</b> will be adjusted to comply with this minimum requirement.</p>	14
(7) not to set up any defense to a claim that might not be set up if the policy were a motor vehicle liability policy issued in the province or territory of Canada or in the State of the United States of America in which the accident occurred.	<p><b>SECTION A</b></p> <p><b>5. ADDITIONAL COVERAGES</b></p> <p><b>5.1 Protection and defence of insured persons' interests</b></p> <p>If the <b>loss</b> occurs in Canada or the United States, the <b>insurer</b> may not raise any legal defence prohibited to insurers where the <b>loss</b> occurred.</p>	10
<p><b>AGREEMENTS OF INSURED</b></p> <p>Where indemnity is provided by this section, every person insured:</p> <p>(a) empowers the Insurer as their representative to appear and defend in any province or territory of Canada or in any State of the United States of America in which action is brought against the Insured arising out of the ownership, use or operation of the automobile;</p> <p>(b) renounces his right to unilaterally revoke such mandate;</p>	<p><b>SECTION A</b></p> <p><b>8. REPRESENTATION MANDATE</b></p> <p>The insured persons mandate the <b>insurer</b> to represent them in any lawsuit brought against them in Canada or the United States.</p> <p>The lawsuit must arise from the fact that an insured person is the <b>owner</b> of the insured vehicle or that an insured person was driving or using it.</p> <p>The lawsuit brought against the <b>named insured</b> may also arise from the fact that a person other than the <b>named insured</b> was driving or using an insured vehicle.</p>	14

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	This representation mandate includes the right for the <b>insurer</b> to appear on behalf of the insured persons and to assume their defence.	
(c) shall reimburse the Insurer, upon demand, in the amount which the Insurer has paid by reason of the provisions of any statute relating to automobile insurance and which the Insurer would not otherwise be liable to pay under this section.	<p><b>SECTION A</b></p> <p>7. INDEMNITY PAYABLE BY INSURER</p> <p>7.4 Cases where insured persons must refund indemnity</p> <p>If the <b>loss</b> occurs in Canada or the United States and the <b>amount of insurance</b> is less than the minimum amount prescribed by the applicable laws regarding automobile insurance which are in force where the <b>loss</b> occurred, the <b>amount of insurance</b> will be adjusted to comply with this minimum requirement.</p>	14
<p><b>SECTION B</b></p> <p><b>LOSS OF OR DAMAGE TO OWNED AUTOMOBILES</b></p>	<p><b>SECTION B:</b></p> <p><b>COVERAGE FOR DAMAGE TO INSURED VEHICLES</b></p> <p><b>(OPTIONAL INSURANCE)</b></p>	
The Insurer agrees to indemnify the Insured against direct and accidental loss of or damage to any owned automobile, including its equipment used exclusively therewith, as follows:	<p><b>SECTION B</b></p> <p>1. PRINCIPAL COVERAGE</p> <p>1.1 Description of principal coverage</p> <p>Section B covers:</p> <ul style="list-style-type: none"> <li>▪ any direct and accidental <b>damage</b> to an insured vehicle or the equipment and accessories used exclusively with this vehicle; and</li> <li>▪ the disappearance of an insured vehicle or the equipment and accessories used exclusively with this vehicle.</li> </ul> <p>The <b>damage</b> or disappearance must result from the occurrence of a peril covered by the applicable protection.</p> <p><b>SECTION B</b></p>	16

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	<p><b>3. INSURED PERSON</b></p> <p>The insured person under Section B is the <b>named insured</b>.</p>	
	<p><b>SECTION B</b></p> <p><b>1. PRINCIPAL COVERAGE</b></p> <p>1.2 Description of protections</p> <p><i>To determine which protection applies, refer to Item 4, “Declarations.”</i></p>	16
<p><b>Subsection 1 – ALL PERILS</b></p>	<p><b>SECTION B</b></p> <p><b>1. PRINCIPAL COVERAGE</b></p> <p>1.2 Description of protections</p> <p>1.2.1 Protection 1 – “All perils” coverage</p> <p>This protection covers <b>damage</b> caused by any type of peril. However, perils and <b>damage</b> listed in Article 5, Section B are excluded.</p>	16
<p><b>Subsection 2 – COLLISION OR UPSET</b></p> <p><b>Collision</b> includes collision with (a) a vehicle to which the automobile is attached and (b) the surface of the ground.</p> <p><b>Upset</b> means the total or partial upset of the automobile.</p>	<p><b>SECTION B</b></p> <p><b>1. PRINCIPAL COVERAGE</b></p> <p>1.2 Description of protections</p> <p>1.2.2 Protection 2 – Coverage against perils of collision and upset</p> <p>This protection covers <b>damage</b> caused by the perils of collision and upset.</p> <p>“Collision” includes:</p> <ul style="list-style-type: none"> <li>▪ any collision between an insured vehicle and the ground;</li> <li>▪ any collision between two vehicles attached to each other; and</li> <li>▪ any collision between an insured vehicle and a person or an</li> </ul>	16

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	<p>animal.</p> <p>“Upset” of an insured vehicle may be partial or total.</p> <p>However, perils and <b>damage</b> listed in Article 5, Section B are excluded.</p>	
<p><b>Subsection 3 – COMPREHENSIVE – meaning any peril other than collision or upset</b></p> <p>For the purpose of Subsection 3, loss or damage caused by missiles, falling or flying objects, fire, theft, explosion, earthquake, windstorm, hail, rising water, malicious mischief, riot or civil commotion shall be deemed loss or damage caused by perils for which insurance is provided under Subsection 3. In addition, coverage under Subsection 3 is extended to include loss or damage caused by collision with a person or with an animal.</p>	<p><b>SECTION B</b></p> <p>1. <b>PRINCIPAL COVERAGE</b></p> <p>1.2 <b>Description of protections</b></p> <p>1.2.3 <b>Protection 3 - Coverage against all perils other than collision or upset</b></p> <p>This protection covers damage caused by perils other than collision or upset.</p> <p>Coverage includes damage caused by the following perils:</p> <ul style="list-style-type: none"> <li>▪ the perils listed in Protection 4;</li> <li>▪ falling or flying objects;</li> <li>▪ malicious mischief; and</li> <li>▪ projectiles.</li> </ul> <p>Like Protection 2, this protection also covers damage caused by a collision between an insured vehicle and a person or an animal.</p> <p>However, perils and damage listed in Article 5, Section B are excluded.</p>	16
<p><b>Subsection 4 – SPECIFIED PERILS – meaning fire, lightning, theft or attempted theft, explosion, earthquake, windstorm, hail, rising water, riot or civil commotion, falling or forced landing of aircraft or of parts of aircraft, or the stranding, sinking, burning, derailment or collision of any railway car, watercraft or tow truck in or upon which the automobile is being transported on land or water.</b></p>	<p><b>SECTION B</b></p> <p>1. <b>PRINCIPAL COVERAGE</b></p> <p>1.2 <b>Description of protections</b></p> <p>1.2.4 <b>Protection 4 - Coverage against specific perils</b></p> <p>This protection only covers <b>damage</b> caused by the following perils:</p>	17

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	<ul style="list-style-type: none"> <li>▪ attempted theft;</li> <li>▪ civil commotion;</li> <li>▪ earthquakes;</li> <li>▪ explosions;</li> <li>▪ falling or forced landing of aircraft or parts of aircraft;</li> <li>▪ fire;</li> <li>▪ hail;</li> <li>▪ lightning;</li> <li>▪ riots;</li> <li>▪ rising water;</li> <li>▪ stranding, sinking, burning, derailment or collision of any railroad car, vessel or <b>tow truck</b> upon which an insured vehicle is being transported;</li> <li>▪ theft; and</li> <li>▪ windstorms.</li> </ul> <p>However, perils and <b>damage</b> listed in Article 5, Section B are excluded.</p>	
<p style="text-align: center;"><b>DEDUCTIBLE CLAUSE</b></p> <p>The Insured shall be required to contribute the deductible amount stated in the Declarations with respect to loss or damage insured under Section B, except for loss or damage by fire or lightning, as follows:</p> <ol style="list-style-type: none"> <li>a) If the deductible is on a <b>per automobile basis</b>, the deductible amount shall apply to loss or damage to each automobile.</li> <li>b) If the deductible is on a <b>per occurrence basis</b>, the deductible amount shall apply to all loss or damage arising out of the same cause in any one event, regardless of the number of automobiles lost or damaged.</li> </ol>	<p><b>SECTION B</b></p> <p><b>6. DEDUCTIBLE PAYABLE BY NAMED INSURED</b></p> <p>The <b>named insured</b> must assume the <b>deductible</b> for the applicable protection. However, if the <b>damage</b> is caused by lightning or fire, the <b>deductible</b> will not apply.</p> <p>The <b>deductible</b> may apply:</p> <ol style="list-style-type: none"> <li>A. per insured vehicle that has incurred <b>damage</b> in one and the same <b>loss</b>;</li> <li>B. per <b>loss</b>: The <b>deductible</b> applies only once for all <b>damage</b> arising out of the same cause in any one event, regardless of the</li> </ol>	21

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<p>c) If the deductible is on <b>another basis</b>, the deductible amount shall apply as stated in the Declarations or in an endorsement attached to this policy.</p>	<p>number of vehicles having incurred <b>damage</b>; or  C. on another basis agreed to with the <b>insurer</b>.  <i>To determine the terms under which the <b>deductible</b> will apply, refer to Item 4, “Declarations” or the applicable <b>endorsement</b>.</i></p>	
	<p><b>SECTION B</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.1 General rule</b></p> <p>The indemnity payable by the <b>insurer</b> is equal to the value of <b>damage</b>, less the <b>deductible</b>. It also includes any expenses described under the additional coverage.</p> <p><i>For the rules to determine the value of <b>damage</b>, refer to Article 2, “Reporting a loss and submitting a claim.”</i></p>	21
<p style="text-align: center;"><b>LIMITS OF LIABILITY</b></p> <p>This clause shall apply to all subsections of this section, except with respect to collision or upset</p> <p>(1) The Insurer shall not be liable in any one occurrence:</p> <p>(a) <b>with respect to a specified location</b>: for any amount in excess of the amount stated in the Declarations for that location, subject to the provisions stated in (2) below;</p>	<p><b>SECTION B</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.2 Amount of insurance</b></p> <p>This Article 7.2 applies to Protection 1, except for <b>damage</b> caused by collision or upset, and Protections 3 and 4.</p> <p>The indemnity payable may not be greater than the <b>amount of insurance</b> that applies per <b>specified location</b> and per <b>loss</b>, plus any expenses described under the additional coverage.</p>	21
<p>(b) <b>with respect to a location newly acquired</b> during the contract period and used in the business specified in the Declarations: for an amount exceeding the lowest amount stated for any specified location, provided such new location is notified to the Insurer within fourteen days following the date of acquisition;</p>	<p><b>SECTION B</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.2 Amount of insurance</b></p> <p><b>7.2.1 Amount of insurance for newly acquired location</b></p>	21

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	<p>A location is deemed newly acquired if:</p> <ul style="list-style-type: none"> <li>▪ it has been acquired by the <b>named insured</b> during the insurance contract period for the purpose of carrying out a <b>described business activity</b>;</li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>▪ the <b>insurer</b> has been informed of the new acquisition within 14 days thereof.</li> </ul> <p>The <b>amount of insurance</b> applicable to a newly acquired location is as follows:</p> <ul style="list-style-type: none"> <li>▪ If there is only one <b>specified location</b>, the <b>amount of insurance</b> on this location will apply.</li> <li>▪ If there are more than one <b>specified locations</b>, the lesser <b>amount of insurance</b> on those locations will apply.</li> </ul>	
<p>(c) <b>with respect to a location not used by the Insured</b> where a garage business is conducted: for any amount exceeding the value of four owned automobiles at that location.</p> <p>However, where there are more than four automobiles, the Insurer's liability shall not exceed four times the average value of all owned automobiles on the premises.</p>	<p><b>SECTION B</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.2 Amount of insurance</b></p> <p><b>7.2.2 Amount of insurance for location not used by named insured</b></p> <p>For a location not used by the <b>named insured</b> where a <b>garage business</b> is carried out, the maximum amount payable by the <b>insurer</b> is determined as follows:</p> <ul style="list-style-type: none"> <li>▪ If there are four insured vehicles or less, the amount is equal to the total value of the vehicles.</li> <li>▪ If there are more than four insured automobiles, the amount is equal to four times the average value of the automobiles.</li> </ul>	22
<p>(2) <b>Co-insurance clause.</b> Where the premium is determined on a co-insurance basis, the Insured shall maintain insurance on the automobiles insured at each specified location, to the extent of at</p>	<p><b>SECTION B</b></p>	

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<p>least the amount produced by multiplying the total value of the automobiles by the co-insurance percentage stated in Item 4 of the Declarations and, failing to do so, shall only be entitled, in the event of a partial loss, to that portion of the loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause. The co-insurance clause shall not apply where the loss or damage is confined to one automobile only.</p>	<p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p>7.2 Amount of insurance</p> <p>7.2.3 Amount of insurance where the insurance premium takes into account co-insurance</p> <p>Where the <b>insurance premium</b> takes into account co-insurance, the <b>named insured</b> must maintain an <b>amount of insurance</b> for each <b>specified location</b> that is equal to or greater than the minimum amount determined as follows:</p> $\begin{array}{rcccl} \text{Minimum} & & \text{Percentage} & & \text{Total value of} \\ \text{amount} = & & \text{indicated in Item 4,} & \times & \text{insured vehicles} \\ & & \text{"Declarations" for} & & \text{at the } \mathbf{specified} \\ & & \text{Section B} & & \mathbf{location} \end{array}$ <p>If this minimum amount is not maintained, in the event of a partial loss, the <b>named insured</b> must pay a portion of the value of <b>damage</b>. The indemnity payable by the <b>insurer</b> will be limited to the amount determined as follows:</p> $\begin{array}{rcccl} \text{Indemnity} & & \mathbf{Amount\ of} & & \\ \text{payable} = & & \mathbf{insurance} & & \text{Value of } \mathbf{damage} \\ & & \text{for Section B} & \times & \\ & & \text{Minimum amount} & & \end{array}$ <p>If only one insured vehicle incurs <b>damage</b> in the event of <b>loss</b>, the co-insurance clause does not apply.</p>	22
<p style="text-align: center;"><b>EXCLUSIONS</b></p> <p>(1) Under any subsection of Section B for loss or damage:</p> <p>(a) to tires or consisting of or caused by mechanical fracture or breakdown of any part of the automobile or by rusting, corrosion, wear and tear, freezing, or explosion within the</p>	<p><b>SECTION B</b></p> <p><b>5. EXCLUSIONS</b></p> <p>5.1 Common exclusions</p>	18

