



## Endorsement Amending Coverage

Schools Protection Program Property Agreement

Coverage Amended Effective: January 1, 2018 until cancelled

### LOSS OF OR DAMAGE TO COVERED AUTOMOBILE ENDORSEMENT

It is hereby understood and agreed that the Schools Protection Program (SPP) agrees to pay for loss of or damage to a Covered Automobile, including its equipment, that is both direct and accidental, subject to the terms and conditions set out below.

#### 1. COLLISION OR UPSET

This section covers loss or damage caused when the Covered Automobile is involved in a collision with another object or is upset. Another object includes:

- a vehicle to which the Covered Automobile is attached;
- the surface of the ground; and
- any object in or on the ground.

#### 2. COMPREHENSIVE

This section covers loss or damage caused by any peril other than those covered by Collision or Upset Coverage, including loss or damage caused by:

- Fire or lightning
- Windstorm
- Impact with animal
- Explosion
- Falling or flying objects
- Vandalism
- Theft

- Hail
- Earthquake
- Riot or civil commotion

### 3. FINANCIAL RESPONSIBILITY

A separate One Thousand Dollars (\$1,000) CAD deductible is applicable to each and every Covered Automobile involved in a Collision or Upset.

A separate One Thousand Dollars (\$1,000) CAD deductible is applicable for each and every occurrence of a Comprehensive loss.

There is no deductible applied for loss or damage caused by fire or lightning, or for the theft of the entire Covered Automobile.

SPP's responsibility is limited to the amount of loss or damage in excess of the amount of deductible.

### 4. EXCLUSIONS

4.1 SPP shall not be liable for loss of use of a Covered Automobile or for loss or damage:

- (a) Caused by the conversion, embezzlement, theft or secretion by any person in lawful possession of the automobile under a mortgage, conditional sale, lease or other similar written agreement;
- (b) 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;
- (c) Caused directly or indirectly by contamination by radioactive material;
- (d) To contents of any Covered Automobile or trailer;
- (e) To tapes, CDs or equipment for use with a tape or CD player, DVD's or recorder when they are detached from the player or recorder;
- (f) In excess of a combined value of One Thousand Dollars (\$1,000) CAD to permanently attached and shuttle mounted sound or communications equipment not supplied by or available from the manufacturer of the Covered Automobile;
- (g) In excess of a combined aggregate value of Five Thousand Dollars (\$5,000) CAD between:
  - (i) any equipment which is permanently attached to the Covered Automobile (requiring a tool to remove); and,

- (ii) a custom paint finish not supplied or available from the manufacturer of the Covered Automobile.

Unless the following loss or damage occurs at the same time as and results from other covered Collision or Upset or Comprehensive loss or damage, or is caused by fire, theft or vandalism, SPP will not be liable for loss or damage:

- (i) To any part of the Covered Automobile as a result of mechanical fracture, failure or breakdown, rust, corrosion, wear and tear, freezing or explosion within the combustion chamber – unless caused by fire, theft, vandalism or as part of any other covered loss or damage;
- (ii) To tires, unless the damage is caused by fire, theft, vandalism or in relation to other loss or damage where coverage is provided.

#### 4.2 Hit and Run Losses

SPP will not pay for loss or damage to a Covered Automobile arising out of the use or operation on a highway within British Columbia of a motor vehicle where:

- (a) The names of both the owner and the driver of that other motor vehicle are not ascertainable; or
- (b) The name of the driver of that other motor vehicle is not ascertainable and its owner is not liable in an action for damages for the said loss or damage.

However, if in the circumstances described above, the Covered Entity (CE) recovers indemnity from ICBC for such loss or damage pursuant to section 24 of the *Insurance (Vehicle) Act* [RSBC 1996], SPP will pay the difference between the prescribed deductible applicable to the CE's claim against ICBC and the deductible, if lower, under this endorsement.

#### 5. PROHIBITED USES

SPP is not liable to a CE who breaches any of the following conditions or any sub-conditions of these conditions.

