

## Summary

Q.P.F. No. 5 – Complementary Insurance for Damage  
Caused to Insured Vehicle Form (*Replacement Insurance*)

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Name of insurer (the “Insurer”): Northbridge General Insurance Corporation  
 (“Northbridge”) Address: 105 Adelaide Street West, Suite 700, Toronto (Ontario) M5H 1P9  
Telephone number: 1-800-268-9680  
Check the insurer’s status in the AMF register at [lautorite.qc.ca](http://lautorite.qc.ca).

Administrator: Reinsurance Management Associates, Inc.  
Address: 170 University Ave, Suite 500, Toronto (Ontario) M5H 3B3  
Telephone number: 1-888-307-7443  
Email: [info@rmacan.com](mailto:info@rmacan.com)

Name of distributor (dealer):

Address:

Telephone:

Website:

## 1 Who should use this summary

This summary is for you if:

- you purchase a motor vehicle or lease one long-term; and
- the vehicle is already covered by a primary insurance policy (QPF No. 1 or QPF No. 4); and
- you wish to complement this primary insurance to be entitled to additional protections.

This summary presents key aspects of the insurance product. It will help you to determine if this product meets your needs and to make an informed decision at the time of purchase.

This summary is not your insurance contract. For full details, refer to the sample insurance contract attached to this summary: *Q.P.F. No. 5 – Complementary Insurance for Damage Caused to Insured Vehicle Form (Replacement Insurance)*.

## 2 Purpose of this insurance

QPF No. 5 is intended to complement your primary insurance. Therefore, in the event of loss, you are entitled to be indemnified under your QPF No. 5 only if you were entitled to an indemnity under your primary insurance contract.

QPF No. 5 includes the following four protections:

### Protection 1

If your vehicle is a total loss	
With your primary insurance	With your QPF No. 5
The indemnity paid for your vehicle corresponds to its actual cash value, as determined by your primary insurer.	This insurance allows you to replace your vehicle that is a total loss with a new one that has the same specifications, equipment and accessories.

### Protection 2

If parts of your vehicle are damaged by a loss and must be replaced	
With your primary insurance	With your QPF No. 5
The indemnity is equivalent to the value of the damaged parts, as determined by your primary insurer.	This additional protection covers your vehicle if it was a new or demonstrator vehicle at the time of purchase.  This insurance complements the indemnity paid by the primary

	insurer. It allows you to obtain new original equipment manufacturer parts.
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### Protection 3

If you must assume a deductible	
With your primary insurance	With your QPF No. 5
If you make a claim, you may have to assume a deductible.	Your QPF No. 5 covers the deductible, but a maximum may apply.

### Protection 4

If you need to lease a replacement vehicle following a loss	
With your primary insurance	With your QPF No. 5
In general, your leasing expenses for a similar vehicle are covered.	This insurance covers any leasing expenses for a similar vehicle if your primary insurer does not assume these expenses or assumes only part of them.

## 3 Cost of this insurance

The cost of this insurance will be determined based on:

- the value of the vehicle, including the cost of equipment and accessories, on the date it is purchased or leased long-term;
- the type of vehicle;
- the vehicle use;
- the commission;
- the deductible; and
- the term of the insurance.

The cost will be indicated in the *Declarations* section of your QPF No. 5 insurance contract. It is fixed, i.e., it will not change during the term of the contract.

## 4 Important

### Endorsement QEF No. 43 (A to F) offers similar coverage

Instead of taking out a QPF No. 5, you could modify your primary insurance by adding a QEF No. 43 (A to F) endorsement, better known as the “replacement cost endorsement.” Speak with your insurance representative to find out which is the best option for you.

## **If you no longer are the owner of the vehicle, this insurance will terminate**

This insurance cannot be transferred to another vehicle. If you change vehicles, the insurance will terminate automatically. You must notify us when you change vehicles; we will refund you part of the cost of the insurance.

## **Deceitful representations**

You may not be indemnified if you conceal information or make false or misleading statements.

## **5 Exclusions**

QPF No. 5 is sold primarily for personal use vehicles. Contact us if you want to change the use of your vehicle or cover another use, for example, commercial use.

In addition, QPF No. 5 covers the vehicle as described in your purchase contract or long-term lease. It does not cover the equipment, accessories and options that you added to the vehicle at a later date, such as:

- a remote starter, GPS, or sound system;
- a new automobile body part, e.g., a spoiler.