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<p>combustion chamber, unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire, theft or malicious mischief covered by such subsection;</p>	<p>Section B excludes:</p> <p>A. <b>Damage</b> to tires, except:</p> <ul style="list-style-type: none"> <li>▪ if <b>damage</b> is coincident with other <b>damage</b> insured under the same coverage; or</li> <li>▪ in case of fire, theft or malicious mischief insured under the same coverage.</li> </ul> <p>B. <b>Damage</b> caused by:</p> <ul style="list-style-type: none"> <li>▪ breakdown;</li> <li>▪ corrosion;</li> <li>▪ explosion within the combustion chamber;</li> <li>▪ freezing;</li> <li>▪ mechanical failure;</li> <li>▪ normal wear and tear; and</li> <li>▪ rust.</li> </ul> <p>However, such damage will not be excluded:</p> <ul style="list-style-type: none"> <li>▪ if <b>damage</b> is coincident with other <b>damage</b> insured under the same coverage; or</li> <li>▪ in case of fire, theft or malicious mischief insured under the same coverage.</li> </ul>	
<p>(b) caused by the conversion, embezzlement, theft or secretion by any person in lawful possession of the automobile under a hypothec, conditional sale, lease or other similar written agreement;</p>	<p><b>SECTION B</b></p> <p><b>5. EXCLUSIONS</b></p> <p>5.1 Common exclusions</p> <p>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.</p>	19

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(c) caused by the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretense;	<p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.1 Common exclusions</p> <p>F. Voluntary parting with title or ownership, with or without breach of trust, fraud or deceitful representation.</p>	18
(d) to tapes and equipment for use with a tape player or recorder, or to compact discs, unless such tapes, equipment or discs are in the tape player, recorder or disc player;	<p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.1 Common exclusions</p> <p>G. Tapes or accessories for use with a tape recorder, or compact discs, unless in place in a device.</p>	18
(e) caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by operation of armed forces while engaged in hostilities, whether war be declared or not;	<p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.1 Common exclusions</p> <p>H. Whether or not war is declared, <b>damage</b> caused directly or indirectly by:</p> <ul style="list-style-type: none"> <li>▪ bombardment;</li> <li>▪ civil war;</li> <li>▪ insurrection;</li> <li>▪ invasion;</li> <li>▪ military power;</li> <li>▪ operation of armed forces while engaged in hostilities;</li> <li>▪ rebellion;</li> <li>▪ revolution; and</li> </ul>	18

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	<ul style="list-style-type: none"> <li>▪ usurped power.</li> </ul>	
<p>(f) to any automobile while being carried in or upon or towed by any automobile which is designed for transportation of other automobiles, except a tow truck;</p>	<p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.4 Exclusions related to use of insured vehicle</p> <p>Section B excludes:</p> <p>B. Vehicles transported or towed by a vehicle, other than a <b>tow truck</b>, designed for transportation or towing purposes.</p>	20
<p>(g) to any automobile sold by the Insured and in the possession of a purchaser under any partial payment plan.</p>	<p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.7 Exclusion related to vehicles sold on credit by named insured</p> <p>Under Section B, a vehicle sold on credit by the <b>named insured</b> is excluded as of the time the purchaser takes possession thereof.</p>	20
<p>(2) Under Subsection 2, for loss or damage occurring after the theft of the automobile and before recovery by the Insured except where the theft has been committed by a person or persons (i) whose domicile is the same as the Insured's or (ii) employed by the Insured in connection with the business described in the Declarations;</p>	<p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.1 Common exclusions</p> <p>E. For Protection 2 only, <b>damage</b> to the insured vehicle occurring after the theft of the vehicle and before its recovery by the <b>named insured</b>.</p> <p>However, such damage will not be excluded if the theft was committed by:</p> <ul style="list-style-type: none"> <li>▪ a person whose domicile is the same as that of the <b>named insured</b>;</li> <li>▪ a person employed by the <b>named insured</b> in connection with</li> </ul>	18

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	a described business activity.	
(3) Under Subsections 3 and 4, for loss or damage caused by theft by any person or persons (i) whose domicile is the same as the Insured's or (ii) employed by the Insured in connection with the business described in the Declarations, whether the theft occurs in the course of such service or employment or not.	<p><b>SECTION B</b></p> <p><b>5. EXCLUSIONS</b></p> <p><b>5.1 Common exclusions</b></p> <p>F. For Protection 3 and Protection 4 only, theft committed by one of the following persons:</p> <ul style="list-style-type: none"> <li>▪ a person whose domicile is the same as that of the <b>named insured</b>;</li> <li>▪ a person employed by the <b>named insured</b> in connection with a <b>described business activity</b>, whether or not the theft occurs in the course of such employment.</li> </ul>	19
<b>See also General Provisions, Definitions, Exclusions and Conditions</b>	<i>Removed</i>	
<p style="text-align: center;"><b>ADDITIONAL AGREEMENTS</b></p> <p>Where loss or damage arises from a peril insured under Section B, the Insurer further agrees:</p>	<p><b>SECTION B</b></p> <p><b>4. ADDITIONAL COVERAGES</b></p> <p>When the principal coverage applies, Section B will include the following additional coverage :</p>	17
(1) to pay general average and salvage charges, and customs duties of Canada or of the United States of America, for which the Insured is civilly liable;	<p><b>SECTION B</b></p> <p><b>4. ADDITIONAL COVERAGES</b></p> <p><b>4.2 Bearing other costs</b></p> <p>When the <b>named insured</b> is civilly liable, the <b>insurer</b> will bear the following costs:</p> <ul style="list-style-type: none"> <li>▪ general average costs;</li> <li>▪ salvage costs; and</li> </ul>	18

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	<ul style="list-style-type: none"> <li>▪ customs duties of Canada and the United States.</li> </ul>	
<p>(2) to bear any fees the Insured is charged by a municipality under the <i>Act respecting municipal taxation</i> for the use of its fire protection service when the fire department is called to prevent or fight fire in the automobile;</p>	<p><b>SECTION B</b></p> <p><b>4. ADDITIONAL COVERAGES</b></p> <p><b>4.1 Bearing costs claimed by municipality</b></p> <p>The <b>insurer</b> bears the costs claimed from the <b>named insured</b> by a municipality under the <i>Act respecting municipal taxation</i> and its regulations if its fire protection service was called to prevent or fight a fire in an insured vehicle.</p>	18
<p>(3) to waive subrogation against every person who, with the Insured's consent, has care, custody or control of the automobile, provided always that this waiver shall not apply to any person having such care, custody or control in the course of a garage business, other than an employee or a shareholder, member or partner of the Insured, or who has committed a breach of any condition of this contract.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>3. RIGHT OF INSURER AFTER PAYING AN INDEMNITY (RIGHT OF SUBROGATION)</b></p> <p><b>3.2 Exceptions</b></p> <p>In the following two instances, the <b>insurer</b> cannot ask the person responsible for the <b>damage</b> to reimburse the indemnity that it has paid :</p> <ul style="list-style-type: none"> <li>A. When that person is a member of the insured person's household;</li> <li>B. For Section B only, when that person had care, custody or control of the insured vehicle, with the consent of the <b>named insured</b>. This latter exception will not apply if the person: <ul style="list-style-type: none"> <li>▪ was engaged in a <b>garage business</b> at the time of <b>loss</b> other than as an employee, shareholder, member or partner of the <b>named insured</b>; or</li> <li>▪ failed to comply with the insurance contract.</li> </ul> </li> </ul>	37

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<p style="text-align: center;">SECTION C</p> <p style="text-align: center;"><b>CIVIL LIABILITY FOR LOSS OF OR DAMAGE TO CUSTOMERS' AUTOMOBILES WHILE IN THE CARE, CUSTODY OR CONTROL OF THE INSURED</b></p>	<p style="text-align: center;"><b>SECTION C :</b></p> <p style="text-align: center;"><b>COVERAGE FOR CIVIL LIABILITY ARISING FROM DAMAGE TO CUSTOMERS' VEHICLES</b></p> <p style="text-align: center;"><b>(OPTIONAL INSURANCE)</b></p>	24
<p>The Insurer agrees to indemnify the Insured against the pecuniary consequences of civil liability the Insured may incur for loss of or damage to customers' automobiles, including their equipment used exclusively therewith, as follows :</p>	<p><b>SECTION C</b></p> <p><b>1. PRINCIPAL COVERAGE</b></p> <p>1.1 Description of principal coverage</p> <p>Section C covers the risk of financial consequences that an insured person may incur if held civilly liable for :</p> <ul style="list-style-type: none"> <li>▪ <b>damage</b> caused to an insured vehicle or the equipment and accessories used exclusively with this vehicle; and</li> <li>▪ the disappearance of an insured vehicle or the equipment and accessories used exclusively with this vehicle.</li> </ul> <p>The <b>damage</b> or disappearance must result from the occurrence of a peril covered by the applicable protection.</p> <p><b>3. INSURED PERSONS</b></p> <p>The insured persons under Section C are as follows :</p> <p>A. The <b>named insured</b>.</p>	24
	<p><b>SECTION C</b></p> <p><b>1. PRINCIPAL COVERAGE</b></p> <p>1.2 Description of protections</p> <p><i>To determine which protection applies, refer to Item 4, "Declarations."</i></p>	24

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<p><b>Subsection 1 – ALL PERILS</b></p>	<p><b>SECTION C</b></p> <p>1. PRINCIPAL COVERAGE</p> <p>1.2 Description of protections</p> <p>1.2.1 Protection 1 – “All perils” coverage</p> <p>This protection covers <b>damage</b> caused by any type of peril. However, perils and <b>damage</b> listed in Article 5, Section C are excluded.</p>	24
<p><b>Subsection 2 – COLLISION OR UPSET</b></p> <p><b>Collision</b> includes collision with (a) a vehicle to which the automobile is attached and (b) the surface of the ground.</p> <p><b>Upset</b> means the total or partial upset of the automobile.</p>	<p><b>SECTION C</b></p> <p>1. PRINCIPAL COVERAGE</p> <p>1.2 Description of protections</p> <p>1.2.2 Protection 2 – Coverage against perils of collision and upset</p> <p>This protection covers <b>damage</b> caused by the perils of collision and upset.</p> <p>“Collision” includes :</p> <ul style="list-style-type: none"> <li>▪ any collision between an insured vehicle and the ground;</li> <li>▪ any collision between two vehicles attached to each other; and</li> <li>▪ any collision between an insured vehicle and a person or an animal.</li> </ul> <p>“Upset” of an insured vehicle may be partial or total.</p> <p>“Upset” of an insured vehicle may be partial or total.</p> <p>However, perils and <b>damage</b> listed in Article 5, Section C are excluded.</p>	24

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<p><b>Subsection 3 – COMPREHENSIVE – meaning any peril other than collision or upset</b></p> <p>For the purpose of Subsection 3, loss or damage caused by missiles, falling or flying objects, fire, theft, explosion, earthquake, windstorm, hail, rising water, malicious mischief, riot or civil commotion shall be deemed loss or damage caused by perils for which insurance is provided under Subsection 3. In addition, coverage under Subsection 3 is extended to include loss or damage caused by collision with a person or with an animal.</p>	<p><b>SECTION C</b></p> <p><b>1. PRINCIPAL COVERAGE</b></p> <p><b>1.2 Description of protections</b></p> <p><b>1.2.3 Protection 3 - Coverage against all perils other than collision or upset</b></p> <p>This protection covers <b>damage</b> caused by perils other than collision or upset.</p> <p>Coverage includes <b>damage</b> caused by the following perils:</p> <ul style="list-style-type: none"> <li>▪ the perils listed in Protection 4;</li> <li>▪ falling or flying objects;</li> <li>▪ malicious mischief; and</li> <li>▪ projectiles;</li> </ul> <p>Like Protection 2, this protection also covers <b>damage</b> caused by a collision between an insured vehicle and a person or an animal.</p> <p>However, perils and <b>damage</b> listed in Article 5, Section C are excluded.</p>	24
<p><b>Subsection 4 – SPECIFIED PERILS – meaning fire, lightning, theft or attempted theft, explosion, earthquake, windstorm, hail, rising water, riot or civil commotion, falling or forced landing of aircraft or of parts of aircraft, or the stranding, sinking, burning, derailment or collision of any railway car, watercraft or tow truck in or upon which the automobile is being transported on land or water.</b></p>	<p><b>SECTION C</b></p> <p><b>1. PRINCIPAL COVERAGE</b></p> <p><b>1.2 Description of protections</b></p> <p><b>1.2.4 Protection 4 - Coverage against specific perils</b></p> <p>This protection only covers <b>damage</b> caused by the following perils:</p> <ul style="list-style-type: none"> <li>▪ attempted theft;</li> <li>▪ civil commotion;</li> <li>▪ earthquakes;</li> </ul>	25

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	<ul style="list-style-type: none"> <li>▪ explosions;</li> <li>▪ falling or forced landing of aircraft or parts of aircraft;</li> <li>▪ fire;</li> <li>▪ hail;</li> <li>▪ lightning;</li> <li>▪ riots;</li> <li>▪ rising water;</li> <li>▪ stranding, sinking, burning, derailment or collision of any railroad car, vessel or <b>tow truck</b> upon which an insured vehicle is being transported;</li> <li>▪ theft; and</li> <li>▪ windstorms.</li> </ul> <p>However, perils and <b>damage</b> as listed in Article 5, Section C are excluded.</p>	
<p style="text-align: center;"><b>DEDUCTIBLE CLAUSE</b></p> <p>The Insured shall be required to contribute the deductible amount stated in the Declarations with respect to loss or damage insured under Section C, except for loss or damage by fire or lightning, as follows :</p> <p>(a) If the deductible is on a <b>per automobile basis</b>, the deductible amount shall apply to loss or damage to each automobile.</p> <p>(b) If the deductible is on a <b>per occurrence basis</b>, the deductible amount shall apply to all loss or damage arising out of the same cause in any one event, regardless of the number of automobiles lost or damaged.</p> <p>(c) If the deductible is on <b>another basis</b>, the deductible amount shall apply as stated in the Declarations or in an endorsement attached to this policy.</p>	<p style="text-align: center;"><b>SECTION C</b></p> <p><b>6. DEDUCTIBLE PAYABLE BY NAMED INSURED</b></p> <p>The <b>named insured</b> must assume the <b>deductible</b> for the applicable protection. However, if the <b>damage</b> is caused by lightning or fire, the <b>deductible</b> will not apply.</p> <p>The <b>deductible</b> may apply:</p> <p>A. per insured vehicle that has incurred <b>damage</b> in one and the same loss; or</p> <p>B. per <b>loss</b>: The <b>deductible</b> applies only once for all <b>damage</b> arising out of the same cause in any one event, regardless of the number of vehicles having incurred <b>damage</b>; or</p> <p>C. on another basis agreed to with the <b>insurer</b>.</p> <p><i>To determine the terms under which the <b>deductible</b> will apply, refer to</i></p>	27

