IN THE MATTER OF THE *INSURANCE ACT,* R.S.O. 1990, c.I.8, AS AMENDED, SECTION 268, AS AMENDED, AND ALL REGULATIONS THERETO; AND IN PARTICULAR ONTARIO REGULATION 283/95, AS AMENDED;

AND IN THE MATTER OF THE *ARBITRATION ACT,* c.17 AS AMENDED;

AND IN THE MATTER OF AN ARBITRATION

BETWEEN:

ALLSTATE INSURANCE COMPANY OF CANADA

Applicant

- and -

STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY

Respondents

DECISION

COUNSEL:

Frank A. Benedetto for the Applicant

Mark K. Donaldson for the Respondent

ISSUE:

Was the State Farm motor vehicle liability policy with Daniel Ko properly reduced to a comprehensive policy prior to the accident in question, and if not, what are the consequences?

DECISION:

The State Farm motor vehicle liability policy was not properly reduced to comprehensive coverage prior to the accident and accordingly the State Farm policy is in priority to the Allstate policy.

FACTS & ANALYSIS:

This priority dispute arises out of single vehicle accident that occurred on January 23, 2015. At that time Mr. Siu Sheng Ko ("Daniel Ko") was driving his own 2007 BMW when he was catastrophically injured.

At the time of the accident, Daniel Ko had a policy insurance with State Farm Mutual Automobile Insurance Company ("State Farm") covering the 2007 BMW, however, State Farm has taken the position that policy had been reduced to comprehensive coverage only prior to the accident.

At the time of accident, Allstate Insurance Company of Canada ("Allstate") insured a 2003 Nissan motor vehicle owned by Daniel Ko's father, under which policy Daniel Ko was a listed driver.

As a result of injuries suffered in the accident, Daniel Ko submitted an application for accident benefits to Allstate who commenced payments of accident benefits to him.

Allstate subsequently put State Farm on notice that they were disputing priority in this matter, taking the position that State Farm had not properly reduced the coverage for Mr. Ko's vehicle from motor vehicle liability insurance to comprehensive only, and therefore the full liability coverage remained. If so, Allstate argues, State Farm is in priority and should pay the accident benefits in question.

Allstate takes the position that in order to effectively change coverage from full motor vehicle liability to comprehensive coverage, the insurer must either terminate the policy and write a new policy, or if changing a policy by way of an endorsement, comply with the provisions of Section 227(1) of the Insurance Act which states:

> An insurer shall not use a form of any of the following documents in respect of automobile insurance unless the form has been approved by the Superintendent:
>
> 1. An application for insurance.
>
> 2. A policy, endorsement or renewal.
>
> 3. A claims form.
>
> 4. A continuation certificate.

Pursuant to Section 227(1) the Superintendent of Insurance approved what is referred to as an OPCF-16 to cover changes such as occurred in the case before me. Essentially, the purpose of the OPCF-16 is to cancel coverage for the use and operation of the designated vehicle until further coverage is reinstated. The endorsement cancels what is commonly referred to as "road coverage" (liability and some accident benefit coverage, uninsured, direct compensation) etc but it maintains residual road coverage. It is worth noting that the OPCF-16 does leave in place limited accident benefits, in certain circumstances such as when the insured is a pedestrian or passenger in someone else's vehicle, but not while driving the designated vehicle.

A copy of the OPCF-16 is attached as Schedule A to this decision. As will be seen by reviewing the form, it basically sets out what the insurer understands the changes are to be made to the policy and directs the holder to sign and return it to the insurer.

At the time of the accident State Farm did not use the OPCF-16 to change the full liability coverage to comprehensive coverage, but used what it referred to as an "Acknowledgement of Vehicle Withdrawn From Use" form. A copy of the form sent to Daniel Ko is attached as Schedule B to my decision. A review of that document reveals essentially all the same information as set out in OPCF-16. It purports to do exactly the same thing as the OPCF-16 does,

including leaving in accident benefit coverage when the insured car is not involved in the accident. The only significant difference between the two forms in my view is the requirement to the have the insured sign it and return it to the insurer.

