



June 16, 2020

First things first...

Q (1): Is RSA offering customers rebates?

A (1): RSA recognizes that many insurers are looking at various ways to help provide relief to customers. RSA's approach is two-fold; both short term and long term assistance.

In the short term we've adjusted our standard processes to be provide flexibility and relief by offering:

- Waiving of fees
- Reduction in premium for changing driving habits
- Flexible payment options including payment deferral

The reality is that the impact of COVID-19 will be far reaching and be with Canadians for some time and we want to provide solutions in the long term as well.

RSA's will be tempering the current rate approach for both auto and property. Our goal in doing this is to consider the overall long term financial situations for customers. By looking at the current rate approach and tempering as we can for customers, means that we can impact a customer's policy term for 12 months. While we are not offering an up-front rebate, the measures that we have in place will ensure that we can keep our rates competitive for you in the long-term.

These decisions have been made based on the information as they are understood currently, but we know that the situation continues to change quickly. We remain empathetic and compassionate of the overall long-term financial health of customers and commit to being flexible where we can and will continue to evaluate the situation as it unfolds.

Coverage

Q (2): If a customer is working from home as instructed by their employer, will there be any concerns with their property insurance?

A (2): No. People who are required to work from home due to the current situation with COVID-19 are covered. This is an extra-ordinary situation where everyone is doing what is needed to help.

Q (3): People are using their vehicles for delivery in the following ways:

- to pick up food, prescription drugs and other supplies for their neighbours
- to deliver items as an employee of a pharmacy, restaurant, or grocery store
- for App based delivery services such as UberEats, Skip the Dishes, Instacart, etc

Will this be a problem for their Auto coverage?

A (3): No. Helping neighbours as a volunteer is a wonderful way to assist the community and the customer will continue to have auto coverage when doing so. Additionally, if a customer is temporarily using their vehicle for delivery during the COVID-19 crisis this will not affect their premium or ability to make a claim until further notice. This underwriting accommodation and relief measure will not impact the rating of the policy and is available for all auto insurance policies with road coverages. Please include information on the type and length of delivery service in the notes and set an abeyance for follow-up for on Oct 7, 2020.

Billing

Q (4): How are Direct Bill payments being handled? What is RSA doing about cancellations for non-payment? How are NSF charges being handled? Are there alternate options?



A (4): Our teams are fully staffed and customers and brokers should call to discuss any concerns with cancellations as they relate to COVID-19.

For cancellations where the policyholder demonstrates they were directly impacted by the emergency, we will be taking the approach on a case by case basis. Brokers should be contacting their underwriters to discuss specific policies.

Letters are being produced notifying customers of non-payment or non-renewal due to non-payment. Our standard letter wording is under review including the possibility to include wording specifically related to COVID-19.

Due to recent events related to COVID-19, we are experiencing delays in our mail processing, which has resulted in some customers who pay using cheques inadvertently receiving overdue notices.

While we're still accepting cheque payments, we strongly recommend that your customers use other options, including online banking online banking or paying with a credit card using "Pay my Bill."

NSF

With respect to **Non-Sufficient Funds (NSF)** fees, as government restrictions continue to impact the personal household finances of Canadians, including RSA customers, we have made the decision to waive our fees for NSF until further notice for all Personal and Small Commercial policies.

Effective April 1st, 2020, Non-Sufficient Funds (NSF) fees will be waived until further notice for all Personal and Small Commercial policies. (Please note that financial institutions may still charge a separate fee for NSF, though many have announced their fees will be waived as well.)

For more information, please contact our billing team at 1-800-366-0646.

Q (5): Are monthly statements (Direct Bill / Agency) via email available? They are not available from RSA Bravo or the portal.

A (5): No. This requires a longer term solution and not something we can implement in the short term. This is, however, something we are considering as a future improvement.

Q (6): How will registered letters be treated now that Canada Post has advised that they will not be collecting signatures?

A (6): We understand that Canada Post is following a Knock, Drop and Go process instead of receiving signatures. We are reviewing cancellations on a case-by-case basis, however in situations where a cancellation is required, we will continue to use registered letters as a means to notify customers.

Claims

Q (7): In the event of a claim, if there are service issues and vehicles are not repaired in time - will there be an extension of Loss of Use coverage?

A (7): Adjusters will be monitoring Loss of Use (LOU) closely during this period. On an individual case basis, we may be willing to pay above LOU limits where there is evidence that delays were due to COVID-19. We do not expect claim service levels to be impacted in the short term but will continue to monitor the situation.

Changes to policy/ Underwriting

Q (8): Can we back date coverage reductions or class changes for customers impacted by COVID-19?



A (8): Yes. RSA can backdate reductions in coverage (not additions) or class changes to when the change in use occurred (i.e. the date your customer began working from home) as long as the change in coverage is as a result of COVID-19 and there hasn't been a claim during this period. These changes can be made on WebBusiness and no proof is required to make the change. Please note, as of May 16 we will only be backdating for 30 days. For more information, please contact our underwriting team.

Q (9): How should I address COVID-19 related changes in WebBusiness when processing a change?