A complete list of excluded vehicles, equipment and situations can be found in the *Exclusions* section of the sample contract.

## **6 How to avoid unpleasant surprises**

1. If your primary insurance does not apply to a loss, then neither does your complementary insurance. Consequently, your primary insurance must be in force when your vehicle incurs damage.
2. If you do not replace the vehicle or the damaged parts, QPF No. 5 will not apply. In other words, to benefit from this insurance, you must replace the total loss vehicle or the damaged parts.
3. If you remove a protection from your primary insurance, your QPF No. 5 may not apply following a loss. For example, if your vehicle becomes a total loss after you removed the required protection from your primary insurance, your QPF No. 5 will not apply. Your QPF No. 5 insurer will then terminate your insurance and refund any insurance overpayment.

## **7 How to report a loss and submit a claim**

You must contact Northbridge at 1-888-307-7443 or by email at [replacement@rmacan.com](mailto:replacement@rmacan.com) as soon as you become aware of a loss.

To pay an indemnity, we have 60 days as of:

- the date on which the loss is reported to us; or
- the date we received the information or supporting documents we requested.

For full details, see the *Reporting a loss and submitting a claim* section of the sample QPF No. 5 insurance contract.

If you are not satisfied with the way your claim under QPF No. 5 has been settled, contact us at 1-888-307-7443 or the AMF, or consult a lawyer.

## 8 Your right to terminate the insurance

You have the right to terminate your QPF No. 5 insurance at any time. To do so, you may use the *Notice of rescission of an insurance contract* that will be provided to you by the distributor.

You have 20 days following the purchase of your insurance to cancel it at no cost (**minimum of 10 days as prescribed by law**). After that time, if you cancel your insurance, fees may apply. These fees are set in accordance with the Cancellation table, which will be included in your QPF No. 5 insurance contract.

The details are explained in point 4. *Cancellation of insurance contract (ending of insurance contract)* in the *Effective date, renewal and expiry of insurance contract* section of the sample QPF No. 5.

## 9 If you have questions or are dissatisfied

If you have questions or are dissatisfied, call us at 1-888-307-7443.

You are also entitled to file an official complaint with our complaint examination service. To find out how, call 1-888-307-7443.

A summary of our complaint examination policy is available at [www.northbridgeinsurance.ca/about/contact-us/](http://www.northbridgeinsurance.ca/about/contact-us/).

You can also contact the AMF.

**QUÉBEC AUTOMOBILE INSURANCE  
POLICY FORM**

(Q.P.F.)

**No. 5**

Complementary Insurance  
for Damage Caused to Insured Vehicle Form  
(*Replacement Insurance*)

**CAUTION**

1. Coverage under this Q.P.F. No. 5 complements your primary automobile insurance contract. This means that you will not be indemnified under your Q.P.F. No. 5 if the insurer of your primary insurance contract has not indemnified you.
2. If you wish to remove coverage from your primary insurance contract, ask the insurer what the impact of doing so would be on your Q.P.F. No. 5 coverage.

The removal of coverage from your primary insurance contract will have consequences on the coverage of this Q.P.F. No. 5.

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## INTRODUCTION

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

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

### 1. Documents included in insurance contract

The following documents form part of the insurance contract:

- This document, i.e., the “Québec Automobile Insurance Policy Form (Q.P.F.) No. 5 – *Complementary Insurance for Damage Caused to Insured Vehicle Form (Replacement Insurance)*,” a standard document approved by the *Autorité des marchés financiers*.

Note that the “*Declarations*” section of this insurance policy contains information specific to the **named insured**.

- **Endorsement** (Q.E.F.) No. 5-25 entitled “*Modified Declarations Endorsement*,” if mentioned in Item 4, “*Declarations*.”

### 2. Understanding the insurance contract

Coverage under the insurance contract is limited to complementing coverage under the **primary insurance contract**, unless otherwise indicated in this contract.

Below is useful information to help understand the insurance contract:

- Refer to the “*Table of Contents*” to see how the insurance contract is structured and to locate specific information.
- Words and expressions in bold throughout this document and in the **endorsement** are explained in the “*Definitions*” section.
- 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.



<b>DECLARATIONS</b>
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ITEM 1: Name and address of the **named insured**:

The **described vehicle** is and will be mainly used, stored and parked in the town/city and province shown in Item 1. The **named insured** must declare if this is not the case.