The applicant, Allstate, takes the position that the failure to use the approved OPCF-16 is essentially fatal to State Farm's position that the coverage was changed prior to the accident.

In order to determine if this so, a brief review of the law in this area, followed by a more detailed review of the facts is in order.

If one reviews the applicable sections of the Insurance Act, it is clear that if an insurer decides that they wish to cancel or alter the coverage in a motor vehicle liability policy they must first take a number of very specific steps, involving notice to the insured (see Section 236 of the Insurance Act). The insured, however, is under no similar restrictions. What happens after the insured requests a change of coverage is covered by Section 227(1) of the Insurance Act as set out above.

One of the early decisions dealing with the failure to properly comply with the OPCF-16 is Certas vs. CGU/Aviva 2005 Carswell ONT.11591. In that case, the insured person was a bicyclist when struck by a vehicle insured by Certas. Approximately a year before the accident the Certas insured had requested the policy be reduced from full motor vehicle liability coverage to comprehensive only. Certas issued a "Certificate of Automobile Insurance" which it described as a policy endorsement. That endorsement purported to take off all accident benefit coverage. Arbitrator Samis focused heavily on the public policy reasons for the need to use an OPCF-16 as approved by the Superintendent of Insurance. He stated:

> Automobile insurance in the Province of Ontario is a highly regulated product. The price of the product is controlled by regulatory authorities, the characteristics of coverage are defined, limited, and mandated by the provisions in Part VI of the Insurance Act, and the documentation issued by insurers to their policy holders is highly regulated in accordance with the statute. There is a strong public policy, evidenced by the extensive legislative activity, that the insurance product should be delivered in a way that makes it understandable to the consumer. There are

> many instances of limitations on the ability of an insurer, or a consumer, to enter into agreements that vary from the mandatory characteristics.
>
> The product is a complicated one. In the context of one contract an insurer and an insured person may make several different insurance arrangements. Most commonly the contract is for liability insurance coverage. This is the coverage that the law requires operators of motor vehicles to purchase, and no doubt this is what they usually have in mind when they engage in discussions with an insurer for the purpose of obtaining insurance. Also important in the insurance transaction is coverage for damage to the insured vehicle. In Ontario's scheme this is seen as having two components, "collision coverage" for damage sustained to the vehicle by collision or upset and "comprehensive coverage", for all forms of damage to the vehicle other than that caused by collision or upset. The latter coverage embraces such things as fire or theft loss.

Arbitrator Samis held that Certas was liable to pay the accident benefits as the insurer had used an endorsement rather than the OPCF-16, which was confusing and unclear.

In Jevco vs. State Farm, (unreported decision of arbitrator Bialkowski, dated July 23, 2013) Jevco insured the driver and owner of a vehicle in which the claimant was injured. The driver of the Jevco vehicle was the husband of the claimant who owned another motor vehicle insured by State Farm, and the claimant was an insured. The husband had requested a suspension of all coverage, including all accident benefits and State Farm affected this change by way of issuing a "Acknowledgement of Vehicle Withdrawn From Use" form.

In that case State Farm argued that the OPCF-16 did not apply as it had been the intention of the parties to reduce the coverage including all AB coverage beyond what is covered by the OPCF-16 and they therefore did not have to use that form. Arbitrator Bialkowski rejected that argument and held to that Section 227 of the Insurance Act required all policies and endorsements to be completed in a form approved by the Superintendent of Insurance. He further held that the form used by State Farm was not clear enough on its face to eliminate all coverages including the accident benefits. He held that the State Farm form was so ambiguous on the face as to be ineffective.