##### 5.1 A CE must not knowingly permit the operation of a Covered Automobile for which coverage is provided under this endorsement

- (a) If the operator is not authorized and qualified by law to operate the Covered Automobile;
- (b) For an illicit or prohibited trade or transportation;
- (c) To escape or avoid arrest or other similar police action; or
- (d) In a race or a speed test.

A CE does not contravene sub-condition (a) merely because the CE permitted the operation of a Covered Automobile in contravention of a restriction or condition imposed on his or her driver's license by section 30.06(2), 30.07(1) or (3), 30.071(1), 30.08(1), 30.10(2) or (4) or 30.11(1) of the *Motor Vehicle Act* Regulations, BC Reg 26/58.

- 5.2 The Covered Automobile must not be used to carry explosives, or to carry radioactive material for research, education, development or industrial purposes, or purposes incidental thereto.
- 5.3 A CE must not knowingly permit the operation of a Covered Automobile if there is attached to the Covered Automobile a trailer that is required to be registered and licensed under the *Motor Vehicle Act* or *Commercial Transport Act* and that is not registered and licensed under the *Motor Vehicle Act* or *Commercial Transport Act*.
- 5.4 A CE must not knowingly permit the operation, of a Covered Automobile while the operator is under the influence of intoxicating liquor or drug or other intoxicating substance to such an extent that the operator is incapable of proper control of the Covered Automobile.
- 5.5 A CE must not knowingly permit the operation of a Covered Automobile by someone who is convicted of:
- (i) An offence under section 95 or 102 of the *Motor Vehicle Act*;
  - (ii) An offence under a provision of the law of another jurisdiction in Canada or the United States of America that is similar to a provision referred to in subparagraph (i).
- 5.6 A CE must not knowingly permit the operation of a Covered Automobile by someone who is convicted of an offence under section 253(1)(a) or (b) of the Criminal Code, section 224 of the *Motor Vehicle Act* or a provision of another jurisdiction in Canada or the United States of America that is similar to these sections and the accident is in respect of which a claim is made by the CE and occurred during the commission of the offence by a CE authorized driver and while the CE had so permitted the operation of the Covered Automobile.

## 6. REQUIREMENTS IF LOSS OR DAMAGE TO COVERED AUTOMOBILE

- 6.1 If loss or damage to a Covered Automobile occurs, the CE must, if the loss or damage is covered by this endorsement,
- (a) Promptly notify SPP of the loss or damage, and
  - (b) File a written statement with SPP setting out all of the available information on the manner in which the loss or damage occurred.

6.2 If loss or damage to a Covered Automobile occurs, the CE

- (a) Must, at the expense of SPP, protect the vehicle as far as reasonably possible from further loss or damage, and
- (b) Until SPP has had a reasonable opportunity to inspect the vehicle, must not, without the consent of SPP, remove any physical evidence of the loss or damage to the vehicle, or make any repairs to the vehicle, other than repairs that are immediately necessary to protect the vehicle from further loss or damage.

6.3 SPP is not liable under this endorsement

- (a) For loss or damage resulting from the failure of the CE to comply with subsection 6.2(a) of this Section 6, or
- (b) To a CE, if the CE, to the prejudice of the SPP, contravenes subsection 6.2(b) of this Section 6.

6.4 The liability of the SPP for payment of indemnity for loss or damage to the Covered Automobile where the costs exceed the deductible is limited to the lesser of

- (a) The cost of repairing the Covered Automobile and its equipment or any part of it with material of a similar kind and quality, or
- (b) The Actual Cash Value of the Covered Automobile and its equipment. For the purposes of this Agreement, Actual Cash Value equals the market value of a like vehicle of a similar model

Where the loss is due to total theft of a Covered Automobile there shall be a thirty (30) day waiting period from the time the theft is reported to the police before a settlement will be negotiated. In the event the Covered Automobile is recovered before the thirty (30) days has elapsed, settlement negotiations may commence immediately.

6.5 The SPP is not responsible for that part of the cost of repair or replacement that improves a Covered Automobile beyond the condition that it was in before the loss or damage occurred.

6.6 The SPP may determine whether a Covered Automobile and its equipment or any part of it will be repaired or replaced.

6.7 The liability of the SPP for loss or damage to an obsolete part of a Covered Automobile, or a part that the manufacturer does not have in stock, is limited to the price at which the part was last listed on the manufacturers price list.