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	<i>Item 4, “Declarations” or the applicable endorsement.</i>	
	<p><b>SECTION C</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.1 General rule</b></p> <p>The indemnity payable by the <b>insurer</b> is equal to the value of the <b>damage</b>, less the <b>deductible</b>. It also includes any expenses described under the additional coverage.</p> <p><i>For the rules to determine the value of <b>damage</b>, refer to Article 2, “Reporting a loss and submitting a claim.”</i></p>	27
<p><b>LIMITS OF LIABILITY</b></p> <p>This clause shall apply to all subsections of this section, except with respect to collision or upset.</p>	<p><b>SECTION C</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.2 Amount of insurance</b></p> <p>This Article 7.2 applies to Protection 1, except for <b>damage</b> caused by collision or upset, and Protections 3 and 4.</p> <p>The indemnity payable may not be greater than the <b>amount of insurance</b> that applies per <b>specified location</b> and per <b>loss</b>, plus any expenses described under the additional coverage.</p>	28
<p>(1) The Insurer shall not be liable in any one occurrence:</p> <p>(a) <b>with respect to a specified location</b>: for any amount in excess of the amount stated in the Declarations for that location, subject to the provisions stated in (2) below;</p>		
<p>(b) <b>with respect to a location newly acquired</b> during the contract period and used in the business specified in the Declarations: for an amount exceeding the lowest amount stated for any specified location, provided such new location is notified to the Insurer within fourteen days following the date of acquisition;</p>	<p><b>SECTION C</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.2 Amount of insurance</b></p> <p><b>7.2.1 Amount of insurance for newly acquired location</b></p> <p>A location is deemed newly acquired if:</p> <ul style="list-style-type: none"> <li>▪ it has been acquired by the <b>named insured</b> during the insurance contract period for the purpose of carrying out a</li> </ul>	28

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	<p><b>described business activity;</b></p> <p>and</p> <ul style="list-style-type: none"> <li>▪ the <b>insurer</b> has been informed of the new acquisition within 14 days thereof.</li> </ul> <p>The <b>amount of insurance</b> applicable to a newly acquired location is as follows:</p> <ul style="list-style-type: none"> <li>▪ If there is only one <b>specified location</b>, the <b>amount of insurance</b> on this location will apply.</li> <li>▪ If there are more than one <b>specified locations</b>, the lesser <b>amount of insurance</b> on those locations will apply.</li> </ul>	
<p>(c) <b>with respect to a location not used by the Insured</b> where a garage business is conducted: for any amount exceeding the value of four customers' automobiles at that location.</p> <p>However, where there are more than four automobiles, the Insurer's liability shall not exceed four times the average value of all customers' automobiles on the premises.</p>	<p><b>SECTION C</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.2 Amount of insurance</b></p> <p><b>7.2.2 Amount of insurance for location not used by named insured :</b></p> <p>For a location not used by the <b>named insured</b> where a <b>garage business</b> is carried out, the maximum amount payable by the <b>insurer</b> is determined as follows:</p> <ul style="list-style-type: none"> <li>▪ If there are four insured vehicles or less, the amount is equal to the total value of the vehicles.</li> <li>▪ If there are more than four insured vehicles, the amount is equal to four times the average value of the vehicles.</li> </ul>	28
<p>(2) <b>Co-insurance clause.</b> Where the premium is determined on a co-insurance basis, the Insured shall maintain insurance on the automobiles insured at each specified location, to the extent of at least the amount produced by multiplying the total value of the automobiles by the co-insurance percentage stated in Item 4 of the Declarations and, failing to do so, shall only be entitled, in the event of a partial loss, to that portion of the loss that the amount of</p>	<p><b>SECTION C</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.2 Amount of insurance</b></p> <p><b>7.2.3 Amount of insurance where the insurance premium is</b></p>	28

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<p>insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause. The co-insurance clause shall not apply where the loss or damage is confined to one automobile only.</p>	<p><b>takes into account co-insurance</b></p> <p>Where the <b>insurance premium</b> takes into account co-insurance, the <b>named insured</b> must maintain an <b>amount of insurance</b> for each <b>specified location</b> that is equal to or greater than the minimum amount determined as follows :</p> $\text{Minimum amount} = \text{Percentage indicated in Item 4, "Declarations" for Section C} \times \text{Total value of insured vehicles at the specified location}$ <p>If this minimum amount is not maintained, in the event of a partial loss, the <b>named insured</b> must pay a portion of the value of <b>damage</b>. The indemnity payable by the <b>insurer</b> will be limited to the amount determined as follows:</p> $\text{Indemnity payable} = \frac{\text{Amount of insurance for Section C}}{\text{Minimum amount}} \times \text{Value of damage}$ <p>If only one insured vehicle incurs <b>damage</b> in the event of <b>loss</b>, the co-insurance clause does not apply.</p>	
<p style="text-align: center;"><b>EXCLUSIONS</b></p> <p>The Insurer shall not be liable:</p> <p>(1) Under any subsection of Section C for loss or damage:</p> <p>(a) to tires or consisting of or caused by mechanical fracture or breakdown of any part of the automobile or by rusting, corrosion, wear and tear, freezing, or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire, theft or malicious mischief covered by such subsection;</p>	<p><b>SECTION C</b></p> <p><b>5. EXCLUSIONS</b></p> <p>Section C excludes:</p> <p>A. <b>Damage</b> to tires, except:</p> <ul style="list-style-type: none"> <li>▪ if <b>damage</b> is coincident with other <b>damage</b> insured under the same coverage; or</li> <li>▪ in case of fire, theft or malicious mischief insured under the same coverage.</li> </ul> <p>B. <b>Damage</b> caused by:</p>	26

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	<ul style="list-style-type: none"> <li>▪ breakdown;</li> <li>▪ corrosion;</li> <li>▪ explosion within the combustion chamber;</li> <li>▪ freezing;</li> <li>▪ mechanical failure;</li> <li>▪ normal wear and tear; and</li> <li>▪ rust.</li> </ul> <p>However, such damage will not be excluded:</p> <ul style="list-style-type: none"> <li>▪ if <b>damage</b> is coincident with other <b>damage</b> insured under the same coverage; or</li> <li>▪ in case of fire, theft or malicious mischief insured under the same coverage..</li> </ul>	
(b) to tapes and equipment for use with a tape player or recorder, or to compact discs, unless such tapes, equipment or discs are in the tape player, recorder or disc player;	<p><b>SECTION C</b></p> <p><b>5. EXCLUSIONS</b></p> <p>Section C excludes:</p> <p>E. Tapes or accessories for use with a tape recorder, or compact discs, unless in place in a device.</p>	27
(c) caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power, or by operation of armed forces while engaged in hostilities, whether war be declared or not;	<p><b>SECTION C</b></p> <p><b>5. EXCLUSIONS</b></p> <p>Section C excludes:</p> <p>F. Whether or not war is declared, <b>damage</b> caused directly or indirectly by :</p> <ul style="list-style-type: none"> <li>▪ bombardment;</li> <li>▪ civil war;</li> </ul>	27

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	<ul style="list-style-type: none"> <li>▪ insurrection;</li> <li>▪ invasion;</li> <li>▪ military power;</li> <li>▪ operation of armed forces while engaged in hostilities;</li> <li>▪ rebellion;</li> <li>▪ revolution; and</li> <li>▪ usurped power.</li> </ul>	
<p>(2) Under Subsection 2, for loss or damage occurring after the theft of the automobile and before recovery by the Insured except where the theft has been committed by a person or persons (i) whose domicile is the same as the Insured's or (ii) employed by the Insured in connection with the business described in the Declarations;</p>	<p><b>SECTION C</b></p> <p><b>5. EXCLUSIONS</b></p> <p>Section C excludes:</p> <p>C. For Protection 2 only, <b>damage</b> to the insured vehicle occurring after the theft of the vehicle and before its recovery by the <b>named insured</b>.</p> <p>However, such damage will not be excluded if the theft was committed by :</p> <ul style="list-style-type: none"> <li>▪ a person whose domicile is the same as that of the <b>named insured</b>;</li> <li>▪ a person employed by the <b>named insured</b> in connection with a <b>described business activity</b>.</li> </ul>	26
<p>(3) Under Subsections 3 and 4, for loss or damage caused by theft by any person or persons (i) whose domicile is the same as the Insured's or (ii) employed by the Insured in connection with the business described in the Declarations, whether the theft occurs in the course of such service or employment or not.</p>	<p><b>SECTION C</b></p> <p><b>5. EXCLUSIONS</b></p> <p>Section C excludes:</p> <p>F. For Protection 3 and Protection 4 only, theft committed by one of the following persons:</p> <ul style="list-style-type: none"> <li>▪ a person whose domicile is the same as that of the <b>named</b></li> </ul>	27

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	<p><b>insured;</b></p> <ul style="list-style-type: none"> <li>▪ a person employed by the <b>named insured</b> in connection with a <b>described business activity</b>, whether or not the theft occurs in the course of such employment.</li> </ul>	
<p><b>See also General Provisions, Definitions, Exclusions and Conditions</b></p>	<p><i>Removed</i></p>	
<p style="text-align: center;"><b>ADDITIONAL AGREEMENTS</b></p> <p>Where indemnity is provided by this section the Insurer shall:</p>	<p><b>SECTION C</b></p> <p><b>4. ADDITIONAL COVERAGES</b></p> <p>When the principal coverage applies, Section C will include the following additional coverage:</p>	<p>26</p>
<p>(1) immediately upon receipt of notice of loss, to serve any person insured by this section by such investigation thereof, or by such transactions with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer;</p>	<p><b>SECTION C</b></p> <p><b>4. ADDITIONAL COVERAGES</b></p> <p><b>4.1 Protection and defence of insured persons' interests</b></p> <p>When a <b>loss</b> is reported, the <b>insurer</b> will protect the interests and assume the defence of the insured persons.</p> <p>The <b>insurer</b> is free to act as it wishes with regard to any investigation, transaction or settlement.</p>	<p>26</p>
<p>(2) to take up the interest of any person entitled to the benefit of the insurance and assume his defense in any action which may be brought against him;</p>		
<p>(3) to bear, over and above the proceeds of the insurance, costs and expenses resulting from actions against the Insured, including those of the defense, and interest on the proceeds of the insurance;</p>	<p><b>SECTION C</b></p> <p><b>4. ADDITIONAL COVERAGES</b></p> <p><b>4.2 Bearing certain costs related to legal action</b></p> <p>When an insured person is sued, the <b>insurer</b> will bear</p> <ul style="list-style-type: none"> <li>▪ the legal and other costs arising from the lawsuit; and</li> <li>▪ any interest on the <b>amount of insurance</b>.</li> </ul>	<p>26</p>

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<p>(4) to bear any fees charged to the owner of a customer's automobile by a municipality under the Act respecting municipal taxation for the use of its fire protection service when the fire department is called to prevent or fight fire in this automobile, when these fees are charged against the Insured.</p>	<p><b>SECTION C</b></p> <p><b>4. ADDITIONAL COVERAGES</b></p> <p><b>4.3 Bearing costs claimed by municipality</b></p> <p>Under the <i>Act respecting municipal taxation</i> and its regulations, where costs are claimed from the <b>named insured</b>, the <b>insurer</b> bears the costs charged to the <b>owner</b> of the insured vehicle by a municipality for the use of its fire protection service to prevent or fight a fire.</p>	26
<p>GENERAL PROVISIONS, DEFINITIONS, EXCLUSIONS AND CONDITIONS</p>		
<p><b>1. TERRITORY</b></p> <p>Unless extended by endorsement, insurance provided by this contract applies only within Canada, the United States of America and upon a vessel or aircraft serving ports or airports of those countries.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>2. PLACES WHERE COVERAGE APPLIES</b></p> <p>The coverage provided under the insurance contract will apply only if the <b>loss</b> occurs:</p> <ul style="list-style-type: none"> <li>▪ in Canada or the United States; or</li> <li>▪ on a vessel or in an aircraft travelling between the seaports and airports of those countries.</li> </ul> <p>The <b>insurer</b> may accept, by way of <b>endorsement</b>, to cover a <b>loss</b> that occurs elsewhere.</p>	30
<p><b>2. PERSONNEL OF OTHER GARAGES EXCLUDED</b></p> <p>No person who is engaged in a garage business shall be entitled to indemnity or payment under this contract for any loss, damage, injury or death sustained while using, operating or working upon the automobile, as defined in this policy, in the course of that business or while so engaged, is an occupant of or enters or gets onto or alights from such automobile, unless the person is the Insured or the Insured's employee, shareholder, member or partner</p>	<p><b>SECTION A</b></p> <p><b>6.2 Exclusions related to business activities</b></p> <p>Section A excludes :</p> <p>C. Any <b>damage</b> caused to a person who is engaged in a <b>garage business</b> while an insured vehicle is in the person's custody, except where:</p> <ul style="list-style-type: none"> <li>▪ this person is the <b>named insured</b>, or the <b>named insured's</b></li> </ul>	11