Mr. Justice Perell dealt with similar issues in Dominion of Canada General Insurance Company vs. Optimum Insurance Company 2016 Carswell ONT1807, 2016, ONSC985. In that matter he

dealt with two decisions of arbitrator Bialkowski. In both cases the insurer purported to change a full motor vehicle liability policy to comprehensive coverage only with no accident benefit coverage remaining at all. An OPCF-16 was not used rather a "Certificate of Automobile Insurance" was used to remove the liability coverage. Mr. Justice Perell agreed with the approach taken by arbitrator Samis in the Certas vs. CGU/Aviva decision, cited above, and held that the parties could change a full liability policy to a straight comprehensive policy with no accident benefits by terminating the old policy and starting fresh with a new comprehensive only policy, or it could change the full liability policy to a comprehensive policy with the residual accident benefits by way of an approved OPCF-16 form. He reiterated the public policy reasons used by arbitrator Samis to ensure the insured fully understood the changes that were to be made in the policy.

The Ontario Court of Appeal in the recent decision of Royal and Sun Alliance Insurance Company of Canada vs. Intact Insurance Company, 2017 ONCA 381, dealt with a situation where the injured party and her husband met with her insurance broker as her driver's license had been cancelled and insurance was therefore being cancelled. She wished to maintain insurance coverage so that her husband could drive the vehicle. Insurance was arranged with Intact Insurance Company on the basis that she would be an excluded driver. She executed an "Excluded Driver Endorsement". The trial judge had found that the broker had explained to her that even if her license was reinstated, Intact would not insure her and the Excluded Driver Endorsement would remain. The trial judge found that she understood this.

The injured party's license was subsequently reinstated, she drove the vehicle and she was injured. The trial judge found that the injured party was not covered by Intact as the excluded driver endorsement applied.

The case was appealed to the Court of Appeal on the basis the form executed by the injured party was not in the form pre-approved by the Superintendent and accordingly it was void as it did not strictly comply with Section 227(1) of the Insurance Act. It would appear the box identifying the automobile in question was not filled out but rather it referred to one of the Certificates of Insurance to identify the vehicle in question.

While noting the consumer protections aspects of the automobile insurance regime in Ontario, the court nonetheless held that a breach of the requirement to follow the approved form was not necessarily fatal to the case. As the court stated:

> I draw from reading s. 227(1) in this context that the legislature did not intend for the courts, while engaged in adjudicating a contractual dispute, to consider a contractual provision void merely because its form fails to strictly comply with s. 227(1) of the Insurance Act. The court's function is to determine the contractual dispute, and any alleged breach of s. 227(1) is a matter for the Superintendent. In fulfilling its function, the court may well consider an alleged deviation from a pre-approved form to the extent that is relevant to its enforceability in contract.

In considering the consumer protection aspect of the Act, the Regulation and the powers of the Superintendent of Insurance in approving a form, one of the Court's considerations was whether the deviations in the document from the approved form affected its substance or was calculated to mislead.

In that particular case the Court of Appeal upheld the trial judge's finding that the insurance agent had explained the excluded driver provisions to the injured party and she was aware that she could not drive the car in question. Accordingly the court held that the failure to comply with the form was not fatal to Intact's position.

The most recent decision in this area is that of arbitrator Bialkowski in Belair Direct vs. Wawanesa Mutual Insurance Company and Coseco Insurance Company, 2017 Carswell ONT 14646. In that case the injured party, a Ms. McQueen, was injured by a motor vehicle insured by Wawanesa. Wawanesa took the position, however, that the coverage on Ms. McQueen's vehicle had been changed from full coverage to comprehensive only. This was done by way of issuing a new Certificate of Insurance with a new premium and a refund of monies due to the reduced coverage. The policy number was the same as before the change. An OPCF-16 was not used and Wawanesa took the position that it was removing all coverage except comprehensive. There was no residual coverage for accident benefits, etc.

