

**IMPORTANT:** The wording of this Replacement Cost Endorsement (APV286A) forms part of the ICBC Autoplan Optional Policy Booklet, replacing the corresponding wording in Division 9 (on pages 36-40).

**REPLACEMENT COST ENDORSEMENT (APV286A)**

If a premium is shown for this endorsement in the owner’s certificate or Vehicle in Storage Policy, the Corporation agrees to indemnify the insured for direct and accidental loss or damage caused to the described motor vehicle by one of the perils for which the insured has paid a premium under the insured’s underlying insurance, occurring during the term of the owner’s certificate or Vehicle in Storage Policy, in accordance with the following special terms, conditions, definitions and exclusions of this endorsement and such of the provisions of Division 5 of the Optional Policy as are not in conflict with the special terms, conditions, definitions, and exclusions of this endorsement, and only where there is underlying insurance, and the dollar amount of the loss or damage to the described motor vehicle exceeds the deductible amount applicable to the underlying insurance.

1. If an accident renders the described motor vehicle a total loss or constructive total loss during the period when this endorsement is in effect, the Corporation will indemnify the insured for direct and accidental loss or damage caused to the described motor vehicle

Model Year Number	Percentage to be Added
Model year 1	2.5%
Model year 2	5.0%
Model year 3	7.5%

- (a) where the described motor vehicle is a new motor vehicle
  - (i) by replacing the described motor vehicle at the Corporation’s cost with the most current model of a new motor vehicle of the same make and model and with equipment and options attached thereto similar, but not necessarily identical, to those listed on the bill of sale where such replacement motor vehicle is deliverable to the insured by a dealer within 30 days of the determination of a total loss or constructive total loss, or
  - (ii) if a replacement motor vehicle as described in condition 1(a)(i) is not deliverable by a dealer within 30 days of the determination of a total loss or constructive total loss, by paying the insured the lesser of the following:
    - A. the verified original net purchase price actually paid by the insured for the described motor vehicle as evidenced by the bill of sale, or
    - B. the manufacturer’s suggested retail price at the date of purchase of the described motor vehicle together with any dealer options attached that may be listed on the bill of sale

plus an additional percentage amount of A. or B., whichever of these is paid, such percentage to be determined from the following table, by the model year number of the described motor vehicle:

Model Year Number	Percentage to be Added
Model year 1	2.5%
Model year 2	5.0%
Model year 3	7.5%

or

- (iii) as an alternative to 1(a)(i) above and provided that a replacement motor vehicle as described in 1(a)(i) is available as required under the conditions of 1(a)(i), by replacing the described motor vehicle at the Corporation’s cost with any other motor vehicle of the insured’s choice where such replacement motor vehicle is deliverable to the insured by a dealer within 30 days of the determination of a total loss or constructive total loss, and provided that the cost of such replacement motor vehicle does not exceed the cost of the replacement motor vehicle as determined under 1(a)(i), or
- (iv) where a replacement motor vehicle is available under condition 1(a)(i) and the insured elects not to replace the described motor vehicle in accordance with condition 1(a)(i) or condition 1(a)(iii), by paying the insured the settlement amount calculated under condition 1(a)(ii), provided that such amount does not exceed the cost of the replacement motor vehicle as determined under condition 1(a)(i), or

- (b) where the described motor vehicle is a used motor vehicle
  - (i) by replacing the described motor vehicle at the Corporation’s cost with the most current model of a new motor vehicle of the same make and model and with equipment and options attached thereto similar, but not necessarily identical, to those that were on the described motor vehicle at the date of the accident, where such replacement vehicle is deliverable to the insured by a dealer within 30 days of the determination of a total loss or constructive total loss, or
  - (ii) if a replacement motor vehicle as described in condition 1(b)(i) is not deliverable by a dealer within 30 days of the determination of a total loss or constructive total loss, by paying the insured either
    - A. where the manufacturer still produces the same make and model of vehicle as the described motor vehicle, the cost of the replacement vehicle as determined under 1(b)(i) above, or
    - B. where the manufacturer no longer produces the same make and model of vehicle as the described motor vehicle, the manufacturer’s suggested retail price for the described motor vehicle at the time it was manufactured, together with any equipment and options attached thereto similar to those that were on the described motor vehicle at the date of the accident, plus an additional percentage amount of the manufacturer’s suggested retail price, including equipment and options, such percentage to be determined from the following table, by the model year of the described motor vehicle:

(iii) as an alternative to 1(b)(i) above, and provided that a replacement vehicle as described in 1(b)(i) is available as required under the conditions of 1(b)(i) by replacing the described motor vehicle at the Corporation’s cost with any other vehicle of the insured’s choice where such replacement motor vehicle is deliverable to the insured by a dealer within 30 days of the determination of a total loss or constructive total loss, and provided that the cost of such vehicle does not exceed the cost of the replacement motor vehicle as determined under 1(b)(i)

but the cost of repair of any prior unrepaired damage to the described motor vehicle will be deducted from the settlement of the total loss or constructive total loss.

- 2. The Corporation may extend the timeframe contained in condition 1(a)(i) or 1(b)(i) for delivery of a replacement vehicle if such replacement vehicle cannot be delivered to the insured by a dealer within 30 days but it can be delivered within 90 days after the date of the determination of a total loss or constructive total loss and the insured is willing to wait up to 90 days for the replacement vehicle to be delivered. If such replacement vehicle is not subsequently delivered within 90 days, then indemnity shall only be afforded in accordance with, for a new vehicle, condition 1(a)(ii) and, for a used vehicle, condition 1(b)(ii).
- 3. In the case of a new motor vehicle only, where a replacement vehicle is delivered within 90 days in accordance with condition 2, but the insured, after having agreed to wait the 90 days, subsequently elects not to accept the replacement motor vehicle, the settlement basis outlined in condition 1(a)(iii) applies.
- 4. Subject to condition 5, if, during the period when this endorsement is in effect, an accident causes direct loss or damage to the described motor vehicle that does not render the described motor vehicle a total loss or a constructive total loss, the Corporation will determine whether any part or parts of the described motor vehicle or its equipment shall be repaired or replaced. If the Corporation determines that a part or parts of the described motor vehicle or its equipment shall be replaced, it will indemnify the insured by paying for the cost of repair of the described motor vehicle through such replacement, using new Original Equipment Manufacturer parts for such repair, and without requiring the insured to contribute any amount by way of depreciation or betterment to the cost of such worn or used parts as are replaced, if such replacement parts would result in the insured being required to contribute towards a depreciation or improvement allowance if this endorsement was not applicable. If new Original Equipment Manufacturer parts are not available, the Corporation will indemnify the insured by paying for the cost of repair of the described motor vehicle, using new parts of like kind or quality to those used or recommended by the manufacturer of the described motor vehicle.
- 5. Where a premium has been paid to the Corporation by the insured for the “New Vehicle Replacement Plus” option as shown on the owner’s certificate,
  - (a) if during the period when this endorsement is in effect, an accident causes direct loss or damage to the described motor vehicle that does not render the described motor vehicle a total loss or a constructive total loss, the Corporation will treat the loss or damage as a total loss or constructive total loss in accordance with conditions 1, 2 and 3, provided that the loss or damage renders the described motor vehicle a “major damage loss”, and
  - (b) the Corporation will reimburse the deductible amount applicable to the underlying insurance where the described motor vehicle is rendered a total loss, a constructive total loss or a major damage loss.
- 6. This endorsement applies only to an owner’s certificate or Vehicle in Storage Policy
  - (a) for a motor vehicle which is in model year 1, 2 or 3,
  - (b) for a motor vehicle which is not a rebuilt, replica, repicar, replikit, specialty or rebuilt vehicle, and
  - (c) if the insured is entitled to a Claim Rated Scale discount of -20 per cent of the base rate premium (level -4) or greater, or if the insured is entitled to a Fleetplan discount of 40 per cent or greater.
- 7. This endorsement is void
  - (a) if the insured is not a resident of British Columbia,
  - (b) if issued for a motor vehicle which is not in model year 1, 2 or 3,
  - (c) if the insured did not meet the applicable qualification under condition 6(c) above at the time this endorsement was issued, or
  - (d) if issued for a motor vehicle which is a rebuilt, replica, repicar, replikit, specialty or rebuilt vehicle.