A (9): In order to help us track changes that have been made as a result of COVID-19, we ask that you start all communication notes in WebBusiness related to the pandemic with "COVID". Ex: reducing coverage, changing class to pleasure use etc.

Q (10): When customers begin to add coverage back to vehicles (or re-add deleted vehicles) will RSA require photos prior to adding coverage to ensure no loss has occurred?



A (10): Under normal circumstances we would require photos, however given the current situation with COVID-19 we will make certain exceptions. Photos will not be required in the following circumstances where we can confirm the coverage or vehicle was removed as a result of COVID-19:

- The notes on the file indicate the change was due to COVID-19
- The coverage or vehicle was removed on or around Mar 16

If none of the above are available, please contact our underwriting team to discuss further.

Q (11): Do brokers have the authority to hold covered on a renewal impacted by COVID-19?

A (11): No. Only Underwriters have the authority to temporarily extend coverage past the Renewal term when the Company has cancelled the policy.

A (11) continued on next page...

A (11): continued

Brokers with a Delegated Underwriting Authority (DUA) arrangement in place may have the authority to hold cover to a similar extent that Underwriters do, and it is a requirement that the DUA brokers must log any risks where this authority has been exercised. However, DUA brokers do not have authority to extend coverage on a policy that the Company has cancelled (especially for UW reasons).

All Brokers have limited authority to consider holding coverage in the following situations:

- On an existing vehicle where new vehicle delivery is delayed (up to 20 days)
- On an existing vehicle insured for comp only where we insure another vehicle with full coverage (maximum of 2 times per term and 3 days per occurrence)
- On an existing property where there is an overlap or delay in occupancy dates of a new dwelling up to 30 days.
- On jewellery items removed from a safety deposit box for personal use (up to 2 times per term and 14 days per occurrence)

However, in every instance where coverage is being held, it is imperative that all information about the exposure, as well as the type of coverage being afforded (limits/deductibles) be documented.

Q (12): Is it ok to amend the auto policy to Class 01 - Pleasure Use if the customer is no longer commuting to work?

A (12): Yes. Since they are no longer commuting there is no reason we can reasonably deny this change request. As per regular procedure, it will be important to remind the customer to notify us once they begin commuting to work again so that the policy can be updated to reflect accurate coverage and rating.

Q (13): A current customer is purchasing a new vehicle either from a dealership or private sale and lives in a remote area where Provincial Ministry offices are closed. They may not be able to register the vehicle within 14 days. Can the vehicle still be added to the policy?

A (13): Yes. Please give our underwriters a call to discuss how we can handle this situation. And once the customer is able to complete the registration, please have them notify us.

Q (14): A university student returns home due to school closures. They will be home for six months instead of the regular four month break and have access to their parent's vehicles. Should we be removing the 'away at school discount' applied on the ODC (Occasional Driver Charge)?

A (14): No. If the student is intending on returning to school, the discount can remain on. This is consistent with our current practices when a student returns home for summer holiday, spring break, etc.

However, if the student is not returning to school (ie. has graduated or will graduate and will not be returning), then the discount should be removed. If the parent is unsure if the student will return to school, the discount should be removed and can be re-added at a later date if the student will return to school.

Q (15): The return to the country by snowbirds has been rushed in some cases which has resulted in customers returning by air and leaving their car in Florida. What is the procedure in cases like this?

A (15): We can still accommodate these risks. Please call your underwriter to determine what information is required.



Q (16): Multiple provinces have extended validation to expired and expiring driver's licenses as a result of COVID-19. Are we still able to write new business and renew a policy?

A (16): Yes. Depending on the province, if a license comes back as extended/expired/cancelled but the insured's birthday is Mar 16, 2020 onwards, we will assume the license is in force for both new business and renewals. Please flag the policy for the following renewal to order a new MVR and ensure the license has been renewed. Here is specific info by province:

- **Ontario:** In response to COVID-19 pandemic, the Ontario Ministry of Transportation (MTO) has moved all expired license dates to March 1, 2021. MTO has set the status to "EXTENDED" for these extended licenses. The status code is a newly created code
- **Alberta:** Extension was granted until May 15. Anything that was expired must be renewed so it's business as usual in the province going forward
- **Nova Scotia:** All driver licenses expiring in March, April, May and June will have a five-month extension from the original expiry date
- **PEI:** all expired and expiring driver licenses and vehicle registration permits that are eligible for renewal are being extended to July 6, 2020



Q (17): Can we accommodate the DLH (Driver License History) and driver training discount without having the document since MTO/Service Ontario is not providing?

A (17): No. Please direct the customer to order the document online and allow longer backdate authority to apply the drivers training discount back to the date we were originally notified. Per the [MTO website](#), they are able to mail the document within 10-15 days. In extreme cases where the customer is not able to order online, ask them what other proof of completion they could provide us (ie. name of driver's training school and date completed) and then apply the discount. For Johnson, the broker will put an abeyance on to follow up in 30 days. For RSA, Underwriting will follow up prior to renewal.

Q (18): Are there any changes to property residential inspections?