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or is actually driving the automobile in Québec.	employee, shareholder, member or partner; or <ul style="list-style-type: none"> <li>▪ the vehicle is driven in Québec.</li> </ul>	
<b>3. DEFINITIONS</b>	DEFINITIONS	43
In this policy, unless otherwise indicated by the context :	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.	43
<i>New definition</i>	<b>AMOUNT OF INSURANCE:</b> The maximum amount payable by the <b>insurer</b> under Item 4, “ <i>Declarations</i> ” or in an <b>endorsement</b> .	43
<i>New definition</i>	<b>ANOTHER PERSON:</b> Anyone who, at the time of <b>loss</b> , is not an “insured person” under the insurance contract.	43
<i>New definition</i>	<b>BODILY INJURY:</b> Any physical or mental injury, including death.	43
the term <b>automobile of the private passenger type</b> means commercial vehicles of 4,500 kgs (10 000 lbs) gross vehicle weight or less while used for private or pleasure purpose shall be deemed to be of the private passenger type;	<b>PASSENGER VEHICLE: Motor vehicle</b> intended for transportation on a public highway and used for personal purposes. However, <b>passenger vehicles</b> do not include utility vehicles whose gross vehicle weight is equal to or greater than 4,500 kg (10,000 lbs).	44
<i>New definition</i>	<b>CLIENT:</b> The person who submits an application to the <b>insurer</b> 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 <b>named insured</b> .	43
the term <b>customer's automobile</b> means an automobile, trailer or semi-trailer, including their equipment, owned by another while such automobile, trailer or semi-trailer is being towed or pushed by an automobile driven by the Insured or the Insured's employee, shareholder, member or partner or while in the care, custody or control of the Insured in the business stated in the Declarations or while being held for sale on consignment, but does not include an	<b>CUSTOMER'S VEHICLE:</b> Any <b>motor vehicle</b> , trailer or semi-trailer, including their equipment and accessories, that is: <ul style="list-style-type: none"> <li>▪ used in connection with the described business activity (including any motor vehicle held for sale on consignment); or</li> <li>▪ towed or pushed by a <b>motor vehicle</b> driven by the <b>named insured</b> or the <b>named insured's</b> employees, members,</li> </ul>	43

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automobile, trailer or semi-trailer sold, leased or offered for leasing by the Insured but not delivered;	shareholders or partners in connection with a <b>described business activity</b> . However, a <b>motor vehicle</b> , trailer or semi-trailer that the <b>named insured</b> 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	
<i>New definition</i>	<b>DAMAGE:</b> <ul style="list-style-type: none"> <li>▪ In Section A, "<b>damage</b>" refers to both <b>property damage</b> and <b>bodily injury</b>.</li> <li>▪ In Section B, "<b>damage</b>" refers solely to <b>property damage</b>.</li> <li>▪ In Section C, "<b>damage</b>" refers solely to <b>property damage</b>.</li> </ul>	43
<i>New definition</i>	<b>DEDUCTIBLE:</b> The amount left to be paid by the <b>named insured</b> .	43
<i>New definition</i>	<b>DESCRIBED BUSINESS ACTIVITY:</b> Any business designated in Item 3, « <i>Declarations</i> » and that is carried out in the course of operating a <b>specified location</b> .	43
<i>New definition</i>	<b>ENDORSEMENT:</b> A document modifying the insurance contract and officially called "Québec Endorsement Form" or "Q.E.F."	43
the term <b>garage business</b> includes any business involving the custody, selling, equipping, repairing, maintaining, storing, parking, moving or servicing of automobiles;	<b>GARAGE BUSINESS:</b> Includes any business activity involving the custody, selling, equipping, repairing, maintaining, storing, parking, moving or servicing of <b>motor vehicles</b> , trailers or semi-trailers	43
<i>New definition</i>	<b>INSURANCE PREMIUM:</b> The amount payable to the <b>insurer</b> in consideration of the coverage provided under the insurance contract.	43
<i>New definition</i>	<b>INSURER:</b> The insurer of this insurance contract.	43
<i>New definition</i>	<b>LOSS:</b> A risk that occurs and causes <b>damage</b> .	43
<i>New definition</i>	<b>MOTOR VEHICLE:</b> A vehicle propelled by any power other than muscular force and adapted for transportation on public highways but not on	44

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	rails.	
<i>New definition</i>	<b>NAMED INSURED:</b> A person specified in Item 1, “ <i>Declarations.</i> ”	44
the words <b>nuclear energy hazard</b> mean the radioactive, toxic, explosive or other hazardous properties of prescribed substances under the Atomic Energy Control Act (Canada);	<b>NUCLEAR HAZARD:</b> Risk arising from the hazardous properties of substances that are: <ul style="list-style-type: none"> <li>▪ radioactive, toxic or explosive; and</li> <li>▪ prescribed under the <i>Nuclear Safety and Control Act</i> and its regulations</li> </ul>	44
<i>New definition</i>	<b>OWNER:</b> A person who acquires or possesses any <b>motor vehicle</b> , trailer or semi-trailer under one of the following: <ul style="list-style-type: none"> <li>▪ a document confirming the person’s status as owner of the vehicle (called a “title of ownership”);</li> <li>▪ a document entitling the person to become the owner of the vehicle subject to certain conditions or at a certain time;</li> <li>▪ a document entitling the person to use the vehicle as if such person were the owner, for a certain amount of time only;</li> <li>▪ a lease for a period of not less than one year.</li> </ul>	44
<i>New definition</i>	<b>PROPERTY DAMAGE:</b> Any <b>damage</b> caused to a <b>motor vehicle</b> or another type of property, including their disappearance.	44
the term <b>owned automobile</b> means any automobile, trailer or semi-trailer, including their equipment, that has been acquired by the Named Insured as owner or as lessee for at least one year or as lessee under a contract of leasing and which is used for pleasure or in connection with the business stated in the Declarations and any automobile which has been sold or leased for at least one year or is held for leasing under a contract of leasing but has not been delivered;	<b>VEHICLE OF WHICH THE NAMED INSURED IS THE OWNER:</b> <ul style="list-style-type: none"> <li>▪ Any <b>motor vehicle</b>, trailer or semi-trailer, including their equipment and accessories, of which the named insured is the <b>owner</b> and that is used in connection with a <b>described business activity</b>, non-profit activities or for personal travel.</li> <li>▪ Any <b>motor vehicle</b>, trailer or semi-trailer, including their equipment and accessories, which the <b>named insured</b> has sold, leased for at least one year or offered for leasing, but not yet delivered</li> </ul>	44

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<i>New definition</i>	<b>SPECIFIED LOCATION:</b> A location stated in Item 1, “ <i>Declarations</i> ” or in an <b>endorsement</b> , and used by the <b>named insured</b>	44
<p><b>spouse</b> means a person who at the time of the accident:</p> <p>(a) is married to and is living with another person;</p> <p>(b) has been living in a de facto union with an another person of the opposite or the same sex and has been publicly represented as spouse for at least three years or, in the following cases, for at least one year:</p> <ul style="list-style-type: none"> <li>– a child has been born or is to be born of their union;</li> <li>– they have adopted a child together;</li> <li>– one of them has adopted a child of the other;</li> </ul>	<p><b>SPOUSE:</b> A person who, at the time of <b>loss</b>:</p> <p>a) is married to and living with another person;</p> <p>b) is not married, but has been living in a <i>de facto</i> 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:</p> <ul style="list-style-type: none"> <li>▪ A child has been born or is to be born of their union;</li> <li>▪ They have adopted a child together; or</li> <li>▪ One of them has adopted a child of the other</li> </ul>	44
the words <b>the automobile</b> mean any automobile, trailer or semi-trailer, including their equipment insured by this contract;	<i>Removed</i>	
the term <b>tow truck</b> means a motor vehicle equipped to lift and tow an automobile or to load an automobile onto its platform and used exclusively for rendering assistance to or moving not more than two automobiles.	<b>TOW TRUCK: Motor vehicle</b> equipped to lift and tow a <b>motor vehicle</b> , 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	44
<i>New definition</i>	<b>VEHICLE OF WHICH THE NAMED INSURED IS NOT THE OWNER:</b> Any <b>motor vehicle</b> , trailer or semi-trailer, including their equipment and accessories, of which the <b>named insured</b> is not the <b>owner</b> .	44
<p><b>4. AUDIT</b></p> <p>Provided the Insured has authorized the Insurer in writing, the Insurer may at any time during regular business hours and upon fourteen days prior notice examine the books and records of the Insured insofar as they relate to the subject matter of the contract.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>8. EXAMINATION OF NAMED INSURED’S BOOKS AND RECORDS</b></p> <p>The <b>insurer</b> may examine the books and records of the <b>named insured</b> relating to the insurance contract. The <b>insurer</b> may do so provided it:</p> <ul style="list-style-type: none"> <li>▪ gives 14 days prior notice to the <b>named insured</b>;</li> </ul>	33

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	<ul style="list-style-type: none"> <li>▪ obtains the written consent of the <b>named insured</b>; and</li> <li>▪ conducts the examination during the <b>named insured's</b> business hours.</li> </ul>	
<p><b>5. ADJUSTABLE PREMIUM COMPUTATION</b></p> <p>(1) The advance premiums are computed according to the terms shown in Q.E.F. No. 4-79a, Premium Computation Statement, and are subject to adjustment at the end of the contract period based on the provisions contained in Q.E.F. No. 4-79b, Final Adjustment of Premium Computation Statement.</p> <p>(2) With respect only to Subsections 1, 3 and 4 of Section B, it is a condition that where the premium is determined on a monthly average basis</p> <p>(a) each month, the Insured shall file with the Insurer a Monthly Average Inventory Report Form (Q.E.F. no. 4-79) stating the number and value of all owned automobiles separately at each location at the close of business on the last business day of the</p> <p>(b) the earned premium shall be computed monthly by applying, pro rata, the rate specified in the Premium Computation Statement (Q.E.F. No. 4-79a) to the value of the inventory insured during each month, as shown in the report form. Whenever the aggregate of the monthly earned premiums exceeds the total advance premiums, the excess shall be due and payable and thereafter all earned premiums shall be due and payable at the end of each month.</p>	<p><b>SECTION B</b></p> <p><b>8. ADJUSTMENT OF ADVANCE INSURANCE PREMIUM</b></p> <p><b>8.1 General rule</b></p> <p>Item 4, "<i>Declarations</i>" indicates whether the <b>insurance premium</b> is an advance premium.</p> <p>In such instance, the <b>insurance premium</b> is determined by the <b>insurer</b> based on information indicated in <b>endorsement Q.E.F. No. 4-79a – Calculation of advance insurance premium</b>.</p> <p>When the insurance contracts ends, this premium is adjusted based on information indicated in <b>endorsement Q.E.F. No. 4-79b – Calculation of final insurance premium</b>.</p> <p><b>SECTION B</b></p> <p><b>8. ADJUSTMENT OF ADVANCE INSURANCE PREMIUM</b></p> <p><b>8.2 Specific rule for Protections 1, 3 and 4 of Section B</b></p> <p>Item 4, "<i>Declarations</i>" indicates whether the <b>insurance premium</b> is determined based on the <b>named insured's</b> monthly statements.</p> <p>In such instance, the advance <b>insurance premium</b> indicated in Item 4 is determined based on information declared by the <b>named insured</b> in <b>endorsement Q.E.F. No. 4-79a – Calculation of advance insurance premium</b>.</p> <p>It is then adjusted based on the <b>named insured's</b> monthly statements according to the following rules :</p> <p>A. The <b>named insured</b> 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 <b>endorsement Q.E.F.</b></p>	<p>23</p> <p>23</p>

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	<p><i>No. 4-79 – Monthly inventory statement for calculation of final insurance premium, for each <b>specified location</b>.</i></p> <p>B. Based on the <b>named insured</b>'s monthly statements, the <b>insurer</b> determines the monthly <b>insurance premium</b> payable in proportion to the rate specified in <b>endorsement Q.E.F. No. 4-79a – Calculation of advance insurance premium</b>.</p> <p>When the total of these monthly premiums exceeds the advance <b>insurance premium</b> specified in Item 4, "<i>Declarations</i>," the <b>named insured</b> must pay the excess to the <b>insurer</b> at the end of each month.</p>	
<p><b>6. TWO OR MORE AUTOMOBILES</b></p> <p>(a) A motor vehicle and one or more trailers or semi-trailers attached thereto shall be held to be one automobile under Section A. Where two or more automobiles are insured under one or more contracts issued by the same insurer, only one amount of insurance, the highest, shall apply in the event of loss under Section A.</p>	<p><b>SECTION A</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.6 Specific rule for trailers or semi-trailers attached to a motor vehicle</b></p> <p>When one or more trailers or semi-trailers are attached to a <b>motor vehicle</b>, the vehicles will be held to be one and the same vehicle.</p> <p>This rule means that, if <b>damage</b> is caused by the <b>motor vehicle</b>, trailer or semi-trailer, a single <b>amount of insurance</b> will apply, namely, the highest amount.</p> <p>The same rule will apply if the vehicles are insured under different insurance contracts with the <b>insurer</b>.</p>	14
<p>(b) A motor vehicle and one or more trailers or semi-trailers attached thereto shall be held to be separate automobiles with respect to the amount(s) of insurance, including any deductible provisions, under Sections B and C.</p>	<p><b>SECTION B</b></p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p><b>7.4 Specific rules for trailers or semi-trailers attached to a motor vehicle</b></p> <p>If one or more trailers or semi-trailers are attached to a <b>motor vehicle</b> and the vehicles incur <b>damage</b> in one and the same <b>loss</b> :</p>	14

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	<ul style="list-style-type: none"> <li>▪ the vehicles will be held to be separate vehicles; and;</li> <li>▪ their own coverage, <b>amount of insurance</b> and <b>deductible</b> will apply.</li> </ul> <p><b>SECTION C</b></p> <p>7. INDEMNITY PAYABLE BY INSURER</p> <p>7.3 Specific rules for trailers or semi-trailers attached to a motor vehicle</p> <p>If one or more trailers or semi-trailers are attached to a <b>motor vehicle</b> and the vehicles incur <b>damage</b> in one and the same loss, the vehicles will be held to be separate vehicles for the application of the protections, <b>amounts of insurance</b> and <b>deductibles</b>.</p>	13
<p>c) Section A shall apply to the Insured's liability for damage caused to a Non-owned Trailer, other than a trailer designed or used to carry passengers or for demonstration, sale, office or dwelling purposes, or in connection with the business stated in the Declarations, while:</p> <ul style="list-style-type: none"> <li>(i) attached to an automobile of the private passenger type insured under said section;</li> <li>(ii) not attached to any other vehicle, provided such trailer is generally attached to an automobile of the private passenger type insured under said section.</li> </ul>	<p><b>SECTION A</b></p> <p>4. CLARIFICATION CONCERNING DAMAGE UNDER PRINCIPAL COVERAGE</p> <p>4.1 Damage to trailers or semi-trailers of which insured persons are not the owners</p> <p>When <b>damage</b> is caused to a trailer or semi-trailer of which an insured person is not the <b>owner</b> and the trailer or semi-trailer:</p> <ul style="list-style-type: none"> <li>▪ is attached to a <b>passenger vehicle</b> insured under this Section A; or</li> <li>▪ is not attached to any vehicle at the time of <b>loss</b>, but is generally attached to a <b>passenger vehicle</b> that is insured under this Section A;</li> </ul> <p>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 <b>described business activity</b>.</p>	10



