

# AT A GLANCE (NEW VEHICLES)

## WHAT IS TOTAL REPLACEMENT COVERAGE?

If your vehicle is **written off** as a total loss, or if it is **stolen and not recovered**, Total Replacement Coverage (TRC) covers you, in whole or in part, for the **depreciation** not covered by your primary insurance policy.

## WHO IS ELIGIBLE?

You are eligible to purchase TRC for new vehicles if:

- You are a resident of Canada (except for the province of Quebec).
- Your vehicle value is equal to or less than \$150,000.
- Your vehicle is the prior, current or upcoming model year with an odometer reading of 15,000 kms or less.
- You have primary vehicle insurance coverage that includes vehicle damage insurance (e.g. Collision or Comprehensive).
- Your vehicle will NOT be used for commercial purposes or is NOT listed by your insurance company as a commercial vehicle.

## REASONS TO CONSIDER TRC

There are many reasons you might consider TRC. Here are a few:

- You are not financing your vehicle, or you have little-to-no negative equity in your vehicle financing.
- You want depreciation protection.
- You want inflation protection.

## WHAT ABOUT WAIVER OF DEPRECIATION?

Unlike TRC, standard Waiver of Depreciation has limitations:

- It is not available on used vehicles, and there is no inflation protection.
- Typical coverage expires in 24 to 30 months, and premiums can increase over time.
- There is usually no option for deductibles to be reimbursed.

## WHEN DO I MAKE A CLAIM?

You may make a claim if:

- Your vehicle has been **written off** by your primary insurer as a total loss or **stolen and not recovered**.
- You have a **payable claim** with your primary auto insurer.

## WHAT DO I GET IF MY CLAIM IS PAYABLE?

If your claim is payable, TRC will pay:

- The difference between replacement cost of the same or similar vehicle you started with, and the amount settled by your primary insurance company before applying any deductible (subject to limitations in the Policy).
- A reimbursement of your primary insurance deductible, up to \$500, but only if you purchased the Deductible Reimbursement Option.

## EXAMPLE OF HOW TRC WORKS (TOTAL LOSS)

At time of Purchase		At Time of Loss	
MSRP of Vehicle.....	\$35,000	MSRP of Vehicle.....	\$37,000
Freight/PDI.....	\$1,600	Freight/PDI.....	\$1,600
Taxes and Fees.....	\$5,400	Taxes and Fees.....	\$5,700
<b>Total Purchase Price</b>	<b>\$42,000</b>	<b>Total Replacement Cost</b>	<b>\$44,300</b>
		Primary Insurance Settlement	\$25,000
		<i>Shortfall</i>	<i>(\$19,300)</i>
		<b>Amount paid by TRC</b>	<b>\$19,300</b>

- Imagine you buy a vehicle as shown above.
- After 3 years, you are in an accident, and your vehicle is written off.
- The total purchase price of a new replacement vehicle is \$44,300, but your primary auto insurer only settles for \$25,000, the depreciated value of the vehicle.
- You would need another \$19,300 to replace with a new vehicle.
- TRC will pay this amount to you.

## ARE THERE EXCLUSIONS AND LIMITATIONS?

Yes. Please read your **policy** of insurance for a **complete list**, but here are a few limitations and exclusions:

- The maximum payout is limited to \$60,000 in total.
- Replacement Cost does not include amounts for wear and tear, non-factory installed options, insurance, warranties, negative equity.
- If your vehicle is repossessed, you are no longer covered.
- TRC does not cover claims resulting from the commission of an illegal act, willful misconduct, material misrepresentation, or fraud.
- Policies must be purchased within 60 days of purchase of the covered vehicle.

## OPTIONS

There are two options available with TRC:

### 1) Deductible Reimbursement

- If you purchase this option, you are entitled to reimbursement of your deductible on **total loss**, up to **\$500**.
- If you purchase this option, you are also entitled to reimbursement of your deductible on **partial losses**, up to **\$500** per occurrence.

### 2) OEM Parts

- If you purchase this option, and you experience a partial loss, and if your primary insurance coverage only pays for generic parts, TRC will cover you for the difference in cost between OEM parts and generic parts, up to \$2,000 per year.
- Coverage is only available for the first 36 months of your policy.