A (18): Yes. RSA is complying with government direction to limit social interactions and will not require our customers to meet with vendors for property inspections or appraisals at this time. Working with our partner vendors, we have temporarily delayed in-person residential inspections and are reviewing our options with respect to obtaining key underwriting information.

Q (19): Is there any coverage under 'Notice from Authorities' / 'Mass Evacuation' if we have clients who have to be evacuated from their home or, is there coverage for when the Government says they must stay in their home?

A (19): No. This coverage is not applicable at this time as people are being asked to stay at home and not leave their home. However, should a particular event occur that results in an order by the Government to evacuate, Mass Evacuation coverage would come into effect.

Q (20): How will RSA treat the Declaration of Emergency Endorsement within our Personal Property wordings?

A (20): We are aware that different insurers are currently taking varying positions with respect to enacting **The Declaration of Emergency Endorsement (please note, this does not apply to Quebec)**. At this time, RSA Canada; **is not applying the Endorsement automatically for all renewals**; the majority of our policies will continue to be issued and customers will receive their renewals and continue coverage. For those cancellations where the customer can demonstrate they were directly impacted by the emergency, we will consider the specific request on a case by case basis. Brokers are encouraged to contact our underwriters to discuss specific policies.

Tools

Q (21): If processing via WebBusiness is a struggle for Brokers is RSA willing to accept submissions via email?

NEW

A (21): At this time we are experiencing 'business as usual' capacity in all our HUBs. We strongly encourage brokers to continue to utilize the portal to submit new business and to process amendments. Our WebBusiness Support Team is here to support you via our telephone queue 1-866-772-9322 or through our chat functionality. If there are extenuating circumstances and you cannot utilize WebBusiness, please call your underwriter or your Regional Sales Manager.

Q (22): Given the current situation with COVID-19, will you accept electronic and verbal signatures for signed auto endorsement forms that are normally excluded?

NEW

A (22): Yes. For signed auto endorsements that typically require a wet signature (i.e. 28A, 28, 8A, 8, 4A, 4B), we will allow the use of electronic and verbal signatures during COVID-19. A wet signature will be required at a later date.*

Brokers will still be able to implement electronic or verbal signatures in their business processes with RSA that are INITIATED BY policyholders or customers. As a reminder, the acceptance of electronic signatures is based on the following key requirements:

1. VERIFICATION - Identity of signatory is authenticated
2. INFORMED CONSENT - Client is clear on the force and effect of the signature
3. INTEGRITY OF DOCUMENTATION – Contents of document cannot be altered after signature is attached. Date and time of signature is clearly displayed and cannot be altered.
4. COMPLIANCE – Software is compliant with all applicable Privacy and Electronic Commerce Acts.

Provided these requirements are met, RSA will accept electronic and verbal signatures for these types of transactions:

- New business applications
- Policy amendments (if applicable)
- Payment authorizations
- Consent to credit information
- Policy/risk cancellations
- Property applications (such as personal umbrella applications)
- Questionnaires (such as those for renewal, vacancy, home business, oil tank, etc.)
- Automobile signed endorsement forms excluding those listed under the unacceptable list below

RSA will NOT accept electronic signatures for the following transactions; a physical paper signature will continue to be required.

- Release of interests
- Designation of an interested party in place of policy holder

*Note: This is only applicable where a signed document is currently required for the above endorsement. For provinces where a signed endorsement is not currently required, there will be no change to the current practice.

RSA retains the right to request a traditional ink signature if deemed necessary.

A (22): continued

Methods of Signing Electronic Documents

1. Signing pad: A signing device is located in the broker office, on which the client physically signs. The signature is then attached to the document via the associated signing pad software.
2. Electronic signing: The document to be signed is uploaded to the electronic signature software and is sent via email or application to the client to sign. Signing methods include, but are not limited to, physical signing on electronic device (finger signing) or clicking on an acceptance button.
3. Voice recording: Verbal agreement to the contents of the document is recorded and attached to the written document. This includes voice recording software that is located in the broker office, electronic device applications, or recorded phone conversations.

Q (23): What technology are you using within Claims to support new ways of working?

A (23): When it comes to claims, we will continue to leverage technology to support new ways of working, including:

- **RSA ClaimsPoint portal** - RSA's on-line claims portal to submit first notice of loss for Personal and Commercial (exception of commercial fleet, commercial GL and Marine). Utilizing RSA ClaimsPoint will speed up reporting and submission of the claim with pre-loaded policy information and we will be placing priority on portal submissions over fax and email submissions at this time.
- **Copart Photo Based Estimation for Total Losses** - All national early total loss identification vehicles that have been moved to our salvage vendor, Copart Yards, can have their estimate completed virtually
- **Photo Based Estimation for preferred shop repairs** (ON and AB) - For back office claims (Non-AE) where the vehicle is in customer's possession, this web-based application allows customer to upload pictures of their damaged vehicle for a virtual estimate
- **ClaimXperience Live Video Collaboration** - Online video collaboration tool that enables customer interaction and desk adjudication where an on-site visit is not possible



We are here for you during this time. For more information or any other questions, please contact your Regional Sales Manager (RSM).