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	<p>endorsement.</p> <p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.4 Exclusions related to use of insured vehicle</p> <p>Section B excludes :</p> <p>A. Any <b>loss</b> that occurs while the insured vehicle is used :</p> <p>[...]</p> <p>The <b>insurer</b> may accept to insure these uses by specifying them in the “<i>Declarations</i>” section or by way of an <b>endorsement</b>.</p> <p><b>SECTION B</b></p> <p>6. EXCLUSIONS</p> <p>5.6 Exclusion related to rented vehicle</p> <p>Section B excludes <b>loss</b> that occurs while the insured vehicle is rented to any other person.</p> <p>[...]</p> <p>The <b>insurer</b> may accept to insure a rented or leased vehicle by specifying it in the “<i>Declarations</i>” section or by way of an <b>endorsement</b>.</p>	<p>20</p> <p>20</p>
<p>(a) the automobile is rented or leased to another, subject to the definition of <b>owned automobile</b> in Clause 3 of the General Provisions, Definitions and Exclusions of the policy, provided that the temporary use by a customer of the Insured of an owned automobile, while the customer's automobile is being repaired or serviced or which has been traded in to the Insured for another automobile sold, leased for at least one year or held for leasing by the Insured but not delivered, shall not be deemed renting or leasing of the automobile to another;</p>	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.6 Exclusion related to rented vehicle</p> <p>Section A excludes <b>loss</b> that occurs while the insured vehicle is rented to any other person.</p> <p>This exclusion does not apply where the rented vehicle is a <b>vehicle of which the insured is the owner</b>, in the following cases:</p>	<p>12</p>

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	<p>A. The vehicle is leased for at least one year but has not yet been delivered.</p> <p>B. The vehicle is rented to a person who has brought in another vehicle to the <b>named insured</b> for repair or servicing.</p> <p>C. The vehicle is rented to a person whose previous vehicle was accepted as a trade-in by the <b>named insured</b> for a new vehicle acquired, leased for at least one year or leased under a contract of leasing but not yet delivered.</p> <p><b>SECTION B</b></p> <p><b>5. EXCLUSIONS</b></p> <p><b>5.6 Exclusion related to rented vehicle</b></p> <p>Le chapitre B exclut le <b>sinistre</b> qui survient pendant que le véhicule assuré est loué à toute personne.</p> <p>Section B excludes <b>loss</b> that occurs while the insured vehicle is rented to any other person.</p> <p>This exclusion does not apply in the following cases:</p> <p>A. The vehicle is leased for at least one year but has not yet been delivered.</p> <p>B. The vehicle is rented to a person who has brought in another vehicle to the <b>named insured</b> for repair or servicing.</p> <p>C. The vehicle is rented to a person whose previous vehicle was accepted as a trade-in by the <b>named insured</b> for a new vehicle acquired, leased for at least one year or leased under a contract of leasing but not yet delivered.</p>	20
(b) the automobile is used to carry explosives, or to carry radioactive material for research, education, development or industrial purposes, or for purposes incidental thereto;	<p><b>SECTION A</b></p> <p><b>6. EXCLUSIONS</b></p> <p><b>6.4 Exclusions related to use of insured vehicle</b></p>	12



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	chauffeur-driven vehicle;	
<p>(d) the automobile is used:  (1) to carry property for compensation;</p>	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.4 Exclusions related to use of insured vehicle</p> <p>Section A excludes <b>loss</b> that occurs while the insured vehicle is used:  D. to carry property for consideration.</p> <p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.4 Exclusions related to use of insured vehicle</p> <p>Section B excludes :</p> <p>A. Any <b>loss</b> that occurs while the insured vehicle is used:</p> <ul style="list-style-type: none"> <li>▪ to carry property for consideration;</li> </ul>	<p>12</p> <p>20</p>
<p>(d) the automobile is used:  (2) for public road construction, repair or maintenance;</p>	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.4 Exclusions related to use of insured vehicle</p> <p>Section A excludes <b>loss</b> that occurs while the insured vehicle is used:  E. for public road construction, repair or maintenance.</p> <p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.4 Exclusions related to use of insured vehicle</p> <p>Section B excludes :</p> <p>A. Any <b>loss</b> that occurs while the insured vehicle is used</p>	<p>12</p> <p>20</p>

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	<ul style="list-style-type: none"> <li>▪ for public road construction, repair or maintenance;</li> </ul>	
<p>(d) the automobile is used:</p> <p>(3) as farm or contractor's equipment on behalf of others for compensation.</p>	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.4 Exclusions related to use of insured vehicle</p> <p>Section A excludes <b>loss</b> that occurs while the insured vehicle is used:</p> <p>F. as farm or contractor's equipment on behalf of a person other than the <b>named insured</b> for consideration.</p> <p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.4 Exclusions related to use of insured vehicle</p> <p>Section B excludes :</p> <p>A. Any <b>loss</b> that occurs while the insured vehicle is used:</p> <ul style="list-style-type: none"> <li>▪ as farm or contractor's equipment on behalf of a person other than the <b>named insured</b> for consideration.</li> </ul>	<p>12</p> <p>20</p>
<p><b>9. EXCLUDED AUTOMOBILES</b></p> <p>Unless coverage is indicated in the Declarations or expressly given by an endorsement, the Insurer shall not be liable under this contract for loss, damage, injury or death arising from the ownership, use or operation of any automobile:</p>	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.2 Exclusions related to business activities</p> <p>Section A excludes :</p> <p>[...]</p> <p>The <b>insurer</b> may accept to insure a vehicle in connection with such an activity by specifying it in the "<i>Declarations</i>" section or by way of an <b>endorsement</b>.</p> <p><b>SECTION A</b></p>	<p>11</p>

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	<p><b>6. EXCLUSIONS</b></p> <p><b>6.3 Exclusions related to types of vehicles</b></p> <p>Section A excludes <b>loss</b> attributable to certain types of <b>vehicles of which the insured is the owner</b>, including:</p> <p>[...]</p> <p>The <b>insurer</b> may accept to insure these types of vehicles by specifying them in the “<i>Declarations</i>” <i>section</i> or by way of an <b>endorsement</b>.</p> <p><b>SECTION A</b></p>	12
	<p><b>6. EXCLUSIONS</b></p> <p><b>6.5 Exclusions related to use of insured vehicle</b></p> <p>Section A excludes <b>loss</b> attributable to a vehicle provided for...</p> <p>[...]</p> <p>The <b>insurer</b> may accept to insure such a vehicle by specifying it in the “<i>Declarations</i>” <i>section</i> or by way of an <b>endorsement</b>.</p> <p><b>SECTION B</b></p>	12
	<p><b>5. EXCLUSIONS</b></p> <p><b>5.2 Exclusion related to business activities</b></p> <p>Section B excludes any <b>loss</b> that occurs...</p> <p>[...]</p> <p>The <b>insurer</b> may accept to insure a vehicle in connection with such an activity by specifying it in the “<i>Declarations</i>” <i>section</i> or by way of an <b>endorsement</b>.</p> <p><b>SECTION B</b></p>	19
	<p><b>5. EXCLUSIONS</b></p>	19

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	<p>5.3 Exclusions related to types of vehicles</p> <p>Section B excludes any <b>loss</b> that causes <b>damage</b> to certain types of vehicles :</p> <p>[...]</p> <p>The <b>insurer</b> may accept to insure these types of vehicles by specifying them in the “<i>Declarations</i>” section or by way of an <b>endorsement</b>.</p> <p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.5 Exclusions related to use of insured vehicle</p> <p>Section B excludes <b>loss</b> that causes <b>damage</b> to a vehicle...</p> <p>[...]</p> <p>The <b>insurer</b> may accept to insure a rented or leased vehicle by specifying it in the “<i>Declarations</i>” section or by way of an <b>endorsement</b>.</p>	<p>19</p> <p>20</p>
<p>(a) owned, leased for at least one year or under a contract of leasing or used by the Insured for the purposes of any business conducted by or any employment or occupation for wages or profit engaged in by the Insured other than as stated in the Declarations;</p>	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.2 Exclusions related to business activities</p> <p>Section A excludes:</p> <p>A. Any <b>loss</b> that occurs in the course of an activity for consideration that is not a <b>described business activity</b>.</p> <p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.2 Exclusions related to business activities</p> <p>Section B excludes any <b>loss</b> that occurs in the course of an activity for consideration that is not a <b>described business activity</b>.</p>	<p>11</p> <p>19</p>

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<p>(b) owned, leased for at least one year or under a contract of leasing by the Insured which is designed or modified for racing purposes;</p>	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.3 Exclusions related to types of vehicles</p> <p>Section A excludes <b>loss</b> attributable to certain types of <b>vehicles of which the insured is the owner</b>, including:</p> <p>A. Vehicles designed or modified for racing purposes.</p> <p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.3 Exclusions related to types of vehicles</p> <p>Section B excludes any <b>loss</b> that causes <b>damage</b> to certain types of vehicles:</p> <p>A. Vehicles designed or modified for racing purposes.</p>	<p>12</p> <p>19</p>
<p>(c) furnished by the Insured to any person, except an employee or a shareholder, member or partner of the Insured for his regular or frequent use;</p>	<p><b>SECTION A</b></p> <p>6. EXCLUSIONS</p> <p>6.5 Exclusion related to provided vehicles</p> <p>Section A excludes <b>loss</b> attributable to a vehicle provided for frequent or regular use by the <b>named insured</b> to a person other than an employee, shareholder, member or partner of the <b>named insured</b>.</p> <p><b>SECTION B</b></p> <p>5. EXCLUSIONS</p> <p>5.5 Exclusion related to provided vehicles</p> <p>Section B excludes <b>loss</b> that causes <b>damage</b> to a vehicle provided for frequent or regular use by the <b>named insured</b> to a person other than an employee, shareholder, member or partner of the <b>named insured</b>.</p>	<p>12</p> <p>20</p>

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<p>d) owned, leased for at least one year or under a contract of leasing by the Insured, and</p> <ul style="list-style-type: none"> <li>- designed for the bulk transportation of petroleum products or other materials, while so used;</li> </ul>	<p><b>SECTION A</b></p> <p><b>6. EXCLUSIONS</b></p> <p><b>6.3 Exclusions related to types of vehicles</b></p> <p>Section A excludes <b>loss</b> attributable to certain types of <b>vehicles of which the insured is the owner</b>, including:</p> <p>B. Vehicles designed for the bulk transportation of petroleum products or other goods, while so used.</p> <p><b>SECTION B</b></p> <p><b>5. EXCLUSIONS</b></p> <p><b>5.3 Exclusions related to types of vehicles</b></p> <p>Section B excludes any <b>loss</b> that causes <b>damage</b> to certain types of vehicles:</p> <p>B. Vehicles designed for the bulk transportation of petroleum products or other goods, while so used.</p>	<p>12</p> <p>19</p>
<p>d) owned, leased for at least one year or under a contract of leasing by the Insured, and</p> <ul style="list-style-type: none"> <li>- designed for the transportation or towing of automobiles, while so used, except for the Insured's own use for the purpose of the business stated in the Declarations, subject to Exclusion (1) (f) of Section B, provided always that a tow truck shall not be deemed designed for that purpose.</li> </ul>	<p><b>SECTION A</b></p> <p><b>6. EXCLUSIONS</b></p> <p><b>6.3 Exclusions related to types of vehicles</b></p> <p>Section A excludes <b>loss</b> attributable to certain types of <b>vehicles of which the insured is the owner</b>, including:</p> <p>C. Vehicles designed for the transportation or towing of <b>motor vehicles</b>, while so used.</p> <p>This exclusion does not apply to <b>tow trucks</b>.</p> <p>Moreover, this exclusion does not apply to transportation or towing activities carried out for the <b>named insured</b> in connection with the <b>named insured's described business activity</b>.</p>	<p>12</p>



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	<p>The insured persons under Section C are as follows :</p> <p>A. Any person other than the <b>named insured</b> who drives or uses the insured vehicle, where the person is not the <b>owner</b> or the registration holder.</p> <p>Where the person is the <b>owner</b> or the registration holder, the person is insured only if the vehicle is used in connection with of a <b>garage business</b>.</p>	25
<p>– an automobile whose operation or use is excluded;</p>	<p><i>Non reproduit</i></p>	
<p>b) with respect to Section A of this policy, every employee, shareholder, member or partner of the Insured having at his or her disposal on a regular basis an automobile furnished by the Named Insured and the spouse of such person and the spouse of the Named Insured, who with the consent of the owner thereof personally drives or uses for pleasure purposes any automobile of the private passenger type, other than:</p> <p>– an automobile owned or leased for at least one year or under a contract of leasing by, or registered in the name of, or regularly or frequently used by any person whose domicile is the same as the Named Insured's or such additional Insured person's, or</p>	<p><b>SECTION A</b></p> <p><b>3. INSURED PERSONS</b></p> <p><b>3.2 When named insured is not owner of insured vehicle</b></p> <p><b>3.2.2. In connection with personal use or travel</b></p> <p>A. B. Any person other than the <b>named insured</b> who drives or uses the insured vehicle, where the person is not the actual <b>owner</b> or the registration holder.</p> <ul style="list-style-type: none"> <li>▪ The <b>spouse</b> of the <b>named insured</b>;</li> <li>▪ An employee, shareholder, member or partner of the <b>named insured</b> having at his or her disposal on a regular basis a <b>passenger vehicle</b> provided by the <b>named insured</b>;</li> <li>▪ The <b>spouse</b> of such employee, shareholder, member or partner.</li> </ul> <p>The following persons are not insured where the <b>owner</b>, registration holder or regular or frequent user of the insured vehicle is:</p> <ul style="list-style-type: none"> <li>▪ A person whose domicile is the same as that of the <b>named insured</b> or his or her <b>spouse</b>;</li> <li>▪ A person whose domicile is the same as that of the employee, shareholder, member or partner of the <b>named</b></li> </ul>	9

