

<b>Date</b>	15 November 2024
<b>Recipient</b>	Stakeholders offering motor vehicle warranty contracts, motor vehicle dealership loyalty products, and vehicle protection products in the Province of Alberta
<b>Subject</b>	Alberta: Motor vehicle warranty contracts, motor vehicle dealership loyalty products and vehicle protection products

<i>Purpose:</i>	To advise stakeholders on motor vehicle warranty contracts, motor vehicle dealership loyalty products and vehicle protection products offered in the Province of Alberta
<i>Affects:</i>	Stakeholders writing Automobile business in the Province of Alberta
<i>Line of Business:</i>	Automobile
<i>Jurisdiction:</i>	The Province of Alberta
<i>Effective:</i>	Immediately

## What you need to know

On October 21, 2024, Alberta's Superintendent of Insurance published the [Interpretation Bulletin 05-2024](#) setting out their position on the application of section 1(aa) of the [Insurance Act \("IA"\)](#) as it pertains to motor vehicle warranty contracts, motor vehicle dealership loyalty products and vehicle protection products (collectively referred to as the "products") offered in Alberta.

Section 1(aa) of the IA defines:

*"insurance" as the undertaking by one person to indemnify another person against loss or liability for loss in respect of certain risk or peril to which the object of the insurance might be exposed or to pay a sum of money or other thing of value on the happening of a certain event.*

## What's changed

These products are defined as insurance, they are subject to the Act and must be underwritten by a [licensed insurance company](#) and be sold through a [licensed insurance agent](#). If any element of a product offered is insurance, the product is insurance and is subject to the Act.

For further details on the Superintendent's interpretation of the application of the insurance legislation with respect to motor vehicle warranty contracts, motor vehicle dealership programs

and ancillary motor vehicle protection products, please refer to the [Interpretation Bulletin 05-2024](#).

**What this means to you**

You must review the Interpretation Bulletin and refer to the requirements. Failure to comply with these requirements may result in enforcement action under the Insurance Act.

For further information, please contact [Lloydscanada@lloyds.com](mailto:Lloydscanada@lloyds.com).

**Nicole Seymour**  
Chief Regulatory and Compliance Officer  
[Lloydscanada@lloyds.com](mailto:Lloydscanada@lloyds.com)