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Let it Snow!

Winter is here and many clients enjoy the snow by partaking in regular family outings on their snow machines. If there is insufficient snow at home they will pack up the family and trailer their snow vehicles to the cottage country where there are many groomed snowmobile trails.

For most uses the snowmobiles must be licensed and insured. The coverage is obtained on the standard Ontario Automobile Policy - OAP1. However, the Statutory Condition 4(1) of this policy requires that all drivers be authorized by law to drive or operate the snow vehicle. When the vehicle is being operated by children under the age of 16, it is not possible to obtain for them a "driver's license". The problem is modified by attaching to the policy an OPCF 32 endorsement - (use of Recreational Vehicles by Unlicensed Operators).

This endorsement waives compliance with Statutory Condition 4(1) but has some conditions that apply to a driver who does not have a driver's license. The snowmobile is only permitted to be operated "off a public highway". The lengthy definition of a public highway includes the untravelled portion. This applies to the shoulders of a highway and other parts that may be deemed part of the highway (approach ramps, exits, etc.). In reality an unlicensed driver will not be covered if he/she drives the snowmobile across a highway. Technically, it should be "walked" or driven across the highway by a licensed driver. Brokers should advise clients of this condition, particularly when the broker knows of client's children operating the snowmobiles.

We often read about snowmobiles going through the ice. Coverage for loss of the snowmobile or costs to recover the unit is covered under Comprehensive only. It would not be covered if the client purchased "Specified Perils".

When clients trailer their snowmobiles to the north, coverage under the OAP1 for the snow vehicle will apply while being transported. But what about the trailer itself. The basic OAP1 that insures the towing vehicle will provide certain coverages automatically. The Third Party Liability, Accident Benefits and Uninsured Automobile Coverage applies, even if the snowmobile is not described. The Direct Compensation - Property Damage will also apply if the towing vehicle has a manufacturer's gross vehicle weight of not more than 4,500 kilograms. All trailers are automatically covered providing the trailer is NOT used for living in, to carry passengers, or for commercial purposes. To summarize, the snow vehicle trailer fits this requirement and the Direct Compensation - Property Damage is covered by the policy on the towing vehicle.

In order to be covered for other loss or damages, the snow vehicle must be described and the client can elect the physical damage coverage of his/her choice - i.e. Specified Perils, Comprehensive, Collision or All Perils all being subject to appropriate deductibles.

Since snowmobiles are insured on an Owner's form automobile policy, the Ontario Automobile Application will need to be completed, and any misrepresentation or non disclosure for any regular operator may void the coverage, just the same way it would for a regular automobile.

Enjoy the winter and safe snowmobiling!

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