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	<p><b>insured;</b></p> <ul style="list-style-type: none"> <li>▪ A person whose domicile is the same as that of the <b>spouse</b> of the employee, shareholder, member or partner.</li> </ul>	
<p>- an automobile whose operation or use is excluded.</p>	<p><i>Non reproduit</i></p>	
<p style="text-align: center;"><b>CONDITIONS</b></p> <p>This contract is subject to the Civil Code of Quebec, the Code of Civil Procedure of Quebec, the Automobile Insurance Act and its regulations and the Act respecting vehicles, if applicable.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>1. LAWS APPLICABLE TO INSURANCE CONTRACT</b></p> <p>The insurance contract is governed by the following laws:</p> <ul style="list-style-type: none"> <li>▪ <i>Civil Code of Québec;</i></li> <li>▪ <i>Code of Civil Procedure</i> of Québec;</li> <li>▪ <i>Automobile Insurance Act</i> and its regulations; and</li> <li>▪ <i>Act respecting off-highway vehicles</i>, where applicable.</li> </ul> <p>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.</p>	<p>30</p>
<p><b>1. REPRESENTATION OF RISK</b></p> <p>The client, and the Insured if the Insurer requires it, is bound to represent all the facts known to him which are likely to materially influence an insurer in the setting of the premium, the appraisal of the risk or the decision to cover it, but he is not bound to represent facts known to the Insurer or which from their notoriety he is presumed to know, except in answer to inquiries.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>4. INFORMATIONS À DÉCLARER À L'ASSUREUR</b></p> <p><b>4.1 Initial declaration of risk</b></p> <p>The <b>client</b>, and the insured person if the <b>insurer</b> requires it, is bound to represent the facts known to them that are likely to materially influence an insurer in :</p> <ul style="list-style-type: none"> <li>▪ analyzing the risk;</li> <li>▪ deciding whether or not to cover the risk; or</li> <li>▪ setting the <b>insurance premium</b>.</li> </ul> <p>However, the <b>client</b> and the insured person are not required to represent facts already known to the <b>insurer</b> or which the <b>insurer</b> is</p>	<p>30</p>

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	presumed to know because of their notoriety, unless the <b>insurer</b> asks questions in that regard.	
The client means the person submitting an insurance application.	<p><b>DEFINITIONS</b></p> <p><b>CLIENT:</b> The person who submits an application to the <b>insurer</b> 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 <b>named insured</b></p>	43
<p><b>2. MATERIAL CHANGE IN RISK</b></p> <p>The Insured shall promptly notify the Insurer of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it.</p> <p>On being notified of any material change in the risk, the Insurer may, under Condition 21, cancel the contract or propose, in writing, a new rate of premium. Unless the new premium is accepted and paid by the Insured within thirty days of the proposal, the policy ceases to be in force.</p> <p>If the Insurer continues to accept the premiums or if he pays an indemnity after a loss, he is deemed to have acquiesced in the change notified to him.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>4. DISCLOSURE TO INSURER</b></p> <p><b>4.2 Aggravation of risk</b></p> <p><b>4.2.1 Obligation of insured person</b></p> <p>The insured person is required to promptly report to the <b>insurer</b> any change that increases the risks specified in the insurance contract.</p> <p>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 :</p> <ul style="list-style-type: none"> <li>▪ analyzing the risk;</li> <li>▪ deciding whether to continue or terminate the insurance contract; or</li> <li>▪ setting the <b>insurance premium</b>.</li> </ul> <p><b>4.2.2 Rights of insurer</b></p> <p>Upon being informed of any new facts, the <b>insurer</b> may:</p> <ul style="list-style-type: none"> <li>▪ propose a new <b>insurance premium</b> to the <b>named insured</b> in writing. The <b>named insured</b> must then accept and pay the new <b>insurance premium</b> within 30 days of the proposal, failing which the insurance contract will terminate; or</li> <li>▪ cancel the insurance contract subject to the conditions set out in Article 3, "<i>Effective date, renewal and expiry of insurance</i></li> </ul>	30

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	<p><i>contract.”.</i></p> <p>However, if the <b>insurer</b> continues to accept payment of the <b>insurance premium</b> or if the <b>insurer</b> pays an indemnity after a <b>loss</b>, the <b>insurer</b> will be deemed to have accepted the new facts as reported.</p>	
<p><b>3. MISREPRESENTATIONS OR CONCEALMENT</b></p> <p>Section A of the policy may be nullified at the instance of the Insurer where the Insured or the client has misrepresented or concealed relevant facts mentioned in Condition 1 and in the first paragraph of Condition 2 which are likely to materially influence a reasonable insurer in the decision to cover the risk. Unless such misrepresentation or concealment is established, the Insurer remains liable towards the Insured for such proportion of the indemnity as the premium he collected bears to the premium he should have collected.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>4. DISCLOSURE TO INSURER</b></p> <p><b>4.3 Consequences of misrepresentation or non-disclosure</b></p> <p><b>4.3.1 Consequences for Section A</b></p> <p>A. <u>Nullification of Section A</u></p> <p>Section A may be nullified at any time at the instance of the <b>insurer</b> if:</p> <p>a) the <b>client</b> or an insured person :</p> <ul style="list-style-type: none"> <li>▪ 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</li> <li>▪ has voluntarily failed to disclose any of the information referred to in Articles 4.1 and 4.2 of this section (known as “concealment”);</li> </ul> <p>and</p> <p>b) such misrepresentation or concealment is likely to substantially influence a reasonable insurer in the decision to cover the risk.</p> <p>B. <u>Reduction of indemnity following a loss</u></p> <p>If, following a <b>loss</b>, the <b>insurer</b> fails to establish that the misrepresentation or concealment was likely to substantially influence a reasonable insurer in the decision to cover the risk, the <b>insurer</b> will be required to pay a portion of the indemnity.</p> <p>The indemnity is calculated in proportion to the <b>insurance premium</b> established by the <b>insurer</b> before becoming aware of the misrepresentation or concealment, divided by the <b>insurance premium</b></p>	31

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	that the <b>insurer</b> would have established had the <b>client</b> or the insured person provided the information that they were required to disclose.	
<p>Sections B and C of the policy may be nullified at the instance of the Insurer where the Insured or the client has misrepresented or concealed relevant facts mentioned in Condition 1 and in the first paragraph of Condition 2 which are likely to materially influence a reasonable insurer, even in respect of losses not connected with the risk so misrepresented or concealed. Unless the bad faith of the Insured or the client is established or unless it is established that the Insurer would not have covered the risk if he had known the true facts, the Insurer remains liable towards the Insured for such proportion of the indemnity as the premium he collected bears to the premium he should have collected.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>4. DISCLOSURE TO INSURER</b></p> <p><b>4.3 Consequences of misrepresentation or non-disclosure</b></p> <p><b>4.3.2 Consequences for Sections B and C</b></p> <p>A. <u>Nullification of Section B or Section C</u></p> <p>Section B or Section C may be nullified at any time at the instance of the <b>insurer</b> if :</p> <p>a) the <b>client</b> or an insured person :</p> <ul style="list-style-type: none"> <li>▪ 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</li> <li>▪ has voluntarily failed to disclose any of the information referred to in Articles 4.1 and 4.2 of this section (known as “concealment”);</li> </ul> <p>and</p> <p>b) such misrepresentation or concealment is likely to substantially influence a reasonable insurer in the decision to cover the risk.</p> <p>Following a <b>loss</b>, Section B or Section C may be nullified at the instance of the <b>insurer</b> even if the <b>loss</b> does not result from the risk so misrepresented or concealed.</p> <p>B. <u>Reduction of indemnity following a loss</u></p> <p>Following a <b>loss</b>, and notwithstanding any misrepresentation or concealment, the <b>insurer</b> is required to pay a portion of the indemnity if the <b>insurer</b> fails to establish :</p> <ul style="list-style-type: none"> <li>▪ the bad faith of the <b>named insured</b> or the <b>client</b>; or</li> </ul>	32

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	<ul style="list-style-type: none"> <li>▪ that it would not have covered the risk had it known the true facts.</li> </ul> <p>The indemnity is calculated in proportion to the <b>insurance premium</b> established by the <b>insurer</b> before becoming aware of the misrepresentation or concealment, divided by the <b>insurance premium</b> that the <b>insurer</b> would have established had the <b>client</b> or the insured person provided the information that they were required to disclose.</p>	
<p><b>4. BREACH OF WARRANTY</b></p> <p>A breach of warranty aggravating the risk suspends the coverage. The suspension ceases upon the acquiescence of the Insurer or the remedy of the breach.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>5. BREACH OF WARRANTY</b></p> <p>In the event of a breach of warranty aggravating the risk, coverage of the risk subject to the warranty will be suspended.</p> <p>The suspension will cease when:</p> <ul style="list-style-type: none"> <li>▪ an insured person remedies the breach; or</li> <li>▪ the <b>insurer</b> gives its consent.</li> </ul> <p>Warranties may be found, among others, in:</p> <ul style="list-style-type: none"> <li>▪ the “<i>Declarations</i>” section; and</li> <li>▪ the <b>endorsements</b>.</li> </ul>	32
<p><b>5. PROHIBITED USE</b></p> <p>The Insured shall not drive or operate the automobile nor permit the use of the automobile by others:</p> <p>(a) unless the driver is for the time being authorized by law or qualified to drive or operate the automobile, or while he is under 16 years of age or under such other age as is prescribed by law to drive an automobile;</p> <p>(b) for any illicit trade or transportation;</p> <p>(c) in any race or speed test.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>6. PROHIBITED USE OF INSURED VEHICLE</b></p> <p>The insured vehicle may not be driven or operated by the insured persons :</p> <p>A. When the insured persons:</p> <ul style="list-style-type: none"> <li>▪ are under 16 years of age or the legal age to drive; and</li> <li>▪ are not authorized to drive, by law, or qualified to drive or operate the vehicle.</li> </ul> <p>B. To make any illicit trade or transportation.</p>	32

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	<p>C. To participate in a race or speed test.</p> <p>In addition, the insured persons are not to allow <b>another person</b> to use the insured vehicle in the above situations.</p>	
<p><b>6. INSPECTION OF AUTOMOBILE</b></p> <p>The Insurer shall be permitted at all reasonable times to inspect the automobile and its equipment.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>7. INSPECTION OF INSURED VEHICLES</b></p> <p>At any reasonable time, the <b>insurer</b> is entitled to inspect the insured vehicles and their equipment and accessories.</p>	33
<p><b>7. NOTICE OF LOSS</b></p> <p>The Insured shall notify the Insurer of any loss which may give rise to an indemnity, as soon as he becomes aware of it. Any interested person may give such notice.</p> <p>The failure to fulfil the obligation set out in the preceding paragraph entails forfeiture of the right to indemnity where such failure has caused prejudice to the insurer.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>1. WHAT TO DO IN THE EVENT OF LOSS</b></p> <p><b>1.1 Report information to insurer</b></p> <p><b>1.1.1 Report loss</b></p> <p>Notice must be given to the <b>insurer</b> as soon as an insured person becomes aware of a <b>loss</b> that may be covered under the insurance contract.</p> <p>Any interested person may also give such notice to the <b>insurer</b>.</p> <p>Failure to fulfil the obligation to report the <b>loss</b> will result in the insured person losing his or her right to indemnity if such failure causes prejudice to the <b>insurer</b>.</p>	34
<p><b>8. INFORMATION TO BE PROVIDED</b></p> <p>At request of the Insurer, the Insured shall inform the Insurer as soon as possible of all the circumstances surrounding the loss, including its probable cause, the nature and extent of the damage, the location of the insured property, the rights of third parties, and any concurrent insurance; he shall also furnish him with vouchers and swear or warrant to the truth of the information.</p> <p>Where, for a serious reason, the Insured is unable to fulfil such</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>1. WHAT TO DO IN THE EVENT OF LOSS</b></p> <p><b>1.1 Report information to insurer</b></p> <p><b>1.1.2 Report any additional information</b></p> <p>When so requested by the <b>insurer</b>, the insured person will be required to inform the <b>insurer</b> as soon as possible of all the circumstances</p>	34

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<p>obligation, he is entitled to a reasonable time in which to do so. If the Insured fails to fulfil his obligation, any interested person may do so on his behalf.</p> <p>In addition, the Insured shall forthwith send to the Insurer a copy of any notice, letter, summons or proceeding received in connection with a claim.</p>	<p>surrounding the <b>loss</b>, including :</p> <ul style="list-style-type: none"> <li>▪ the probable cause of the <b>loss</b>;</li> <li>▪ the nature and extent of the <b>damage</b>;</li> <li>▪ the location of the insured vehicle or any other property;</li> <li>▪ the rights of <b>another person</b>; and</li> <li>▪ any other insurance contracts that may apply.</li> </ul> <p>The insured person must also provide the <b>insurer</b> with supporting documents and declare under oath that all of the information provided is true.</p> <p>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.</p> <p>If the insured person fails to fulfil these obligations, any interested person may do so on the insured person's behalf.</p> <p>The insured person must also provide the <b>insurer</b> promptly with a copy of any documents received in connection with a claim, including:</p> <ul style="list-style-type: none"> <li>▪ notices;</li> <li>▪ letters; and</li> <li>▪ summonses and any other pleading.</li> </ul>	34
<p><b>9. DECEITFUL REPRESENTATION</b></p> <p>Any deceitful representation relating to a loss entails the loss of the right of the person making it to any indemnity in respect of the risk to which the representation relates.</p> <p>However, if the occurrence of the event insured against entails the loss of both property for occupational use and personal property, forfeiture is incurred only with respect to the class of property to which the representation relates.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>1. WHAT TO DO IN THE EVENT OF LOSS</b></p> <p><b>1.1 Report information to insurer</b></p> <p><b>1.1.3 Consequences of deceitful representations</b></p> <p>If a person makes a deceitful representation relating to a <b>loss</b>, the person will lose his or her right to an indemnity. The person will lose that right solely with respect to the <b>damage</b> caused by the occurrence of the peril to which the deceitful representation relates.</p>	34