Arbitrator Bialkowski reviewed the law in the area and stated:

> The Court of Appeal held that the mere departure from the approved form did not, in itself, negate the validity of an otherwise clear agreement. It is only if the departure from the approved form makes it unclear as to what the person signing it is agreeing to; in other words, if it is unfair or deceptive, will that departure impact upon the contractual issue as to whether it is binding.
>
> The analysis here must therefore consider whether it was unclear to the person agreeing to the change as to what was being agreed to and whether it was unfair or deceptive. The analysis must consider the legal principle established by Justice Perell in Dominion that an OPCF-16 must be used to change coverages that comprehensive only and the exception to that rule outlined by Justice Jurianz in Royal.

Arbitrator Bialkowski noted that in the case before him the matter had proceeded by way of an agreed statement of facts and there was no evidence before him as to what had transpired between the broker and the insured. He found that there was insufficient evidence before him to support a finding that there was a clear understanding as between the insured and the insurer and the fashion in which the changes were made were unfair. Arbitrator Bialkowski went on to state:

> All the Royal decision has done in my view has created an exception to the findings in Dominion where there was some deviation as opposed to the non-use from the approved form with no affect on the substance and with the insured and insurer having clearly understood as to the nature and effect of the change.

I take from the above summary of the case law that one should, pursuant to Section 227(1) of the Insurance Act, use the approved OPCF-16 when changing policies from full motor vehicle liability coverage to comprehensive coverage. The failure to follow that form in its entirety is not necessarily fatal to the contract however. When determining if the deviation is fatal, one should look at whether there was unfairness or deception. In doing so one should examine, among other things, what the circumstances were when the parties made the changes.

It now remains to examine the particular facts of our case, as presented at the hearing. To begin with, however, it is important to note that our case is somewhat different from both of the other cases cited above, in that in our case the policy was being changed from full coverage to comprehensive coverage that would include the residual accident benefits, etc. In this sense, unlike the cases above, the parties were not agreeing on something that was contrary to what is done by the OPCF-16, but precisely what the form was created to achieve.

By examining the facts of this case we are able to get a better idea of what the circumstances were as between the insurer, State Farm and Mr. Ko leading up to the accident.

The evidence before me revealed that Mr. Ko had a motor vehicle liability policy with State Farm going back to at least July 2010. Indeed, it would appear that various members of his family including his father, his brother, Shu Sum Ko and his sister-in-law, Ms. Chang had policies with State Farm. State Farm had insured Daniel's brother's Nissan Rogue which had been cancelled prior to the accident. It had also insured Daniel's 2007 BMW that was involved in the subject accident, commencing on July 24, 2010. Interestingly, Daniel had made previous requests that his policy coverage be reduced and subsequently restored to full road coverage. This was done five times, including the most recent one before the accident made June 4, 2014, for comprehensive coverage with reduced accident benefits to take effect July 3, 2014.

In addition to the motor vehicle liability policy with State Farm, it would appear that Daniel and his brother had a rental condominium liability policy with State Farm. All Daniel and his family's insurance business with State Farm was conducted through the State Farm agency office owned and operated by Ms. Maryonna Wong. Ms. Wong testified at the hearing. She indicated that there are four people working in her office and that they are all qualified agents. Based on her evidence, she clearly knew the Ko family. She indicated that when an insured wants to change a policy they can do so by coming into the office or do it over the telephone. Once the insured advises the agent of the desire to change the policy the agent then electronically advises the State Farm underwriting department which than sends out the "Acknowledgement of Vehicle Withdrawn From Use". She advised that all her employees were certified agents and would

advise the insured of the consequences of the reduced coverage and that it meant that they could not drive that vehicle.