ITEM 2: Contract period:

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

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

ITEM 3: Particulars of the **described vehicle**:

YEAR	MAKE	MODEL	IDENTIFICATION NUMBER
<b>DATE PURCHASED OR LEASED</b>	<b>VEHICLE CONDITION</b> (new, demonstrator or used)	<b>PURCHASE PRICE</b>  \$	Purchase <input type="checkbox"/> Long-term lease <input type="checkbox"/> Contract of leasing <input type="checkbox"/>

ITEM 4: Applicable coverage

The coverages apply to the **described vehicle** according to its condition and for which an **insurance premium** is shown in the table below:

CONDITION OF DESCRIBED VEHICLE	INSURANCE PREMIUM
NEW VEHICLE <input type="checkbox"/>	\$.....
DEMONSTRATOR VEHICLE with no more than 15 000 km on the odometer <input type="checkbox"/>	\$.....
USED VEHICLE <input type="checkbox"/>	\$.....
Due date for payment of <b>insurance premium</b> : _____	Tax : \$ _____ Total : \$ _____

ITEM 5: Important statements for analyzing the risk:

ITEM 6: Information for the **named insured**:

Name of agent, insurance broker or distributor:

Address of agent, insurance broker or distributor:

<b>DECLARATIONS</b>
---------------------

ITEM 1: Name and address of the **named insured**:

The **described vehicle** is and will be mainly used, stored and parked in the town/city and province shown in Item 1. The **named insured** must declare if this is not the case.

ITEM 2: Contract period:

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

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

ITEM 3: Particulars of the **described vehicle**:

YEAR	MAKE	MODEL	IDENTIFICATION NUMBER
<b>DATE PURCHASED OR LEASED</b>	<b>VEHICLE CONDITION</b> (new, demonstrator or used)	<b>PURCHASE PRICE</b>  \$	Purchase <input type="checkbox"/> Long-term lease <input type="checkbox"/> Contract of leasing <input type="checkbox"/>

ITEM 4: Applicable coverage

The coverages apply to the **described vehicle** according to its condition and for which an **insurance premium** is shown in the table below:

CONDITION OF DESCRIBED VEHICLE	INSURANCE PREMIUM
NEW VEHICLE <input type="checkbox"/>	\$.....
DEMONSTRATOR VEHICLE with no more than 15 000 km on the odometer <input type="checkbox"/>	\$.....
USED VEHICLE <input type="checkbox"/>	\$.....
Due date for payment of <b>insurance premium</b> : _____	Tax : \$ _____ Total : \$ _____

ITEM 5: Important statements for analyzing the risk:

ITEM 6: Information for the **named insured**:

Name of agent, insurance broker or distributor:

Address of agent, insurance broker or distributor:

**DECLARATIONS**

ITEM 1: Name and address of the **named insured**:

The **described vehicle** is and will be mainly used, stored and parked in the town/city and province shown in Item 1. The **named insured** must declare if this is not the case.

ITEM 2: Contract period:

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

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

ITEM 3: Particulars of the **described vehicle**:

YEAR	MAKE	MODEL	IDENTIFICATION NUMBER
<b>DATE PURCHASED OR LEASED</b>	<b>VEHICLE CONDITION</b> (new, demonstrator or used)	<b>PURCHASE PRICE</b>  \$	Purchase <input type="checkbox"/> Long-term lease <input type="checkbox"/> Contract of leasing <input type="checkbox"/>

ITEM 4: Applicable coverage

The coverages apply to the **described vehicle** according to its condition and for which an **insurance premium** is shown in the table below:

CONDITION OF DESCRIBED VEHICLE	INSURANCE PREMIUM
NEW VEHICLE <input type="checkbox"/>	\$.....
DEMONSTRATOR VEHICLE with no more than 15 000 km on the odometer <input type="checkbox"/>	\$.....
USED VEHICLE <input type="checkbox"/>	\$.....
Due date for payment of <b>insurance premium</b> : _____	Tax : \$ _____ Total :\$ _____

ITEM 5: Important statements for analyzing the risk:

ITEM 6: Information for the **named insured**:

Name of agent, insurance broker or distributor:

Address of agent, insurance broker or distributor:

## DESCRIPTION OF COVERAGES

The insurance contract covers the same perils as those covered by the **primary insurance contract**. It provides for the payment of an indemnity following the replacement of:

- the **described vehicle** in the event of **total loss**;
- damaged parts in the event of partial loss.

