



TO: All Brokers and Agents

BULLETIN NO: All-Canada SC2020-01

DATE: April 1, 2020

SUBJECT: Facility Association–COVID-19 Response (Common Questions)

As concerns regarding (COVID-19) continue to develop, the Facility Association is working with Servicing Carriers to ensure ongoing support of brokers and agents. We are taking this opportunity to share the most commonly asked questions and responses to date.

Can Servicing Carriers provide support for consumers experiencing financial hardship who either miss payments on a monthly pay plan or down-payment?

Servicing Carriers are committed to working with brokers-agents and consumers to find solutions that may include deferring or spreading payments. This may include different options at the different Servicing Carriers, depending upon the system capability of their parent companies. If you have a customer who, through direct impacted by COVID-19, is facing financial challenges, and is as a result unable to fulfil their FA payment obligations, please communicate with your Servicing Carrier.

Some business operations are experiencing financial hardship. Will Servicing Carriers agree to reducing coverages on fleet policies until the pandemic passes?

Servicing Carriers are able to support the suspension of coverage on *both fleets and individually-rated vehicles*. This is done by endorsement to reduce the coverage on specific vehicles to comprehensive or specified perils coverage only.

Will Servicing Carriers allow pro-rated cancellation for consumers who must cancel their policies as a result of financial hardship?

Servicing Carriers will support pro-rate cancellations. We encourage broker-agents to pro-actively review policies for other opportunities to reduce premiums such as increasing deductibles or removing coverages.

Will Servicing Carriers accept payment electronically?

This varies by Servicing Carrier and is dependent upon their system capability. Please contact your Servicing Carrier.

Will Servicing Carriers accept digital signatures?

E-signatures, audio signatures and scanned documentation are acceptable.

Will Servicing Carriers flat-cancel a renewal policy if the broker-agent receives written confirmation from the consumer?

Servicing Carriers will support flat-cancellations in this circumstance.

Brokers-Agents are experiencing difficulty with Agency-Broker Bill Accounts due to the pandemic. What accommodation will be given?

Servicing Carriers will support reasonable extensions beyond the 30-calendar day requirement on a case-by-case basis. Please contact your Servicing Carrier.

Will there be any Impact to Claims Service?

Claims services continue to be operational and Claims Departments are increasing efforts to resolve claims virtually with claimants, vendors and solicitors.

Please reach out to designate Servicing Carrier directly should you have any further questions.

Regards

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