The relevant computer generated broker's notes of Maryonna Wong's agency were entered as an exhibit at the hearing. They indicate that on June 4, 2014 an agent at Ms. Wong's office, Pauline Poon, received a phone call from Daniel Ko requesting the reduction in coverage. The document itself states:

> Changes include: SUSP
> Effective date: 07-02-14
> App date: 06-04-14
> Sources: Echo Agent
> Sales: IPQX6W
> Suspension Request:
> Suspended: All but COMP

The pp on the bottom of the note, I was advised, stands for Pauline Poon, the certified agent who was working at Ms. Wong's office at the time but is no longer there.

It would appear that it was Ms. Poon rather than Ms. Wong who dealt with the motor vehicle policies with Daniel, although Ms. Wong clearly knew Daniel as well. Subsequent to the phone call, Ms. Poon forwarded the request to State Farm underwriting which sent Daniel Ko the completed "Acknowledgement of Vehicle Withdrawn From Use" form which is attached as Appendix B to this decisions.

Ms. Wong explained that State Farm did not use the OPCF-16 at the time of the accident as State Farm worked directly through its agents.

An examination of the State Farm form reveals, in my view, essentially the same information as set out in an OPCF-16. The coverage presently in force and what coverage is suspended is set out. Unlike in the cases described above, the State Farm form makes it clear that some accident benefits remain with respect to other vehicles, etc. It also states it's an offense to operate a motor vehicle that is not insured. The only significant differences between the two forms, in my view,

are the lack of instructions to sign the form and return it to the insurer, both of which are on the OPCF-16.

The issue then becomes what is the significance of the failure to have Daniel Ko sign and return the form to State Farm as is requested on the OPCF-16?

I am prepared to accept, in keeping with the decision of the Court of Appeal in Royal Sun Alliance Insurance Company of Canada vs. Intact Insurance Company, discussed above, that mere failure to use the form approved by the Superintendent of Insurance is not fatal to the coverage being reduced. While the Court of Appeal was apparently dealing with a relatively small non-compliance with an approved form in that case, the reasoning used provides guidance on how to approach these issues. The failure to use the approved form is an issue between the insurance company and the Superintended of Insurance. The form itself provides us with some guidance as to what is required to show whether there was a binding contractual relationship between the parties. Keeping in mind the need for consumer protection, given the complex nature of motor vehicle insurance in Ontario, I am satisfied that the form used by State Farm in this case provided all the essential information that is set out in an OPCF-16. The mere fact that different words were used and a different form is not fatal to the agreement between the parties. I am troubled, however, by the failure of the State Farm form to require Mr. Ko to sign and return the form to State Farm. The OPCF-16 clearly states:

> Please sign and return this form, keep a copy for you records.

At the bottom of the form is a box for the insured's signature and the date of signing. While no reason is given in the form for the reasons for this, I think it is safe to presume that it is a way of confirming that the insured has been advised of and agrees with the changes in the coverage. This is consistent with the consumer protection aspect of motor vehicle insurance coverage in Ontario.

The failure by State Farm to have the insured sign and return the form is not necessarily fatal to State Farm's case. In the absence of the signature however we must look at what other evidence

there is that the insured was advised of the implications of the change of coverage and agreed to it.

Unfortunately Daniel Ko was rendered unconscious and remains in a coma and was not able to shed light on the issue. We do know, however, from a review of the State Farm agent's file and the evidence of the broker, Ms. Wong, that Daniel had reduced his coverage on this motor vehicle on a number of previous occasions. Ms. Wong indicated that Mr. Ko would leave the country on occasion for an extended period of time and therefore reduced the coverage. From this I conclude that Mr. Ko was not totally unfamiliar with such changes of coverage.

Counsel for Allstate pointed out that subsequent to the reduction of coverage State Farm sent out "Renewal Offer/Certificate of Automobile Insurance", on June 5, 2014 and December 5, 2014. On page 2 of both acknowledgments, the State Farm states:

> Our records indicate that you drive the vehicle 6,500 kilometres annually. If the distance you expect to drive during the next year will change, please contact your State Farm agent.

Further down on page 2 of the form the question is asked:

> How is this vehicle normally used?