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	<p>However, if the occurrence of the peril caused <b>damage</b> 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 <b>damage</b> caused to the class of property to which the deceitful representation relates.</p>	
<p><b>10. ABANDONMENT, SAFEGUARDING AND EXAMINATION OF PROPERTY</b></p> <p>The Insured may not abandon the damaged property if there is no agreement to that effect with the Insurer.</p> <p>The Insured shall facilitate the salvage and inspection of the insured property by the Insurer. He shall, in particular, permit the Insurer and his representatives to visit the premises and examine the insured automobile and its equipment.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>1. WHAT TO DO IN THE EVENT OF LOSS</b></p> <p><b>1.2 Fulfil obligations relating to insured vehicle</b></p> <p><b>1.2.1 Do not abandon insured vehicle</b></p> <p>The insured person must not abandon the insured vehicle or any other damaged property without the <b>insurer's</b> consent.</p> <p><b>1. WHAT TO DO IN THE EVENT OF LOSS</b></p> <p><b>1.2 Fulfil obligations relating to insured vehicle</b></p> <p><b>1.2.2 Facilitate salvage and inspection of insured vehicle by insurer</b></p> <p>The insured person must facilitate the salvage of the insured vehicle and any other insured property.</p> <p>The insured person must also facilitate the inspection by the <b>insurer</b>. This includes allowing the <b>insurer</b> and its representatives to visit any premises and inspect the insured vehicle and its equipment and accessories.</p>	35
<p>In addition, the Insured shall at the expense of the Insurer, and as far as reasonably possible, protect the automobile from further loss or damage, and any such further loss or damage accruing directly or indirectly from a failure to protect shall not be recoverable hereunder. No repairs shall be undertaken or any physical evidence of the loss or damage removed without the written consent of the Insurer, except such repairs as are immediately necessary for the protection of the automobile from</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>1. WHAT TO DO IN THE EVENT OF LOSS</b></p> <p><b>1.2 Fulfil obligations relating to insured vehicle</b></p> <p><b>1.2.3 Protect insured vehicle</b></p> <p>The insured person must ensure the protection of the insured vehicle</p>	35

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<p>further loss or damage, or until the Insurer has had a reasonable time to make the examination provided for in Condition 6.</p>	<p>from further loss or <b>damage</b>, as far as reasonably possible and at the expense of the <b>insurer</b>.</p> <p>If the insured person fails to fulfil this obligation, any <b>damage</b> resulting directly or indirectly will be at the insured person's expense.</p> <p><b>1. WHAT TO DO IN THE EVENT OF LOSS</b></p> <p><b>1.2 Fulfil obligations relating to insured vehicle</b></p> <p><b>1.2.4 Do not perform repairs or remove physical evidence</b></p> <p>Until the <b>insurer</b> has had a reasonable time to inspect the insured vehicle, as provided for in Article 7, "<i>General conditions</i>":</p> <ul style="list-style-type: none"> <li>▪ no repairs must be made to the vehicle; and</li> <li>▪ no physical evidence of the <b>damage</b> must be removed from the vehicle.</li> </ul> <p>However, such actions may be taken if:</p> <ul style="list-style-type: none"> <li>▪ they are necessary to protect the insured vehicle; or</li> <li>▪ the <b>insurer</b> gives its consent in writing.</li> </ul>	35
<p><b>11. ADMISSION OF LIABILITY AND COOPERATION</b></p> <p>No transaction made without the consent of the Insurer may be set up against him.</p> <p>The Insured shall not admit any liability nor settle or attempt to settle any claim, except at his own cost.</p> <p>The Insured shall cooperate with the Insurer in the processing of all claims.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>1. WHAT TO DO IN THE EVENT OF LOSS</b></p> <p><b>1.3 Refrain from commenting on liability and from settling claim</b></p> <p>Except at his or her own cost, following a <b>loss</b>, the insured person must refrain from:</p> <ul style="list-style-type: none"> <li>▪ commenting on his or her liability; and</li> <li>▪ settling or attempting to settle any claim.</li> </ul> <p>Should an insured person enter into an agreement (called a "transaction") in respect of the <b>loss</b>, without the consent of the <b>insurer</b>, the <b>insurer</b> will not be bound by such agreement.</p>	35

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	<p>1.4 Cooperate with insurer</p> <p>The insured person must cooperate with the insurer in the processing of any claim.</p>	35
<p><b>12. VALUATION AND MANNER OF PAYMENT</b></p> <p>The Insurer shall not be liable beyond the actual cash value of the automobile at the time any loss or damage occurs, and the loss or damage shall be ascertained or estimated with proper deduction for depreciation, however caused, and shall in no event exceed what it would cost to repair or replace the automobile or any part thereof with material of like kind and quality provided that in the event of any part of the automobile being obsolete and out of stock, the liability of the Insurer in respect thereof shall be limited to the value of original equipment manufacturer parts at the time of loss or damage not exceeding the manufacturer's latest list price.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>2. HOW TO CALCULATE VALUE OF DAMAGE</b></p> <p>The value of <b>damage</b> payable by the <b>insurer</b> may not be greater than the “actual cash value” of the insured vehicle.</p> <p>Once the <b>named insured</b> has been indemnified, the <b>insurer</b> has the right to recover the damaged property in whole or in part (called “right of salvage”).</p> <p><b>2.1 Value of damage payable by insurer for repair of insured vehicle</b></p> <p>The value of <b>damage</b> is determined on the basis of, among other things, the cost of materials at the time of <b>loss</b>.</p> <p>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.</p> <p><b>2.1.2 Parts out of stock or no longer manufactured</b></p> <p>If the materials needed to repair the vehicle include replacement parts that are out of stock or no longer manufactured, the liability of the <b>insurer</b> will be limited to the latest list price of original equipment manufacturer parts.</p> <p>The <b>insurer</b> may also take into account any kind of depreciation.</p>	36
<p>For the purposes of the above coverage, the value of damages caused to the owned automobile shall be based on original equipment manufacturer parts where the age of the automobile and mileage are less than two (2) years and forty thousand kilometres (40,000 km), or less than one (1) year in the case of an automobile used for commercial purposes. Where the age and</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>2. HOW TO CALCULATE VALUE OF DAMAGE</b></p> <p><b>2.1 Value of damage payable by insurer for repair of</b></p>	36

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<p>mileage are greater, such value may be based on similar automobile parts. However, the Insured may opt for original equipment manufacturer parts, if available, by communicating such option to the Insurer at the time of the notice of loss. The Insurer shall then specify the applicable conditions and additional costs that the Insured shall assume as a result of such option.</p>	<p>insured vehicle</p> <p><b>2.1.1 Clarification concerning automobile body parts</b></p> <p>The <b>insurer</b> will determine the cost of materials on the basis of original equipment manufacturer parts if:</p> <ul style="list-style-type: none"> <li>▪ the vehicle is less than two years old or has less than 40,000 km; or</li> <li>▪ the vehicle is used for commercial purposes and is less than one year old.</li> </ul> <p>In all other instances, the <b>insurer</b> may base its determination on the cost of similar automobile body parts. However, the <b>named insured</b> may ask for original equipment manufacturer parts, if available, and must inform the <b>insurer</b> accordingly when reporting the <b>loss</b>. The <b>insurer</b> will then specify the applicable conditions and additional costs that the <b>named insured</b> will be required to pay.</p>	36
<p>In the event of a total or constructive total loss, the Insurer agrees, at the option of the Insured and subject to supporting evidence, to cover reasonable expenses incurred to restore the automobile to the same condition as it was before the loss.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>2. HOW TO CALCULATE VALUE OF DAMAGE</b></p> <p><b>2.2 Value of damage payable by insurer for insured vehicle if total loss</b></p> <p>If the insured vehicle is a total loss or constructive total loss, the value of <b>damage</b> will be equal to the “actual cash value” of the insured vehicle.</p> <p>In spite of the total loss or constructive total loss of the insured vehicle, the <b>named insured</b> may ask for the vehicle to be restored to the condition it was in at the time of <b>loss</b>.</p> <p>The <b>named insured</b> must provide the <b>insurer</b> with supporting evidence to determine the vehicle’s condition at the time of <b>loss</b>.</p> <p>In such instance, the <b>insurer</b> 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 <b>loss</b>.</p>	36

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<p>Except where an arbitration has been made and subject to the rights of preferred and hypothecary creditors, the Insurer, instead of making payment may, within a reasonable time, repair, rebuild or replace the property damaged or lost with other of like kind and quality, giving written notice of its intention so to do within seven days after the receipt of the proofs of loss.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>2. HOW TO CALCULATE VALUE OF DAMAGE</b></p> <p><b>2.3 Value of damage where insurer may decide to repair, rebuild or replace damaged property</b></p> <p>In the absence of arbitration, and subject to the rights of preferred and hypothecary creditors, the <b>insurer</b> may decide to repair, rebuild or replace the damaged property with other property of like kind and quality, instead of making a cash payment.</p> <p>Before repairing, rebuilding or replacing the property, the <b>insurer</b> must inform the <b>named insured</b> in writing within seven days after receipt of the proof of loss.</p> <p>In addition, the property must be repaired, rebuilt or replaced within a reasonable amount of time.</p>	37
<p>In all cases, the salvage, if any, shall revert to the Insurer.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>2. HOW TO CALCULATE VALUE OF DAMAGE</b></p> <p>The value of <b>damage</b> payable by the <b>insurer</b> may not be greater than the “actual cash value” of the insured vehicle.</p> <p>Once the <b>named insured</b> has been indemnified, the <b>insurer</b> has the right to recover the damaged property in whole or in part (called “right of salvage”).</p>	36
<p><b>13. ARBITRATION</b></p> <p>Arbitration may take place in the event of a disagreement as to the nature, extent or amount of the loss or damage, or the adequacy of the repairs or the replacement, and independently of all other questions respecting the validity of the contract.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.1 Request for arbitration</b></p> <p>The <b>named insured</b> or the <b>insurer</b> may request arbitration in the event of disagreement on the following:</p>	37

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	<ul style="list-style-type: none"> <li>▪ the nature, extent or value of the <b>damage</b>;</li> <li>▪ the adequacy of the repair or replacement.</li> </ul> <p>Arbitration may be requested even if the validity of the insurance contract is being challenged.</p>	
<p>The party seeking arbitration must notify the other party of his intention in writing, specifying the matter in dispute. The insured's request for arbitration must be granted. The insurer's request for arbitration may be granted subject to the insured's consent.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p>4. <b>ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p>4.1 Request for arbitration</p> <p>4.1.1 Request made by named insured</p> <p>The <b>named insured</b> must send a written notice to the <b>insurer</b> indicating the reason of the disagreement.</p> <p>The <b>insurer</b> must accept a request for arbitration made by the <b>named insured</b> and send the <b>named insured</b> an acknowledgment of receipt within 15 days after receiving the notice.</p>	38
<p>If the insured requests arbitration, the insurer must send the insured an acknowledgement of receipt no later than 15 clear days after receipt of this notice. If the insurer so requests, the insured must confirm acceptance or refusal within the same amount of time.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p>4. <b>ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p>4.1 Request for arbitration</p> <p>4.1.2 Request made by insurer</p> <p>The <b>named insured</b> must send a written notice to the <b>insurer</b> indicating the reason of the disagreement.</p> <p>The <b>insurer</b> must accept a request for arbitration made by the <b>named insured</b> and send the <b>named insured</b> an acknowledgment of receipt within 15 days after receiving the notice.</p>	38

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<p>Each party shall name an expert and the two experts shall work jointly to estimate the damage (establishing the actual cash value and the damage separately) or to assess the adequacy of the repairs or the replacement. Failing to agree they shall submit their differences to a disinterested arbitrator they have appointed.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.2 Designation of experts and arbitrator</b></p> <p>The <b>insurer</b> and the <b>named insured</b> must each choose an expert.</p> <p>Depending on the nature of the disagreement, both experts must determine:</p> <ul style="list-style-type: none"> <li>▪ the nature, extent and value of the <b>damage</b>. In order to do so, they must assess separately the “actual cash value” and the cost of repair or replacement; or</li> <li>▪ the adequacy of the repair or replacement.</li> </ul> <p>If their assessments differ, the experts must try to agree on a common value.</p> <p>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 <b>insurer</b> nor the <b>named insured</b>.</p> <p>[...]</p>	38
<p>If either party fails to appoint an expert within 30 clear days of the date of the notice or if the experts fail to agree upon an arbitrator within 15 days of their appointment, or if an expert or the arbitrator refuses to act or is unavailable, the vacancy thus created must be filled, on the request of one of the parties, by a court with jurisdiction in the place of the arbitration.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.2 Designation of experts and arbitrator</b></p> <p>[...]</p> <p>The <b>insurer</b> or the <b>named insured</b> must ask a competent court where the arbitration takes place to appoint the arbitrator or experts if:</p> <ul style="list-style-type: none"> <li>▪ the <b>insurer</b> or the <b>named insured</b> fail to choose an expert within 30 days of the date of notice;</li> </ul>	38

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	<ul style="list-style-type: none"> <li>▪ the experts fail to choose an arbitrator within 15 days of their appointment;</li> <li>▪ one of the experts or the arbitrator refuses to act or is unavailable.</li> </ul>	38
<p>Notwithstanding the arbitration procedure and if the validity or application of the contract is not being contested, the insurer shall pay the uncontested portion of the damage amount. This payment must be made no later than 60 days after receipt of notice of loss or receipt of the information or supporting documents required by the insuree.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.3 Value of damage payable by insurer</b></p> <p>Even if there is arbitration, the <b>insurer</b> will be required to pay the unchallenged portion of the value of <b>damage</b>. Payment must be made no later than:</p> <ul style="list-style-type: none"> <li>▪ within 60 days after the <b>loss</b> was reported to the <b>insurer</b>; or</li> <li>▪ within 60 days after receipt by the <b>insurer</b> of the information or supporting documents that it requested.</li> </ul> <p>However, if the validity or application of the insurance contract is being challenged, the <b>insurer</b> will not be required to pay such amount within the above time periods.</p>	38
<p>Subject to this clause, the arbitration shall follow the procedure in sections 940 to 951.2 of the <i>Code of Civil Procedure of Quebec</i>, taking into account any required modifications. In accordance with section 944.1 of this Code, the arbitration may proceed according to a procedure determined by the arbitrator, insofar as this procedure does not contravene the above sections. The arbitration proceedings shall be held at a place in accordance with the domicile of the insured.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.6 Place of arbitration proceedings</b></p> <p>Arbitration proceedings take place in a location to be determined according to the domicile of the <b>named insured</b>.</p> <p><b>4.4 Conduct of arbitration</b></p> <p>The arbitration must follow the procedure outlined in articles 620 to 655, <i>Code of Civil Procedure</i> of Québec, with the necessary</p>	39

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	<p>modifications due to specific rules set out in the insurance contract.</p> <p>As stated in article 632, <i>Code of Civil Procedure</i> 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, <i>Code of Civil Procedure</i> of Québec, are followed.</p>	39
<p>The arbitrator shall settle the dispute in accordance with the applicable laws in the province of Quebec. The arbitrator and the parties may use the language of their choice during the arbitration proceedings. Measures must be taken to ensure that all the participants understand the language used.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.7 Arbitrator's decision</b></p> <p>The arbitrator renders a decision based on the applicable laws of Québec.</p> <p><b>4.5 Choice of language</b></p> <p>The arbitrator, the <b>insurer</b> and the <b>named insured</b> may use the language of their choice during arbitration proceedings. Arrangements must be made to ensure that proceedings are understood by everyone.</p>	39
<p>The arbitration award shall be made in writing by the arbitrator. It must indicate the date and place where it has been made. It must state the reasons on which it is based and be signed by the arbitrator, then sent to the parties within 30 days of the date on which it has been made.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.7 Arbitrator's decision</b></p> <p>The arbitrator's decision must be written and reasoned. It must also be signed and indicate the date and place where it was made.</p> <p>The decision must be sent to the <b>insurer</b> and the <b>named insured</b> within 30 days after the date on which it was made..</p>	39

