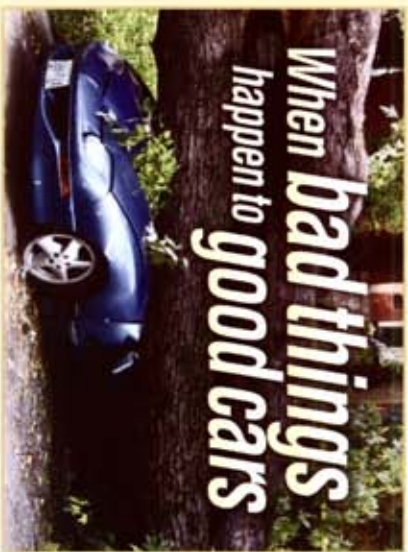


Saskatchewan Automobile Insurance Package



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LICENCE PLATE INSURANCE

Every vehicle licensed in Saskatchewan is insured by the government Auto Fund. Coverage is provided under the Auto Fund for Third Part Liability, Damage to the Licensed Vehicle and Accident Benefits. (See Coverage Summary Chart for details). Minimum amounts of insurance are legislated and in most cases do not provide adequate coverage. The SMI Package provides the additional coverage you require. Additional coverage is available when either the No Fault or Tort option is selected.

WHY PLATE INSURANCE ISN'T ENOUGH

NO FAULT OPTION

For many people the \$700 plate deductible can be a burden. However, more importantly, everyone requires liability protection beyond the \$200,000 provided by the plate and surviving dependents may still sue for economic loss in excess of that provided, under No Fault. Furthermore, any benefits paid under No Fault to a victim are charged against the responsible party's plate third party liability coverage. In the case of a serious accident where you are responsible, your \$200,000 plate limit may be used up to pay the victim's No Fault benefits. Consequently no coverage would be available under your plate insurance for a potential Economic Loss lawsuit.

The extension policy also provides for coverage under the Family Protection Endorsement if you or your surviving dependents are suing for economic loss and the responsible party is uninsured or underinsured.

Finally, if you are responsible for an accident outside of Saskatchewan the laws in that jurisdiction apply and you may be exposed to lawsuits for total economic loss as well as pain and suffering.

TORT OPTION

When the Tort Option is selected you waive the legislated protection provided by No Fault. This means you may be sued by a Third Party for pain and suffering, rehabilitation and medical costs as well as economic loss when you are at fault for an accident. The plate only provides you with \$200,000 protection. If the Third Party is at fault and is a Saskatchewan resident who has chosen the No Fault option your recovery is limited to your accident benefits under your plate plus \$200,000 Third Party Liability from the Third Party's plate insurance.

The extension policy provides excess Third Party Liability coverage when you are at fault. It also

provides excess coverage under the Family Protection Endorsement when the Third Party is at fault and your claim exceeds the coverage provided by his/her plate insurance and extension insurance, if applicable.

ADDED LIABILITY PROTECTION

NO FAULT OPTION

No Fault still allows a victim or surviving dependent to sue a responsible third party for economic loss in excess of the No Fault benefits provided. The death of a high income earner with a surviving spouse and dependents can still generate lawsuits against the responsible party for millions of dollars. If the loss occurs outside of Saskatchewan and you are at fault, you may be sued for economic loss as well as pain and suffering by the victim. The SMI Package provides additional coverage up to \$5,000,000.

TORT OPTION

If you are at fault in an accident, an injured Third Party may sue you for his/her economic loss, rehabilitation and medical costs as well as pain and suffering. Your plate insurance only provides \$200,000. The SMI Package provides additional coverage up to \$5,000,000.

FAMILY PROTECTION COVERAGE

NO FAULT OPTION

You and your family may still sue for economic loss in excess of your No Fault benefits. If the at-fault party is uninsured or underinsured and unable to pay, you can collect your court award from SMI up to the limits of your Family Protection Coverage Limits.

TORT OPTION

You and your family may sue for economic loss, rehabilitation costs as well as pain and suffering. If the responsible third party is uninsured or underinsured you can collect your court award up to the limits of your Family Protection Coverage Limit.

VEHICLE DAMAGE DEDUCTIBLE

With the SMI Package you have the option of lowering your plate deductible to \$500, \$350, \$200 or \$100. Road Hazard Glass deductibles as low as \$50 are also available with the added benefit of a deductible waiver if the windshield is repaired rather than replaced. In addition, there is no deductible for fire, lightning, animal collision or theft of the entire automobile. Animal collision waiver must be purchased separately on commercially plated vehicles.

ACCIDENT BENEFITS

NO FAULT OPTION

SMI adds the following coverage to Accident Benefits over your basic license plate insurance:

- Income Replacement coverage not covered by license plate insurance up to victim's actual net income. (The plates insure up to \$79,273 (2011) gross yearly income).
- Death Benefit payments to surviving spouse or equivalent not covered by license insurance, to bring coverage up to 50% of deceased victim's net income, paid until spouse's death.
- Additional Death Benefit payment to surviving spouse for each dependent, to bring coverage up to 5%, per dependent, of deceased victim's net income.
- Education allowance up to \$41,942 (2011).
- Funeral expenses up to \$9,148 (2011).