And the answer is:

> To and from work/school 16 kilometres or less one way, over 50 kilometres weekly. Driven over 12,000 kilometres annually.

Ms. Wong advised that this information, as the form states, is for rating information purposes. She also pointed out that on page 3 of both forms the coverage is clearly shown for comprehensive only with a total policy cost of $62.64 in the June 2014 and $72.53 in the December 2014 statements.

The statements made about kilometres driven could add an element of confusion, although the form made it clear that the coverage was only for comprehensive.

The only other significant evidence with regard to the knowledge of Mr. Ko at the relevant time comes from the testimony of Ms. Wong and the notes from the brokerage file.

Ms. Wong testified, and her file confirmed, that she met with Daniel and his brother on December 15, 2014 to discuss his rental condo policy and also setting up an annuity policy for Daniel's grandfather.

Ms. Wong testified at the hearing that the meeting of December 15, 2014 she had looked at the BMW policy and noted that there was only comprehensive coverage and therefore asked Daniel how he and his brother had arrived at her office. She indicated that Daniel said that his brother had driven them in a family car whereupon Ms. Wong stated that was good as Daniel's coverage had been suspended. While there is a note in the file regarding this meeting there is no reference to that particular conversation. Having said that, the meeting was not about the motor vehicle insurance and it is worth noting that Ms. Wong herself had not dealt with Daniel regarding his motor vehicle policies but rather Ms. Poon had.

The first reference in the State Farm file regarding the conversation with Daniel is dated February 20, 2015 where Ms. Wong wrote:

> Talked to claims rep Juan Pagoada (905- 315-2842) about partial suspension of the policy. I also told him that Daniel and his brother David visited my office in December. I asked him about his BMW status that he was partial suspended at the time.

I observe that this note was made after inquiries had been made by Mr. Ko's lawyer regarding possible insurance coverage.

The conversation was again referred to by Ms. Wong in a memo she wrote to a State Farm property damage adjuster on March 19, 2015 in response to an inquiry as to whether or not Mr.

Ko had signed the OPCF-16 Suspension of Coverage endorsement. Ms. Wong indicated that State Farm "Acknowledgement of Vehicle Withdrawn from Use" had been used rather than the OPCF-16 and stated:

> From my experience (1) Mr. Ko used to suspend his policy from time to time due to overseas travel work. (2) He did not want to use the BMW during the winter months (3) even in December 2014 when he visited my office with his brother I had fully verified with him that he was fully aware of his suspension.

Both of the notes made by Ms. Wong regarding the conversation were made after the issue of insurance coverage had become an issue. The only note made immediately after the meeting of December 15, 2014 makes no mention of the coverage discussion. In the absence of such documentation I am unable to give a considerable amount of weight to Ms. Wong's testimony in that regard. That, taken together with the fact that it was not Ms. Wong who dealt with Daniel regarding the suspension of coverage leaves an absence of sufficient information to confirm that Daniel Ko had had explained to him and understood the consequences of the reduced coverage. While the failure to use the OPCF-16 is not necessarily fatal in these matters, it is clear that the use of a form requiring a signature would provide evidence of being informed of the consequences of the change and agreeing to them. In light of the evidence before me and despite counsel for State Farm's able and forceful submissions I am not satisfied that Mr. Ko was properly advised and agreed to the reduction in coverage and accordingly the policy was not properly reduced to comprehensive coverage alone.

In the event that the parties cannot agree on the issue of costs, I may be spoken to.

DATED at TORONTO, ONTARIO this 22nd DAY OF FEBRUARY, 2018.

M. Guy Jones
Arbitrator

SCHEDULE A

OPCF 16
Suspension of Coverage

Issued to	Policy Number	Effective Date of Change Year Month Day

☐ This change applies only to automobile(s) number [ ] indicated on your Certificate of Automobile Insurance. The refund for this change is $ [ ]

☐ See your Certificate of Automobile Insurance for which automobile(s) this change applies to. The refund for this change is $ [ ]

Please sign and return this form. Keep a copy for your records.

