

Important Changes to your Policy

Your Auto Insurance Benefits are **CHANGING**

Before you renew your policy, **you need to make important coverage decisions**

Effective June 1, 2016, the Ontario government has introduced changes to the automobile insurance system to help make insurance premiums more affordable. These changes only apply to auto insurance policies issued or renewed on or after June 1, 2016.

The changes will give you **more choice** over the coverages you select and the price you pay for auto insurance. Many of the changes affect the Statutory Accident Benefits you receive if you are injured in an auto accident, regardless of who is at fault. Some of these benefits have been reduced and some options for increased coverage have been eliminated or changed.

Your enclosed policy automatically has the new **lower standard benefits that will take effect on your renewal date.** The most significant changes to your policy are:

Benefit	Current Policy	New Policy	You can choose ¹
Medical and Rehabilitation for non-catastrophic injuries	\$50,000	These benefits have been combined and reduced to \$65,000 total	Increase the benefit to \$130,000² total
Attendant Care for non-catastrophic injuries	\$36,000		
Medical and Rehabilitation for catastrophic injuries	\$1,000,000	These benefits have been combined and reduced to \$1,000,000 total	An additional \$1,000,000 for a total of \$2,000,000² for catastrophic injuries
Attendant Care for catastrophic injuries	\$1,000,000		
Medical, Rehabilitation and Attendant Care, all injuries	Not applicable	Not applicable	Increase the combined non-catastrophic benefit to \$1,000,000 and the combined catastrophic benefit total to \$2,000,000^{2,3}

To increase these benefits, call your insurance representative

Unless you act quickly and contact your insurance representative to increase your benefits or make changes, your coverage will default to the new lower standard benefits.

The name and contact details for your insurance representative and your renewal date are on the enclosed policy documents.

¹ If you have previously chosen to purchase these optional benefits check your policy – they may have changed to reflect amounts available in new options.

² Medical, Rehabilitation and Attendant Care benefits for minor injuries are fixed at a maximum limit of \$3,500.

³ If you purchase both the additional Medical, Rehabilitation and Attendant Care benefit for catastrophic injuries and for all injuries, the total eligible benefit amount for a catastrophic impairment would be \$3,000,000.

Other important changes to your policy

Minor Accident	Insurer can no longer use a minor at-fault accident meeting certain criteria ⁴ to increase your premiums. This applies to accidents occurring on or after June 1, 2016.
Interest Rate for Monthly Payment Plans	Maximum that can be charged for monthly premium payments has been lowered from 3% to 1.3% for one year policies, with corresponding reductions for shorter terms.
Comprehensive Deductible	The standard deductible for Comprehensive coverage has been increased from \$300 to \$500.
Non-Earner benefit	The six-month waiting period for people who are not working has been reduced to four weeks. Benefits can only be received for up to two years after the accident.
Duration of Medical, Rehabilitation and Attendant Care benefits	For all claimants except children, duration of this standard benefit is now five years for non-catastrophic injuries, and will be paid only as long as you remain medically eligible.

Other Options⁵

The following chart lists some, but not all of the options available to purchase other additional or increased benefits and coverages. You can also choose not to increase any benefit or coverage.

Benefit/Coverage	Current Policy	New Policy	You can choose
Income Replacement benefit	70 per cent of gross income up to \$400 per week.	No change	To increase the weekly limit to \$600, \$800 or \$1,000 per week.
Caregiver benefit	Available only for catastrophic injuries: Up to \$250 per week for the first dependant plus \$50 for each additional dependant.	No change	To make the same amounts available in current policy for catastrophic injuries available for <u>all</u> injuries.
Housekeeping and Home Maintenance expenses	Available only for catastrophic injuries: Up to \$100 per week.	No change	To make the same amounts available in current policy for catastrophic injuries available for <u>all</u> injuries.
Death and Funeral benefits	\$25,000 lump sum to an eligible spouse; \$10,000 lump sum to each dependant; maximum \$6,000 funeral benefits.	No change	\$50,000 lump sum to an eligible spouse; \$20,000 lump sum to each dependant; maximum \$8,000 funeral benefits.
Dependant Care benefit	Not provided	Not provided	Up to \$75 per week for the first dependant and \$25 per week for each additional dependant to a maximum of \$150 per week.
Indexation benefit	Not provided	Not provided	Annual adjustment for inflation for many benefits according to the Consumer Price Index for Canada.
Third Party Liability	\$200,000 minimum for claims as a result of lawsuits against you.	No change	Options exist to increase the minimum amount.
Tort Deductible	\$36,905.40 deductible for court awarded compensation for pain and suffering (Jan 1 – Dec 31, 2016).	No change	Reduce deductible by \$10,000 regardless of annual indexation percentage increases.

To change your benefits or coverages call your insurance representative

For general information about auto insurance in Ontario, more about these changes, definitions of different types of coverages and a glossary of insurance terms, visit www.fsco.gov.on.ca or www.ibc.ca

⁴ Criteria include no payment by any insurer, no injuries, and damages less than \$2,000 are paid by the at-fault driver, and this provision is limited to one minor accident every three years.

⁵ If you have previously purchased any optional benefits please review your renewal documents as they may have changed.