

Quebec Endorsement Form

Q.E.F. No. 43 (Option A and D) Change to indemnity (Section B)

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

Name of insurer: As stated in the “Declarations”.

Named insured: As stated in the “Declarations”.

Endorsement to automobile insurance policy no: As stated in the “Declarations”.

Effective date: As stated in the “Declarations”.

Additional insurance premium and due date: As stated in the “Declarations”.

Specified vehicle: This **endorsement** will apply only to the **described vehicle** as stated in the “Declarations”.

ENDORSEMENT DESCRIPTION

This **endorsement** extends coverage under Section B of the insurance contract by changing, depending on the applicable options, Article 2, “Reporting a loss and submitting a claim.”

Changes made by these options relate to how the value of **damage** is calculated.

APPLICATION OF ENDORSEMENT

For the options to apply to the specified vehicle, they must be entered in the “Declarations” section of the insurance contract.

The **deductible** entered in the “Declarations” section for the specified vehicle will be assumed by the **named insured**.

Limitation on the coverage: The following conditions apply:

- The Insured is not the original purchaser of the automobile exclusive of the selling dealer or the Insured is the original purchaser of the automobile but the vehicle is not new at time of purchase (demonstrator model); and
- the vehicle was purchased within one calendar year of the model year; and
- the loss or damage must occur before expiry date of the policy that is in force within 2 years of the purchase date of the automobile

VALUE OF DAMAGE IN EVENT OF PARTIAL LOSS

Option 43A relates to calculation of the value of **damage** payable by the **insurer** in the event of repair or replacement of damaged parts.

This option changes Article 2.1, “Reporting a loss and submitting a claim.” However, the rules set out in the first paragraph of Article 2.1.1 of that section continue to apply.

Option 43A – Partial loss – New parts

In the event of partial loss, when the damaged parts can be repaired, the value of **damage** will be calculated in accordance with Article 2.1, “Reporting a loss and submitting a claim.” However, there will be no deduction for depreciation.

If the **insurer** determines that damaged parts cannot be repaired and must be replaced, there will be no deduction for depreciation. In addition:

- the value of **damage** will be calculated on the basis of the cost of new original equipment manufacturer parts;
- if glass is damaged, the **named insured** may ask for it to be replaced by a new original equipment manufacturer part or by a new similar part.

If a new part is out of stock or no longer being manufactured, the liability of the **insurer** will be limited to the latest list price of the new original equipment manufacturer part.

If the damaged parts are not repaired or replaced by new parts, Option 43A will not apply.

VALUE OF DAMAGE IN EVENT OF TOTAL LOSS OR TOTAL CONSTRUCTIVE LOSS

Options 43D relate to calculation of the value of **damage** payable by the **insurer** in the event of total loss or total constructive loss. They amend Article 2.2, "Reporting a loss and submitting a claim."

Option43D – Total loss – Waiver of depreciation

In the event of total loss or total constructive loss, the value of **damage** will be equal to the least of the following amounts:

- the price paid for the specified vehicle by the **named insured** who is the actual owner;
- the current price of the specified vehicle on the original date of purchase; or
- the price for which the **insurer** may, on the date of the **loss**, purchase a new vehicle with specifications or equipment and accessories similar to those of the specified vehicle.

SPECIFIC RULE FOR VEHICLE LEASED OR UNDER A CONTRACT OF LEASING

If the specified vehicle is leased or under a contract of leasing, and if Option 43D applies and the **owner** and lessee are designated in the insurance contract, only the lessee will be entitled to the difference between:

- the value of the specified vehicle, as calculated in accordance with the applicable option; and
- the "actual cash value" of the specified vehicle, as calculated in accordance with Article 2.2, "*Reporting a loss and submitting a claim.*"

All other conditions of the insurance contract remain the same.