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<p>Each party shall pay the expenses and fees of its expert and half the fees and expenses of the arbitration proceedings. The arbitrator is authorized to award the fees and expenses of the arbitration if he deems that the sharing method established by this clause is not justified or fair for each of the parties in the circumstances.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.8 Costs and fees of arbitration</b></p> <p>The <b>insurer</b> and the <b>named insured</b> each pay the costs and fees of their own expert and half the costs and fees of the arbitration proceedings.</p> <p>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.</p>	39
<p><b>14. NON-WAIVER</b></p> <p>Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this contract by any act relating to arbitration or to the delivery and completion of proofs of loss, or to the investigation or adjustment of the claim.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>5. PRESERVATION OF RIGHTS OF NAMED INSURED AND INSURER</b></p> <p>The actions of the <b>named insured</b> or the <b>insurer</b> are not considered as a waiver of their rights under the insurance contract if they relate to:</p> <ul style="list-style-type: none"> <li>▪ investigation of <b>loss</b>;</li> <li>▪ settlement of <b>loss</b>;</li> <li>▪ arbitration; and</li> <li>▪ proof of loss.</li> </ul>	39

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<p><b>15. TIME OF PAYMENT</b></p> <p>Claims under Section B shall be paid within sixty days after receipt of notice of loss or of information or proof of loss required by the Insurer or, where an arbitration is held, within fifteen days after award is accepted by the Insured.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>4. ARBITRATION IN THE EVENT OF DISAGREEMENT BETWEEN NAMED INSURED AND INSURER</b></p> <p><b>4.3 Value of damage payable by insurer</b></p> <p>Following arbitration, the <b>insurer</b> will be required to pay the amount determined by the arbitrator within 15 days after the date on which the <b>named insured</b> accepted the arbitrator's decision.</p>	38
<p><b>16. CONTINUATION OF COVERAGE</b></p> <p>Coverage is maintained after a loss.</p>	<p><b>GENERAL CONDITIONS</b></p> <p><b>3. CONTINUATION OF COVERAGE AFTER LOSS</b></p> <p>A <b>loss</b> does not cause the insurance contract to terminate.</p>	30
<p><b>17. PRESCRIPTION</b></p> <p>Every action against the Insurer under this contract is prescribed by three years from the date the right of action has arisen.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>6. TIME TO START LEGAL ACTION UNDER INSURANCE CONTRACT (PRESCRIPTION PERIOD)</b></p> <p>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.</p>	39
<p><b>18. SUBROGATION</b></p> <p>Subject to Additional Agreement (3) of Section B, the Insurer shall be subrogated to the extent of the amount paid under this contract to the rights of the Insured against persons responsible for the loss except when they are members of the Insured's household.</p> <p>The Insurer may be fully or partly released from his obligation towards the Insured where, owing to any act of the Insured, he cannot be so subrogated.</p>	<p><b>REPORTING A LOSS AND SUBMITTING A CLAIM</b></p> <p><b>3. RIGHT OF INSURER AFTER PAYING AN INDEMNITY (RIGHT OF SUBROGATION)</b></p> <p><b>3.1 General rule</b></p> <p>After paying an indemnity, the <b>insurer</b> will be subrogated to the rights of the insured person against the person responsible for the <b>damage</b>. This means that the rights of the insured person are transferred to the <b>insurer</b>.</p>	37

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	<p>Subrogation operates up to the amount of the indemnity paid by the <b>insurer</b>.</p> <p>If the <b>insurer</b> cannot exercise its right of subrogation due to any act of the insured person, the <b>insurer</b> may be fully or partly released from its obligations towards the insured person.</p> <p><b>3.2 Exceptions</b></p> <p>In the following two instances, the <b>insurer</b> cannot ask the person responsible for the <b>damage</b> to reimburse the indemnity that it has paid :</p> <p>A. When that person is a member of the insured person's household;</p>	37
<p><b>19. OTHER LIABILITY INSURANCE</b></p> <p>Insurance under a contract evidenced by a valid owner's policy is, in respect of liability arising from or occurring in connection with the ownership, use or operation of an automobile owned by the Insured named in the policy and within the description or definition thereof in the policy, a first loss insurance, and insurance attaching under any other valid motor vehicle liability policy is excess insurance only.</p>	<p><b>SECTION A</b></p> <p><b>7. INDEMNITÉ PAYABLE PAR L'ASSUREUR</b></p> <p><b>7.2 Ordre de priorité lorsque plusieurs contrat d'assurance s'appliquent</b></p> <p>Si plusieurs contrats d'assurance s'appliquent à un même <b>sinistre</b>, le contrat qui s'applique en premier est le contrat d'assurance de responsabilité civile établi au nom du <b>propriétaire</b> du véhicule impliqué dans le <b>sinistre</b> , sauf dans les cas prévus ci-dessous :</p> <p><b>7.2.1 Specific rules for vehicle of which the named insured is not the owner</b></p> <p>When <b>damage</b> is caused by a <b>vehicle of which the named insured is not the owner</b> that is in the custody of a <b>garage business</b> at the time of <b>loss</b>, this Section A applies first.</p> <p>Otherwise, the civil liability insurance contract issued to the <b>owner</b> of the vehicle applies first. This Section A will then apply only if the insurance of this <b>owner</b> is insufficient,</p> <ul style="list-style-type: none"> <li>▪ up to the <b>amount of insurance</b>, and</li> <li>▪ only for the amount exceeding the obligation of the <b>owner's</b> insurer.</li> </ul>	13

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<p>However, insurance evidenced by a valid garage policy, not describing the specific automobile(s) insured, shall in respect to non-owned or customers' automobiles while being used, operated or worked upon in the course of the policyholder's business as a garage be a first loss insurance and insurance attaching under any other valid motor vehicle policy shall be excess insurance only.</p>	<p>SECTION A</p> <p><b>7. INDEMNITY PAYABLE BY INSURER</b></p> <p>7.2 Order of priority when more than one insurance contract applies</p> <p>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</p> <p>When <b>damage</b> is caused by a <b>vehicle of which the named insured is the owner</b> while in the custody of a <b>garage business</b> at the time of <b>loss</b>, the insurance contracts will apply in the following order of priority:</p> <p>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.</p> <p>B. This Section A only applies if that person's insurance is insufficient,</p> <ul style="list-style-type: none"> <li>▪ up to the applicable <b>amount of insurance</b>, and</li> <li>▪ only for the amount exceeding the obligation of that person's insurer.</li> </ul>	13
<p><i>New title and new clause</i></p>	<p>EFFECTIVE DATE, RENEWAL AND EXPIRY OF INSURANCE CONTRACT</p> <p><b>1. EFFECTIVE DATE AND EXPIRY OF INSURANCE CONTRACT</b></p> <p>The insurance contract takes effect and expires at the time and dates indicated in Item 2, "<i>Declarations</i>" or, where applicable, in the <b>endorsements</b>.</p>	40

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<p><b>20. RENEWAL OF CONTRACT</b></p> <p>This contract shall be renewed of right, for the same premium and for the same period, at expiry, unless notice to the contrary is given by the Insurer or the Insured; if given by the Insurer, the notice of non-renewal or of a change in the premium must be sent to the Insured, at his last known address, not later than the thirtieth day preceding the date of expiry, counting that date.</p> <p>Where the Insured deals through a broker, the notice provided for in the first paragraph is sent by the Insurer to the broker, the latter being entrusted to remit it to the Insured.</p>	<p>EFFECTIVE DATE, RENEWAL AND EXPIRY OF INSURANCE CONTRACT</p> <p><b>2. RENEWAL OF INSURANCE CONTRACT</b></p> <p>Upon its date of expiry, the insurance contract will be renewed automatically, unless notice to the contrary is given by the <b>named insured</b> or the <b>insurer</b>.</p> <p>The insurance contract will be renewed for the same <b>insurance premium</b> and the same period, unless notice to the contrary is given by the <b>named insured</b> or the <b>insurer</b>.</p> <p>The notice sent by the <b>insurer</b> may be a notice of non-renewal or a notice to change the <b>insurance premium</b>. The notice must be sent to the <b>named insured</b> no later than 30 days before the date of expiry of the insurance contract, at the last known address of the <b>named insured</b>.</p> <p>If the <b>named insured</b> uses an insurance broker, the insurer's notice must be sent to the insurance broker who must then deliver it to the <b>named insured</b>.</p>	<p>40</p>

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<p><b>21. CANCELLATION</b></p> <p>This contract may be canceled at any time :</p> <p>a) by each of the Named Insureds giving mere written notice to the Insurer. Cancellation takes effect upon receipt of the notice by the Insurer and the Insured shall therefore be entitled to a refund of the excess of the premium actually paid over the premium earned for the time the contract has been in force, on the basis of the Cancellation Table herein;</p>	<p>EFFECTIVE DATE, RENEWAL AND EXPIRY OF INSURANCE CONTRACT</p> <p><b>3. CANCELLATION OF INSURANCE CONTRACT (ENDING OF INSURANCE CONTRACT)</b></p> <p><b>3.1 Cancellation by named insured</b></p> <p><b>3.1.1. Conditions to be met</b></p> <p>The <b>named insured</b> may cancel the insurance contract at any time by giving written notice to the <b>insurer</b>.</p> <p><b>Named insureds</b> may mandate one or more of them to send a notice on behalf of them all.</p> <p>Cancellation takes effect upon receipt by the <b>insurer</b> of the notice from each <b>named insured</b> or his or her mandatary.</p>	40
<p>b) within sixty days after its coming into force, by the Insurer giving written notice to each Named Insured. Cancellation takes effect fifteen days following receipt of such notice by the Named Insured at his last known address.</p> <p>At the expiry of such period of sixty days, the contract shall not be cancelled by the Insurer except in the case of an aggravation of risk which is likely to materially influence a reasonable insurer in the decision to continue to insure, or when the premium has not been paid. The Insurer so wishing to cancel the contract shall notify each Named Insured in writing; cancellation takes effect thirty days following receipt of such notice by the Named Insured at his last known address or, if the Described Automobile, with the exception of a school bus, is an automobile contemplated in Title VIII.1 of the Highway Safety Code, fifteen days after receipt of the notice.</p>	<p>EFFECTIVE DATE, RENEWAL AND EXPIRY OF INSURANCE CONTRACT</p> <p><b>3. CANCELLATION OF INSURANCE CONTRACT (ENDING OF INSURANCE CONTRACT)</b></p> <p><b>3.2 Cancellation by insurer</b></p> <p><b>3.2.1 Conditions to be met</b></p> <p>A. <u>Cancellation within 60 days</u></p> <p>The <b>insurer</b> may cancel the insurance contract within 60 days after its effective date.</p> <p>The <b>insurer</b> must send a written notice to each <b>named insured</b> or his or her mandatary.</p> <p>Cancellation takes effect 15 days after receipt of the notice by each <b>named insured</b> or his or her mandatary, at their last known address.</p>	41

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<p>The Insurer shall refund the excess of the premium actually paid over the earned premium computed on a day to day basis.</p>	<p>B. <u>Cancellation after 60 days</u></p> <p>More than 60 days after the effective date of the insurance contract, the <b>insurer</b> may cancel the insurance contract only if:</p> <ul style="list-style-type: none"> <li>▪ there has been an aggravation of risk which is likely to materially influence a reasonable <b>insurer</b> in its decision to maintain the insurance contract; or</li> <li>▪ the <b>insurance premium</b> has not been paid.</li> </ul> <p>The <b>insurer</b> must send a written notice to each <b>named insured</b> or his or her mandatary.</p> <p>Cancellation is effective either:</p> <ul style="list-style-type: none"> <li>▪ 30 days after receipt of the notice by each <b>named insured</b> or his or her mandatary, at their last known address; or</li> <li>▪ 15 days after receipt of the notice by each <b>named insured</b> or his or her mandatary, at their last known address, if the described vehicle is a vehicle under Title VIII.1, <i>Highway Safety Code</i>, and is not a school bus.</li> </ul>	<p>41</p>
<p>Where one or more of the Named Insureds have been mandated to receive or send the notices provided for under paragraph (a) or (b) above, notices sent or received by them shall be deemed to have been sent or received by all Named Insureds.</p>		

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<p>In this Condition, the words <b>premium actually paid</b> mean the premium actually paid by the Insured to the Insurer or its agent, but do not include any premium or part thereof paid to the Insurer by an agent unless actually paid to the agent by the Insured.</p>	<p>EFFECTIVE DATE, RENEWAL AND EXPIRY OF INSURANCE CONTRACT</p> <p>3. CANCELLATION OF INSURANCE CONTRACT (<i>ENDING OF INSURANCE CONTRACT</i>)</p> <p>3.2 Cancellation by named insured</p> <p>3.2.2 Refund of insurance premium</p> <p>If the insurance contract is cancelled by the <b>named insured</b>, the <b>insurer</b> must refund any overpayment of <b>insurance premiums</b>, as calculated according to the “<i>Cancellation table</i>.” The “<i>Cancellation table</i>” is part of the insurance contract.</p> <p>However, if the <b>insurance premium</b> was paid to the <b>insurer</b> by the insurance broker, the <b>named insured</b> may be refunded solely for what has actually been paid or refunded to the insurance broker.</p>	41
<p><b>22. NOTICE</b></p> <p>Any notice to the Insurer may be sent <b>by any recognized means of communication to</b> the Insurer or its authorized representative. Notice may be given to the Named Insured by letter personally delivered to him or by mail addressed to him at his last known address.</p>	<p><b>GENERAL CONDITIONS</b></p> <p>9. NOTICES TO INSURER AND NAMED INSURED</p> <p>Notices to the <b>insurer</b> may be sent by any recognized means of communication to the <b>insurer</b> or its authorized representative.</p> <p>Notices to the <b>named insured</b> may be delivered personally to the <b>named insured</b> or by mail to the <b>name insured's</b> last known address.</p>	33
<p><b>CANCELLATION TABLE</b></p>	<p><b>CANCELLATION TABLE</b></p>	42