Coverage under the insurance contract is limited to complementing coverage under the **primary insurance contract**, unless otherwise indicated in this contract.

### 1. Coverage in event of total loss of described vehicle

#### 1.1 NEW OR DEMONSTRATOR VEHICLE

In the event of **total loss**, the **insurer** agrees to pay an indemnity only when the **named insured** replaces the **described vehicle**.

##### Calculation of indemnity

The **insurer** agrees to pay an indemnity equal to the difference between:

- the “actual cash value” determined by the **primary insurer**; and
- the value of a **replacement vehicle**.

If no **replacement vehicle** is available, the indemnity will be determined based on the value of an **equivalent vehicle**, in which case that value must be used in the calculation above.

The **named insured** may also replace the **described vehicle** with:

- a vehicle of lower value, in which case the value of that vehicle must be used in the calculation above. The **insurer** will not pay the difference between the value of a **replacement vehicle** or an **equivalent vehicle**, as applicable, and that of the lower value vehicle;
- a vehicle of higher value. The **named insured** must bear any amount over and above the value of a **replacement vehicle** or an **equivalent vehicle**, as applicable.

Any amount not paid by the **insurer** will be borne by the **named insured**.

#### 1.2 USED VEHICLE

In the event of **total loss**, the **insurer** agrees to pay an indemnity only when the **named insured** replaces the **described vehicle**.

##### Calculation of indemnity

The **insurer** agrees to pay an indemnity equal to the difference between:

- the “actual cash value” determined by the **primary insurer**; and
- the **marked-up value** of the **described vehicle**.

The **named insured** may also replace the **described vehicle** with:

- a vehicle of lower value. The **insurer** will not pay the difference between the **marked-up value** of the **described vehicle** and that of the lower value vehicle;
- a vehicle of higher value. The **named insured** bears any amount over and above the **marked-up value** of the **described vehicle**.

Any amount not paid by the **insurer** will be borne by the **named insured**.

## 2. Coverage in event of partial loss of described vehicle

In the event of partial loss, this coverage will apply only if the **described vehicle** is a new or demonstrator vehicle.

When damaged parts cannot be repaired and are replaced with new original equipment manufacturer parts, the **insurer** agrees to bear the difference between:

- the value determined by the **primary insurer** for the damaged parts; and
- the cost of replacing those parts with new original equipment manufacturer parts.

If any new original equipment manufacturer parts are out of stock or no longer manufactured, the liability of the **insurer** will be limited to the latest list price of those parts.

Any amount not paid by the **insurer** will be borne by the **named insured**.

## 3. Additional coverages

In the event of **total loss** or partial loss of the **described vehicle**, the following coverages will apply even if the **insurer** had no amount to bear or pay, provided the **primary insurer** has paid an indemnity.

### 3.1 BEARING OF DEDUCTIBLE

In the event of **total loss**, the **insurer** bears the **deductible** assumed by the **named insured** under the **primary insurance contract** up to a maximum of \$\_\_\_\_\_.

In the event of partial loss, the **insurer** bears the **deductible** assumed by the **named insured** under the **primary insurance contract** up to a maximum of \$\_\_\_\_\_.

The **named insured** will assume any amount of **deductible** exceeding the above maximum.

### 3.2 REIMBURSEMENT OF VEHICLE LEASING EXPENSES

The **insurer** bears any leasing expenses for a vehicle similar to the **described vehicle** when the **named insured** is deprived of his or her vehicle as a result of a loss covered by the **primary insurance contract**.

These expenses will be reimbursed if the **primary insurer**:

- does not bear the expenses; or
- only bears part of the expenses, in which case only expenses not borne by the **primary insurer** will be reimbursed.

Expenses incurred from the first day of leasing will be reimbursed up to a maximum amount of \$\_\_\_\_\_ per day (including taxes) and \$\_\_\_\_\_ in total (including taxes).

## 4. Applicability

### 4.1 APPLICABILITY OF COVERAGE

In order for coverage under the insurance contract to apply, the following conditions must be met:

1. On the date of the loss, the **named insured** holds a **primary insurance contract** that covers the **described vehicle**.
2. The **primary insurer** has paid an indemnity to the **named insured** who is entitled to benefit from coverage under the insurance contract.
3. The **named insured** has replaced the **described vehicle** and submitted to the **insurer** a copy of the purchase contract, long-term lease or contract of leasing for the new vehicle so that the **insurer** is able to determine the indemnity to be paid.
4. For coverage in the event of partial loss, the **named insured** has replaced the damaged parts and submitted supporting documents to the **insurer** so that it is able to determine the indemnity to be paid.