- 6.8 If SPP pays to a CE the actual cash value of the Covered Automobile or its equipment or both, less any applicable deductible amount in accordance with subsection (6.4)
- (a) SPP is entitled, at its option, to the salvage in the Covered Automobile or its equipment or both, and
  - (b) The CE must, on request of SPP, execute any documents necessary to transfer to SPP title to the Covered Automobile or its equipment or both.
- 6.9 The CE must not leave a Covered Automobile or its equipment or both with SPP without its consent, refuse to take delivery of the CE's Covered Automobile or its equipment or both from SPP or otherwise abandon a Covered Automobile or its equipment or both to SPP without its consent.

## 7. INSPECTION OF THE COVERED AUTOMOBILE

The CE must permit SPP at all reasonable times to inspect the Covered Automobile and its equipment.

## 8. ADDITIONAL AGREEMENTS

8.1 Where loss or damage arises from a peril covered under Section 1 – COLLISION OR UPSET or Section 2- COMPREHENSIVE, SPP further agrees:

- (a) To pay general average, salvage and fire department charges and customs duties of Canada or of the United States of America for which the CE is legally liable;
- (b) To waive subrogation against every person who, with the CE's consent, has care, custody or control of the Covered Automobile, provided always that this waiver shall not apply to any person (1) having such care, custody or control in the course of the business of selling, repairing, maintaining, servicing, storing or parking automobiles, or (2) who has (i) committed a breach of any condition of this endorsement or (ii) driven or operated the Covered Automobile in the circumstances referred to in Section 5 of this endorsement.

## 9. GENERAL PROVISIONS and DEFINITIONS

### 9.1 TERRITORY

This endorsement applies only while the Covered Automobile is being operated, used, stored or parked within Canada, the United States of America or upon a vessel plying between ports of those countries.

### 9.2 SUBROGATION

SPP, upon making any payment or assuming liability therefore under this Endorsement, shall be subrogated to all rights of recovery of the CE against any person, and may bring action in the name of the CE to enforce such rights.

SPP will not acquire any rights of recovery that the CE has expressly waived prior to a loss, nor will such waiver affect the CE's rights under this Agreement.

### 9.3 NOTICE TO AUTHORITIES

Where the loss is due to a malicious act, arson, hit and run, theft or attempt thereof, or is suspected to be so due, the HCA shall upon learning of such loss give immediate notice thereof to the police, fire department or other authorities having jurisdiction.

### 9.4 PAIR AND SET

In the case of loss or damage to any article or articles, which are a part of a set (e.g. tires), the measure of loss or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.

### 9.5 TIME LIMITATION

All claims under this Endorsement will be absolutely barred if not fully documented and presented to HCPP within two (2) years of the date on which the loss or damage occurs.

### 9.6 GARAGE PERSONNEL

No person who is engaged in the business of selling, repairing, maintaining, storing, servicing or parking automobiles shall be entitled to indemnity or payment under this Coverage Agreement for any loss or damage sustained while engaged in the use or operation of or while working upon the automobile in the course of that business, unless the person is the owner of such automobile or his/her employee or partner.

### 9.7 COVERED AUTOMOBILE DEFINED

In this endorsement, the words "the Covered Automobile" mean:

- (a) a motor vehicle, trailer or semi-trailer, which
  - (i) is owned and licensed in the name of the CE;
  - (ii) is leased and licensed in the name of the CE; or
  - (iii) has been owned and licensed, or leased and licensed, in the name of the CE but is temporarily unlicensed while not in operation during the months of July and August only.

(b) two or more Covered Automobiles

- (i) A motor vehicle and one or more trailers or semi-trailers attached thereto shall be deemed to be separate Covered Automobiles with respect to the limit(s) of liability, including any deductible provisions, under Section 3 – FINANCIAL RESPONSIBILITY.

9.8 WAR RISKS

SPP shall not be liable under Section 1 – COLLISION OR UPSET or Section 2 - COMPREHENSIVE of this endorsement for any loss or damage 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.

Schools Protection Program



Authorized Signatory