8. No indemnity is afforded by this endorsement
- (a) where the described motor vehicle
    - (i) is a commercial motor vehicle having a licensed gross vehicle weight in excess of 5500 kgs, or
    - (ii) is not insured by the underlying insurance under rate class 001, 002, 003, 004, 005, 007, 011, 012, 014, 015, 021, 022, 023, 024, 027, 051, 055, 200, 202, 203, 206, 850, 853 or 856 at the time of loss,
  - (b) for a claim or demand
    - (i) for loss or damage arising out of repair of prior unrepaired loss or damage to the described motor vehicle at the same place or an adjacent place to any place on the described motor vehicle that has suffered repairable loss or damage for which a claim may be made under this endorsement,
    - (ii) for loss or damage arising out of a claim for accelerated depreciation caused by or resulting from the repair of any loss or damage to the described motor vehicle,
    - (iii) for any claim for loss of use of the described motor vehicle,
    - (iv) for loss relating to any third party or manufacturer warranties or other vehicle warranty insurance, or
    - (v) under condition 1(a), unless the insured produces the bill of sale, or
  - (c) where section 5.7 of the Optional Policy applies.

9. Definitions

In this endorsement, the following words or phrases have the following meanings:

**“accident”** means an unforeseen occurrence or series of connected unforeseen occurrences causing direct loss or damage to the described motor vehicle;

**“bill of sale”** means the original or a facsimile of the original document by which ownership of the described motor vehicle was transferred to the insured by the manufacturer of the described motor vehicle or the manufacturer’s agent or dealer and, in the case of equipment added to the vehicle subsequent to the vehicle being purchased or leased by the insured, means the original or a facsimile of the original document issued to the insured at the date of purchase of such additional equipment;

**“constructive total loss”** means that condition of the described motor vehicle that exists when it might be feasible to repair the described motor vehicle but the cost of repairs to the described motor vehicle exceeds the net actual cash value of the described motor vehicle as the condition of that vehicle was immediately prior to the occurrence of the loss or damage for which indemnity is afforded by this endorsement;

**“described motor vehicle”** means the vehicle shown on the owner’s certificate or on the Vehicle in Storage Policy, including any equipment that is in or on the vehicle at the date of the accident and that is covered under section 5.11 of the Optional Policy, extra equipment coverage, or an Excess Special Equipment Endorsement;

**“endorsement”** means the extended indemnity afforded by this contract of extension insurance but does not include any indemnity afforded by any underlying insurance;

**“insured”** means the named insured owner of the described motor vehicle and includes

**“endorsement”** means the extended indemnity afforded by this contract of extension insurance but does not include any indemnity afforded by any underlying insurance;

**“insured”** means the named insured owner of the described motor vehicle and includes

- (a) where the owner is the lessor of the described motor vehicle, the lessee of the described motor vehicle to the extent of the lessee’s insurable interest therein if the lease contains an option for the lessee to purchase the described motor vehicle, regardless of when the option was exercised by the lessee, and
- (b) the holder of each lien registered against the described motor vehicle at the time the described motor vehicle was rendered a total loss or constructive total loss under circumstances for which indemnity is afforded by this endorsement;

**“major damage loss”** means that condition of the described motor vehicle that exists when it might be feasible to repair the described motor vehicle but the cost of repairs to the described motor vehicle exceeds 50% of the actual cash value of the described motor vehicle as the condition of that vehicle was immediately prior to the occurrence of the loss or damage for which indemnity is afforded by this endorsement, but the vehicle is not so severely or extensively damaged to render it a total loss or constructive total loss.

**“model year 1”** means the model year number which applies to a described motor vehicle where the calendar year in which this endorsement is issued is equal to or prior to the model year assigned to the described motor vehicle by its manufacturer;

**“model year 2”** means the model year number which applies to a described motor vehicle where the calendar year in which this endorsement is issued is the first calendar year subsequent to the model year assigned to the described motor vehicle by its manufacturer;

**“model year 3”** means the model year number which applies to a described motor vehicle where the calendar year in which this endorsement is issued is the second calendar year subsequent to the model year assigned to the described motor vehicle by its manufacturer;

**“net actual cash value”** is the amount determined by subtracting the value or estimated value received from the sale of the salvage of the wrecked described motor vehicle from the actual cash value of the described motor vehicle;