### 4.2 SPECIFIC RULE FOR VEHICLES LEASED OR UNDER A CONTRACT OF LEASING

When the owner and a lessee are named in Item 1, "*Declarations*" of the insurance contract, only the lessee is entitled to benefit from coverage under the insurance contract.

### 4.3 CHANGE OF VEHICLE

Coverage under the insurance contract may not be transferred to another vehicle. If the **named insured** changes vehicles, the insurance contract will terminate.

In such an instance, the **named insured** will be entitled to a refund, as specified in Article 2, "*Effective date, renewal and expiry of insurance contract.*"

## EXCLUSIONS

Unless indicated otherwise in the “*Declarations*” section, the following are excluded from coverage under the insurance contract:

- vehicles used for commercial purposes;
- utility vehicles whose gross vehicle weight is equal to or greater than 4,500 kg (10,000 lbs);
- vehicles used for public service purposes, including:
  - ambulances;
  - buses;
  - driving school vehicles;
  - funeral directors’ vehicles;
  - government or municipal service vehicles, including police or fire department vehicles;
  - Taxicabs.
- equipment and accessories, as well as any other option added to the **described vehicle** by the **named insured** if they do not appear in the purchase contract, long-term lease or contract of leasing.

The following are also excluded under the insurance contract:

- any claim arising from a loss not covered by the **primary insurance contract**;
- any claim that the **primary insurer** refuses to indemnify for any reason whatsoever;
- any reduction in indemnity applied by the **primary insurer** for any reason whatsoever.

## GENERAL CONDITIONS

### 1. Laws applicable to insurance contract

The insurance contract is governed by the following laws:

- *Civil Code of Québec;*
- *Code of Civil Procedure of Québec.*

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

### 2. Inspection of described vehicle

At any reasonable time, the **insurer** is entitled to inspect the **described vehicle** and its equipment and accessories.

### 3. Notices to insurer and named insured

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

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



## REPORTING A LOSS AND SUBMITTING A CLAIM

### 1. What to do in the event of loss

#### 1.1 REPORT LOSS

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

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

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

#### 1.2 REPORT ANY ADDITIONAL INFORMATION

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

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

The **named insured** must also provide the **insurer** with supporting documents. In addition, the **insurer** may require proof of the indemnity paid by the **primary insurer**. The **named insured** must declare under oath that all of the information provided is true.

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

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

#### 1.3 CONSEQUENCES OF DECEITFUL REPRESENTATIONS

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

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

## 2. Time of payment

The **insurer** must pay the indemnity:

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

## 3. Right of insurer after bearing amount (*right of subrogation*)

### 3.1 GENERAL RULE

After having borne an amount, the **insurer** will be subrogated to the rights of the **named insured** against the person responsible for the **damage** caused to the **described vehicle**. This means that the rights of the **named insured** are transferred to the **insurer**.

Subrogation operates up to the amount borne by the **insurer**.

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

### 3.2 EXCEPTIONS

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

- a) When that person is a member of the **named insured**'s household.
- b) When that person had care, custody or control of the **described vehicle**, with the consent of the **named insured**. This latter exception will not apply if the person:
  - was engaged in a **garage business** at the time of loss; or
  - failed to comply with the insurance contract or the **primary insurance contract**.

## EFFECTIVE DATE, RENEWAL AND EXPIRY OF INSURANCE CONTRACT

### 1. Effective date and expiry of insurance contract

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

### 2. Termination of insurance contract prior to expiry date

The insurance contract will terminate prior to its expiry date if:

- the **described vehicle** is a **total loss** and the **insurer** has fulfilled its obligations; or
- the use of the **described vehicle** is changed to a use indicated under “*Exclusions*” and the change was not authorized by the **insurer**.

In addition, coverage under the insurance contract may not be transferred to another vehicle. If the **named insured** changes vehicles, the insurance contract will terminate.

In all instances, the **insurer** must refund to the **named insured** any overpayment of **insurance premiums**, as calculated according to the “*Cancellation table*.” The “*Cancellation table*” is part of the insurance contract.

### 3. Renewal of insurance contract

Upon its expiry date, the insurance contract will terminate and may not be renewed.