TORT OPTION

SMI adds the following coverage to Accident Benefits over your basic license plate insurance:

- Income Replacement coverage equal to 25% of the benefit paid under the plate insurance (The plate pays up to \$18,720 (2011) annually).
- Death benefit payment to surviving spouse or equivalent to bring coverage up to 50% of deceased victim's net income, subject to the maximum allowable under the plate, paid until the spouse's death (The plate insures up to 45% of \$79,273 (2011) gross yearly income).
- Additional Death Benefit payment to surviving spouse for each dependent under 21 to bring plate coverage up to 5% of the calculated death benefit.
- Funeral expenses up to \$9,148 (2011).

NON-OWNED DRIVER COVERAGE

This feature, at no additional cost, automatically provides coverage for you and your dependent children living in your home while driving a private passenger vehicle you do not own. The coverage it provides matches the coverage you purchase for your own vehicle. You pay the same deductible and receive the same benefits as you have for your vehicle. This coverage is important because it protects you and your dependent children living in your home if the vehicle borrowed or rented does not have adequate insurance coverage. Rented private passenger vehicles are also covered while being driven by others with the insured's permission.

OTHER BENEFITS

The SMI Package automatically includes the following important extras:

- When you insure all your vehicles with us, SMI provides fourteen-day coverage for a **newly acquired vehicle**. This gives you the time you need to contact your broker and add the vehicle to your policy.
- A **slide-on camper or top** used with your vehicle is covered (on or off the vehicle) for the same type of loss as the vehicle. Your vehicle deductible applies.
- Several forms of **carrying passengers for compensation** are permitted (e.g., members of your car pool or the transportation of children on an educational trip or school sports event).
- Loss of Use coverage for theft of the entire vehicle or in the case of collision with a bird or animal, is provided up to \$30 per day to a total of \$750 when comprehensive or specified peril coverage is purchased.
- The cost of replacing your keys or rekeying your locks when your keys are stolen is covered up to \$400 and is not subject to your deductible.

SPECIAL OPTIONS

The SMI Package also offers you a number of special options which provide additional coverage to fit your needs:

- **Replacement Cost** coverages provide protection against depreciation and rising repair costs if your new owned or leased vehicle is damaged.
- **Loss of Use Coverage** pays for your transportation costs if your vehicle is damaged or stolen. In addition, if you are responsible for damage to a vehicle you rent, SMI will provide coverage for the downtime costs.
- **Trailer coverage** protects your trailer against the same types of loss as your vehicle, except Loss of Use.

AFFORDABLE PREMIUMS

A wide variety of coverage choices are available and your broker can tailor an SMI Package to your needs and budget. Also available from your SMI broker is an Installment Payment Plan if your policy premium exceeds \$100.

This is a general description of the coverage provided.

Actual policy conditions govern.

COVERAGE	AUTO FUND	AUTO EXTENSION
Third Party Liability	\$200,000	Options of: \$1,000,000 \$2,000,000 \$3,000,000 \$4,000,000 \$5,000,000
Family Protection	Not Available	Matches Third Party Liability Option up to \$2,000,000
Damage to Your Licensed Vehicle	You pay first \$700.	Deductible Options: \$100 \$200 \$350 \$500 \$700
Damage to Unlicensed Vehicle You do Not Own	Not Available	
Road Hazard Glass	You pay first \$700.	Deductible Options: \$50 \$100 \$200
Replacement Cost/Limited Waiver of Depreciation	Not available	Deductible waived if damage is repaired versus replacement of entire windshield. Often available on new vehicles up to 36 months from purchase or lease. Includes Waiver of Depreciation on repair of partial losses.
Loss of Use	Not available	Includes coverage for \$30/day up to \$750 if your entire vehicle is stolen or in the case of collision with a bird or animal. Optional coverage available for higher limits of \$1500, \$2250 or \$3000 to cover transportation costs if vehicle or rental is disabled due to an insured peril.
Accidental Benefits* NO FAULT COVERAGE	Pays 90% of a formula net income, subject to a maximum gross income of \$79,273 (2011) which is indexed.	Pays the 10% of net income not covered under licence plate insurance, plus a formula net income in excess of licence plate insurance. Matches third party liability limits to \$2 million.
Income Benefits		
Death Benefits	Pays 50% of the income benefit the deceased would have been entitled to had he or she lived, plus 5% for each dependent under age 21. Benefit paid to spouse.	Pays any additional amounts required to bring spouse's payments up to 50% of deceased's net income and 5% of net income for each dependent.
Education Allowance	Pays up to \$41,942 (2011) education and training for homemaking spouses.	Pays up to an additional 50% in excess of licence plate insurance.
Funeral Expenses	Pays \$9,148 (2011)	Pays up to an additional 50% for actual expenses over licence plate insurance amount.
Accident Benefits* TORT COVERAGE	Pays up to \$18,720 (2011) annually. Maximum \$360 per week for totally disabled and \$180 per week for partial disability. Maximum 104 weeks.	Pays an additional 25% of the weekly income benefit paid by the licence plate insurance.
Income Benefits		
Death Benefits	Pays 45% of deceased's net income to spouse, subject to maximum annual income allowed. Plus 5% for each dependent under age 21.	Pays any additional amount required to bring spouse's payments up to 50% of deceased's net income subject to maximum annual income allowed. Pays any additional amounts required to cover up to 5% of deceased's net income for each dependent.
Funeral Expenses	Pays \$5,962 (2011)	Pays up to an additional 50% for actual expenses over licence plate.

*The maximum amount payable under Section B - Accident Benefits is the same as the third party liability limit, to a maximum of \$2,000,000. This is the maximum payable regardless of the number of claims from any one accident.