



Demonstration Licence and Number Plates



This licence has a restricted use and the insurance provided by your Garage Vehicle Certificate (Garage Policy) for use of a vehicle with a Demonstration number plate attached may be similarly restricted.

A Demonstration number plate may be attached only to an unlicensed vehicle which is

- owned by or leased to a Dealer,
- on consignment for sale but not owned by or leased to the Dealer, or
- not owned by or leased to the Dealer, while being operated for a purpose relating to the business of a Dealer. (e.g., for repair, testing, appraisal).

A vehicle with a Demonstration number plate attached may be used only for the following purposes:

1. business use for

- a) all purposes related to the business of the Dealer by
 - the Dealer (named insured), or
 - vehicle salespersons regularly employed by the Dealer;
- b) conditioning or testing a motor vehicle by
 - any mechanic in the regular employ of the Dealer, or
 - the Dealer and the Dealer's salespersons;
- c) delivery of a vehicle to or from the Dealer or to a purchaser by
 - the Dealer, the Dealer's salespersons and/or mechanics,
 - any other regular employee of the Dealer, or
 - any person licensed to operate a motor vehicle who has written authority from the Dealer to drive a motor vehicle owned by or leased to the Dealer for the purpose of delivery to or from the Dealer or to a purchaser;
- d) demonstration by a prospective purchaser
 - who is licensed to operate the vehicle, and
 - who has written authority from the Dealer authorizing the prospective purchaser to use the vehicle for a demonstration, and
 - the authority does not give the prospective purchaser use of the vehicle for more than 48 hours;

2. pleasure use by

- the Dealer,
- salespersons regularly employed by the Dealer, or
- a member of the household of the Dealer or of a salesperson regularly employed by the Dealer.

N.B. For insurance purposes:

1. a member of the household is restricted to using a vehicle on an occasional basis.
2. a consigned vehicle, or any vehicle not owned by or leased to the Dealer, is not insured when operated for pleasure.

NOTE: A "regular employee" is an individual who is paid salary and/or commission and is on the payroll of a Dealer. (Dealer deducts E.I., income tax, etc.)

A Demonstration number plate may not be attached to a vehicle that is:

- owned by or leased to a partner, officer or employee when they are operating the vehicle they own or lease,
- owned by or leased to a customer when it is being driven by that customer (includes a vehicle just purchased),
- a revenue generating vehicle, e.g., used as a courtesy car, parts truck, service, towing or delivery vehicle, or
- not eligible to be registered and licensed for operation on a highway, including a vehicle whose status is salvage.

This outlines the purpose and restrictions applicable to the authorized use of a Demonstration number plate. Where it is used for its restricted purpose, insurance will be provided. Conversely, when the vehicle to which a Demonstration number plate is attached is used contrary to the authorized use of a Demonstration number plate, it may invalidate the insurance provided by your Garage Policy.

If you have any questions, please contact your Autoplan Broker.