### 4. Cancellation of insurance contract (*ending of insurance contract*)

#### 4.1 CANCELLATION BY NAMED INSURED

##### 4.1.1 CONDITIONS TO BE MET

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

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

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

##### 4.1.2 REFUND OF INSURANCE PREMIUM

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

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

## 4.2 CANCELLATION BY INSURER

### 4.2.1 CONDITIONS TO BE MET

The **insurer** may cancel the insurance contract if the **insurance premium** has not been paid.

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

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

### 4.2.2 REFUND OF INSURANCE PREMIUM

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

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

## 4.3 CANCELLATION FOLLOWING REMOVAL OF COVERAGE UNDER PRIMARY INSURANCE CONTRACT

If the **named insured** removes coverage under his or her **primary insurance contract** and therefore does not receive any indemnity for the **described vehicle** in the event of a **total loss**, the complementary coverage of this contract does not apply. In this case, the **insurer** must retroactively terminate the insurance contract and refund the **named insured** any overpayment of **insurance premiums**.

### 4.3.1 CONDITIONS TO BE MET

In order for the **insurer** to terminate the insurance contract, the **named insured** must provide supporting documents to establish:

- the date when the coverage was removed from the **primary insurance contract**; and
- the complete and permanent loss of the **described vehicle**.

#### 4.3.2 REFUND OF INSURANCE PREMIUM

To calculate the refund of the **insurance premium**, the **insurer** refers to the “*Cancellation table*” and uses the date when the coverage was removed. The “*Cancellation table*” is part of the insurance contract.

However, if the **insurer** has paid an indemnity for a loss that occurred after the date of the removal, the **insurer** will use the date of the day following the loss.

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

Q.P.F. No 5 - Sample

**CANCELLATION TABLE**

Q.P.F. No 5 - Sample

## DEFINITIONS

The definitions below apply to the words and expressions shown in bold in the insurance contract.

**DAMAGE:** Any property damage caused to the **described vehicle**.

**DEDUCTIBLE:** The amount left to be paid by the **named insured** under the **primary insurance contract**.

**DESCRIBED VEHICLE:** A vehicle designated in Item 3, “*Declarations*.”

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

**EQUIVALENT VEHICLE:** A new vehicle with similar specifications, equipment and accessories as those of the **described vehicle**:

- of the current year, if available; or
- of the year subsequent to the **loss**.

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

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

**INSURER:** Northbridge General Insurance Corporation, the insurer of this insurance contract.

**MARKED-UP VALUE:**

- If the **described vehicle** was purchased or leased from a dealer of **motor vehicles**, trailers or semi-trailers in the 60 days preceding the effective date of the insurance contract, the marked-up value will be the **purchase price** of the **described vehicle** increased by 5 % compounded annually, calculated in proportion to the number of days elapsed between the effective date of the contract and the date of the **total loss**.
- In all other instances, the marked-up value will be the value of the **described vehicle** on the date of **total loss** increased by 15 % compounded annually, calculated in proportion to the number of days elapsed between the effective date of the insurance contract and the date of the **total loss**.

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

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

**PRIMARY INSURANCE CONTRACT:** “Québec Automobile Insurance Policy Form (Q.P.F.) No. 1 – *Owners’ Form*” or “Québec Automobile Insurance Policy Form (Q.P.F.) No. 4 – *Garage Form*”

and their **endorsements**, issued to the **named insured**. The contract must include Section A and at least one of the protections under Section B.

**PRIMARY INSURER:** The insurer of the **primary insurance contract**.

**PURCHASE PRICE:** The actual price for the **described vehicle**, as indicated in the purchase contract, long-term lease or contract of leasing, including its equipment and accessories only.

**REPLACEMENT VEHICLE:** A new vehicle with similar specifications and equipment and accessories as those of the **described vehicle**:

- of the current year, if available; or
- of the year subsequent to the **loss**.

**TOTAL LOSS:** Complete and permanent loss of the **described vehicle**, including theft, or loss deemed by the **primary insurer** to be a constructive total loss.

Q.P.F. No 5 - Sample



## NOTICE GIVEN BY A DISTRIBUTOR

Section 440 of the *Act respecting the distribution of financial products and services* (chapter D-9.2)

### **THE ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES GIVES YOU IMPORTANT RIGHTS.**

The Act allows you to rescind an insurance contract you have just signed when signing another contract, **without penalty, within 10 days of its signature**. To do so, you must give the insurer notice by registered mail within that delay. You may use the attached model for this purpose.