**“net purchase price”** means the following, excluding the price of any third party or manufacturer warranties or other vehicle warranty insurance, but including

- (a) the total vehicle price including all manufacturer and dealer installed options (prior to the deduction of any trade-in allowance or factory, manufacturer’s and/or dealer’s discounts), plus applicable taxes, levies and documentation fees as shown on the bill of sale, or
- (b) in the case of a leased described motor vehicle
  - (i) the amount stated on the lease agreement as the price on which the lease is based, plus any amount stated on the same lease agreement as being the value of any optional equipment installed on the described motor vehicle by the dealer, plus any amount stated on the bill of sale for other equipment added to the vehicle was leased by the insured, or
  - (ii) where the amounts described in (a) above are not stated on the lease agreement, the wholesale price of the described motor vehicle (as evidenced by the factory invoice originating from the manufacturer of the described motor vehicle), plus the cost price of any dealer installed options (as evidenced by the dealer’s invoice), plus an additional 50 per cent of the difference between the wholesale price stated on the factory invoice together with the cost price of any dealer installed options, and the Manufacturer’s Suggested Retail Price of the described motor vehicle including any dealer installed options, but where the insured does not provide the Corporation with a copy of the factory invoice or the dealer invoice, the above additional percentage shall not be applied;

**“new motor vehicle”** means a described motor vehicle which has not been previously registered except by the named insured for the general purpose of operation on a highway and where ownership of the vehicle is evidenced by a bill of sale;

**“rebuilt”** means a motor vehicle deemed either a constructive total loss or a total loss, and which has then been repaired to make it safe for use on a highway, in accordance with Division 25 of the Regulation under the Motor Vehicle Act;

**“replacement cost”** means only such restricted indemnity as is afforded by the words of this endorsement;

**“replica”** means a vehicle designed and constructed to resemble a previously known make using an original body but with a modern engine and drivetrain and, usually, a homebuilt chassis;

**“replicar”** means a motor vehicle manufactured to resemble a previously known make, constructed entirely of new components;

**“replikit”** means a motor vehicle designed to resemble a previously known make, reconstructed of new or refurbished components;

**“specialty vehicle”** means a vehicle constructed using new components that may or may not be manufactured by the assembler resulting in a unique appearing vehicle;

**“total loss”** means that condition of the described motor vehicle that exists when the described motor vehicle is stolen and not recovered within 30 days from the date the loss is reported to the Corporation or is so severely or extensively damaged that it is not feasible to repair the described motor vehicle;

**“ubilt”** means a vehicle used as a private passenger motor vehicle or a commercial motor vehicle with a gross vehicle weight of not more than 5000 kgs, and normally built by an individual (often home built for their own use) where it does not resemble the original vehicle from which the components were taken;

**“underlying insurance”** means insurance afforded to the owner of the described motor vehicle by an owner’s certificate or Vehicle in Storage Policy, together with any applicable extra equipment coverage or Excess Special Equipment Endorsement that in each case is issued to the insured and where the owner’s certificate, Vehicle in Storage Policy, extra equipment coverage or Excess Special Equipment Endorsement at the time of the loss or damage provides Own Damage coverage for which the insured has paid a premium under Division 5 of the Optional Policy, of the type for which the insured is entitled to make a claim in respect of loss or damage to the described motor vehicle and while this Replacement Cost Endorsement is in force;

**“used motor vehicle”** means a described motor vehicle which has been previously registered to a person other than the named insured for the general purpose of operation on a highway.

10. In this endorsement, **“Optional Policy”** means the ICBC Autoplan Optional Policy. This endorsement includes the following terms and conditions of the Optional Policy: Divisions 2 and 3, Division 8 (Prescribed Conditions) and any other terms and conditions indicated as applicable.
11. Except as otherwise provided in this endorsement, all terms, including definitions, of the Insurance (Vehicle) Act and Regulation apply to this endorsement even if in the context of the Act or Regulation they apply only to universal compulsory vehicle insurance.
12. **Under section 75 of the Insurance (Vehicle) Act, your claim is invalid if at any time you fail to provide complete and accurate information, violate a term or condition of your policy or commit fraud. This is a summary. For full information, see section 75 of the Insurance (Vehicle) Act.**