



# Claims Free Protection Endorsement

*Nobody predicts or plans for a claim.*

The Claims Free Protection (CFP) Endorsement is all about recognizing customers who have upheld a claims-free history. This new product is designed to protect long-term policyholders from rate increases if they need to file their first claim.

Contact your Wawanesa Business Development Representative to learn more.

## Features:

- Protects against the rise in premium from a customer's first claim
- Allows customers to retain a claims-free rating at policy renewal following a claim
- May be purchased on all eligible risks – a claim on one risk does not impact eligibility for coverage on other risks



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## Quick Reference



### Benefits:

- This endorsement recognizes the value of a claims-free history
- It rewards loyal customers by not penalizing them for something out of their control
- It is relatively inexpensive compared to the impact of a claim on a premium; this minimal cost will be offset by preventing any future increases based on a first loss

### Target Customers:

- Long-term, experienced insurance buyers
- Claims-free history
- Multiple risk owners

### Eligibility:

Eligibility is determined for each individual risk and may be purchased for each eligible risk location on a policy.

Eligible risks include:

- Homeowners
- Condominiums
- Tenants

#### *Eligibility Criteria*

- Policy term must be 12 months.
- The policyholder is continuously insured with a habitational policy for six years with no gaps or lapse in coverage.
- The risk must not have a ratable claim within the prior six years.
- Vacant or unoccupied risks and dwellings under construction are not eligible.
- This endorsement may be purchased on new submission, renewal, or mid-term on a newly added eligible risk.

### *How It Works*

The CFP endorsement waives a loss that occurs during the policy term on renewal. It must be present on renewal to waive a loss that occurred during the prior policy term.

When a ratable loss is being waived, the CFP will renew as “in use” and the premium will continue to be charged. The renewed endorsement will continue waiving the loss for a maximum of six years and cannot be used again until the risk location has been claims free for six full years.

After six years, if the risk is eligible, the endorsement will renew as “purchased”, and will be available to waive a subsequent loss. If the risk is not eligible to purchase the endorsement, it will be deleted on renewal. If the endorsement is removed while in use, the risk will be re-rated and the claim will be counted.

The CFP endorsement protects against premium increases due to claims. It does not waive eligibility for coverages and does not exclude the requirement for remediation measures to be taken after a claim.

### *Rating*

Premium for this endorsement will be calculated pro-rata.

Package Type	Premium
Homeowners	\$40
Condominiums	\$30
Tenants	\$15