Despite the rescission of the insurance contract, the first contract entered into will remain in force. Caution, it is possible that you may lose advantageous conditions as a result of this insurance contract; contact your distributor or consult your contract.

After the expiry of the 10-day delay, you may rescind the insurance at any time; however, penalties may apply.

For further information, contact the Autorité des marchés financiers at 418 525-0337 or 1 877 525-0337.

### **NOTICE OF RESCISSION OF AN INSURANCE CONTRACT**

To : Northbridge General Insurance Corporation c/o Reinsurance Management Associates, Inc.  
Name of insurer

170 University Ave, Suite 500  
Toronto (Ontario) M5H 3B3  
Address

Date : \_\_\_\_\_  
Date of sending notice

Pursuant to section 441 of the *Act respecting the distribution of financial products and services*, I hereby rescind insurance contract n° : \_\_\_\_\_.  
Number of contract, if indicated

Entered into one: \_\_\_\_\_  
Date of signature of contract

In : \_\_\_\_\_  
Place of signature of contract

Name of client: \_\_\_\_\_

Signature: \_\_\_\_\_

The distributor must first complete this section.  
This document must be sent by registered mail.

## **ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES**

**439.** A distributor may not subordinate the making of a contract to the making of an insurance contract with the insurer specified by the distributor.

The distributor may not exercise undue pressure on the client or use fraudulent tactics to induce the client to purchase a financial product or service.

**440.** A distributor that, at the time a contract is made, causes the client to make an insurance contract must give the client a notice, drafted in the manner prescribed by regulation of the Authority, stating that the client may rescind the insurance contract within 10 days of signing it.

**441.** A client may rescind an insurance contract made at the same time as another contract, within 10 days of signing it, by sending notice by registered mail.

Where such an insurance contract is rescinded, the first contract retains all its effects.

**442.** No contract may contain provisions allowing its amendment in the event of rescission or cancellation by the client of an insurance contract made at the same time.

However, a contract may provide that the rescission or cancellation of the insurance contract will entail, for the remainder of the term, the loss of the favourable conditions extended because more than one contract was made at the same time.

**443.** A distributor that offers financing for the purchase of goods or services and that requires the debtor to subscribe for insurance to guarantee the reimbursement of the loan must give the debtor a notice, drawn up in the manner prescribed by regulation of the Authority, stating that the debtor may subscribe for insurance with the insurer and representative of the debtor's choice provided that the insurance is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. The distributor may not subordinate the making of the contract of credit to the making of an insurance contract with the insurer specified by the distributor.

No contract of credit may stipulate that it is made subject to the condition that the insurance contract subscribed with such an insurer remain in force until the expiry of the term, or subject to the condition that the expiry of such an insurance contract will entail forfeiture of term or the reduction of the debtor's rights.

The rights of the debtor under the contract of credit shall not be forfeited when the debtor rescinds, cancels or withdraws from the insurance contract, provided that the debtor has subscribed for insurance with another insurer that is considered satisfactory by the creditor, who may not refuse it without reasonable grounds.

**CONSENT AND ASSIGNMENT**

**Contract No.:**

**Vehicle:**

**Creditor:**

I hereby authorize the Insurer or its agents to create and maintain a file containing personal information about me and relating to the solicitation, underwriting, rating and claims settlement in respect of damage insurance. I hereby authorize the insurer or its agents to contact, and to collect from, third parties personal information about me to the extent that it falls within the object of this file.

Should the premium be financed, I hereby assign to the creditor referred to above any right to a premium refund or a premium overpayment refund paid in the event of a rescission, cancellation or termination of contract. Consequently, I understand that the insurer shall forward directly to the creditor the premium refund cheque or the premium overpayment refund cheque.

In addition, should I fail to pay the creditor financing said premium; I hereby authorize the latter, as duly designated agent, to request the cancellation of this insurance policy in my name.

\_\_\_\_\_  
Insured signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Second insured signature

\_\_\_\_\_  
Date

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**DECLARATIONS RELATIVE TO THE PURCHASE AND USE OF THE DESCRIBED VEHICLE**

- I declare having received a copy of the Summary prior to the purchase of the replacement insurance.
- I declare that the vehicle described in the Declarations of the insurance contract will be used solely for personal purposes.
- I declare that I will use the vehicle described in the Declarations of the insurance contract to travel, to and from a construction site and to carry my personal equipment and tools used to perform my work. I received appropriate explanations on the definition of use of a vehicle on a construction site.