1. Purpose of This Change

This change is part of your policy. It cancels coverage for the use or operation of the described automobile until coverage is reinstated.

2. What you Agree to

2.1 In return for the refund, you agree that the described automobile will continuously taken out of use and not operated as of the effective date of this change.

2.2 You agree that the following coverages will be cancelled for the **use or operation** of the described automobile, a newly acquired automobile, and a temporary substitute automobile:

- Section 3, "Liability Coverage,"
- Section 4, "Accident Benefits Coverage,"
- Section 5, "Uninsured Automobile Coverage," and
- Section 6, "Direct Compensation – Property Damage Coverage."

2.3 You also agree that the following coverages will be cancelled for the described automobile, newly acquired automobile and temporary substitute automobile:

- Section 7, "Loss or Damage Coverages (Optional)"
  - All Perils, but only for loss or damage caused by Collision or Upset, and
  - Collision or Upset.

2.4 We may choose to refund a portion of your premium when you sign this change or when we reinstate your coverages.

2.5 We will not pay a refund if you suspend your coverage for less than 45 consecutive days.

3. Period of Suspension

This cancellation will be in effect from the effective date of this change until coverage is reinstated by OPCF 17, "Reinstatement of Coverage."

All other terms and conditions of your policy remain the same.

Signature of Insured	Date

SCHEDULE B

State Farm Mutual Automobile Insurance Company

333 First Commerce Drive
Aurora Ontario L4G 8A4

ACKNOWLEDGEMENT OF VEHICLE WITHDRAWN FROM USE

POLICY NUMBER 152 3175-A24-60
MUTL VOL

DATE JUN 06 2014

VEHICLE 2007 BMW M

AGENT MARYONNA WONG INS AGCY INC

PHONE NUMBER (905)883-5589 2297

1 K- 2297

KO, SIU CHEUNG
18 LINACRE DR
RICHMOND HILL ON L4E 0W1

Coverage(s) Now in Force (See below) 7B-500

Coverage(s) Suspended* (See below) 3 4 5 6 7C-1000 W H R3-35/900

Effective Date of Suspension JUL 03 2014 12:01 A.M. Standard Time

In return for your notification that the vehicle insured under the policy number indicated above has been withdrawn from use, it is agreed that as of the effective date shown the coverages indicated above have been suspended in accordance with your request. The suspended coverage(s) will be reinstated upon your request effective not earlier than the receipt of such request by the company or any of its authorized a gents.

60 - 2297 - 1 K
44860-1-K

EXPLANATION OF ABBREVIATIONS

3	- Liability Coverage
3/OTD	- Offset Tort Deductible (OPCF 48)
4	- Accident Benefits
5	- Uninsured Automobile
6	- Direct Compensation Property Damage
7A	- Specified Perils
7B	- Comprehensive
7C	- Collision or Upset
7D	- All Perils
W	- Underinsured Motorists
H	- Emergency Road Service
R3	- Loss of Use $35/900 (Car Rental)
R4	- Legal Liability to Non-owned Automobiles
R7	- Loss of Use $50/1500 (Car Rental)

* Liability Coverage, Accident Benefits, Uninsured Automobile, and Direct Compensation Property Damage, coverages are suspended with respect only to the use or operation of:

(1) The Described Automobile;
(2) A Newly Acquired Automobile; and
(3) A Temporary Substitute Automobile

as defined in the policy.

It is an offence to use or be in the possession of a financial responsibility card or a copy of a financial responsibility card relating to an owners policy that has lapsed or been canceled.

It is an offence to operate a Motor Vehicle that is not an insured Motor Vehicle.

The policyholder is required by Law to destroy the financial responsibility card and every copy of the card issued to him when he ceases to maintain the financial responsibility in respect of which the card was issued to him.