Insured's initials (1)

Insured's initials (2)

**CANCELLATION OF CONTRACT**

**CONTRACT NUMBER :** \_\_\_\_\_

We understand that the contract number ..... issued by .....

in the name of ..... is cancelled on \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Year Month Day

and that the Insurer is relieved of any liability arising from this contract, effective this date.

\_\_\_\_\_  
Insured Signature

\_\_\_\_\_  
Second Insured Signature

**PROCEDURES:**

Send the document(s) listed below to the following address: 170 University Ave, suite 500, Toronto (Ontario) M5H 3B3 or by fax at 1-888-475-1116.

- This cancellation of contract;
- A copy of the discharge or an official receipt from your creditor. (If your premium was financed and entirely paid, this document will allow us to make the refund of premium under your name).

Q.P.F. No 5 - Sample

POLICY NUMBER:

Thank you for choosing Northbridge General Insurance Corporation with your purchase of the Quebec Automobile Insurance Policy Form (Q.P.F.) No. 5 – Complementary Insurance for Damage Caused to Insured Vehicle Form. This insurance is complementary to your auto insurance policy.

Included you will find the Q.P.F. No. 5 Policy Form. We recommend you review this document carefully and contact your insurance broker if you have any questions.

Should you require any assistance for claims, customer service or cancellations, please contact RMA at 1-888-307-7443.

**PRIVACY NOTICE**  
(Policy updated July 2021)

The Northbridge group of companies is committed to protecting your personal information. This Privacy Notice applies to all of the member companies of Northbridge, which includes Northbridge Financial Corporation, Northbridge General Insurance Corporation, Federated Insurance Company of Canada, Zenith Insurance Company and Northbridge Surety Ltd.

When you request an insurance product or service from us, you consent to allow us to collect, use and disclose your personal information for the following purposes:

- Offering and providing products and services to meet your needs;
- Establishing and maintaining communications with you;
- Verifying personal information you provide in your application;
- Assessing and underwriting risks on a prudent basis;
- Performing safety assessments;
- Determining insurance product prices;
- Investigating and settling claims;
- Detecting and preventing fraud or other illegal activities;
- Analyzing business results and compiling statistics;
- Conducting market research;
- Reporting to regulatory or industry entities; and
- Acting as required or authorized by law.

You may withdraw your consent, but doing so may limit our ability to provide you with the requested product or service.

Where permitted by law, you may be given the option to give your express consent to us to access your credit information from a credit reporting agency. We will use this information for the purpose of assessing risk, providing you with a quote, and determining your eligibility for a premium discount. We may continue to retrieve your current credit score from time to time, unless you withdraw your consent for us to do so.

As part of maintaining our relationship with you, we may share your personal information within the Northbridge group of companies and with third parties, but only for the purposes identified above, and in accordance with this Privacy Policy. Where personal information is shared with third parties, it is done on the basis that they will maintain the confidentiality of the information. If we discover that third parties are improperly handling your personal information, we will take appropriate action to protect your personal information.

We may use service providers located outside of Canada to collect, use, disclose or store personal information for the purposes specified in our Policy. Where we do so, we will contractually require such third party to employ the appropriate security safeguards to protect your personal information, subject to the law in the third party jurisdiction. While the personal information is in another jurisdiction it may be accessed by the courts, law enforcement and national security authorities of that jurisdiction. The jurisdictions where personal information may be collected, used, disclosed and stored include the United States of America.

You can obtain a copy of our Privacy Policy by visiting our website at [www.nbfc.com](http://www.nbfc.com) or by contacting your broker or agent. You may request access to your personal information that we have on file in order to verify its accuracy and completeness by sending a written request to our Privacy Officer. If you have any questions or complaints regarding our Privacy Policy or procedures, please contact our Privacy Officer:

By Mail: Northbridge Financial Corporation  
105 Adelaide Street West, Suite 700  
Toronto, Ontario  
M5H 1P9  
Attention: Privacy Officer

By E-mail: [privacy@nbfc.com](mailto:privacy@nbfc.com)  
By Phone (416) 350-4445  
1-800-268-9680  
Extension 4445

If we are unable to resolve your privacy concern to your satisfaction, you have the right to contact your privacy regulator. Our Privacy Officer will provide you with this contact information upon request.