

Date	4 January 2024
Recipient	Stakeholders Writing Automobile Business in Canada
Subject	Updated guidance on the Canada Automobile/Motor Business

<i>Purpose:</i>	To provide an updated guidance on the Canada Automobile/Motor Business
<i>Affects:</i>	Stakeholders writing Automobile/Motor business in Canada
<i>Line of Business:</i>	Automobile
<i>Jurisdiction:</i>	Canada
<i>Effective:</i>	Immediately

What you need to know

As a reminder to our stakeholders writing automobile business in Canada, automobile continues to be a highly regulated line of business with the potential for significant fines and reputational risk when not conducted in a compliant manner.

What's changed

Automobile business in the Province of Ontario

Auto physical damage may be written as a standalone policy in Ontario for fleet only. Note that in order to be able to offer the standalone physical damage in Ontario for IRCA, rates must be filed and approved for Commercial Auto. **Currently, Lloyd's has no plans for filing these rates, and therefore, this remains prohibited in Ontario.**

Effective **January 1, 2024**, insurers issuing **Ontario Automobile Policies (OAP 1)** will be required to offer consumers the **OPCF 49 Agreement Not to Recover for Loss or Damage from an Automobile Collision**. This option was introduced by the Ontario Government with the intention of providing consumers with choice and cost savings. It is an optional endorsement, allowing consumers to opt out of Direct Compensation Property Damage ("DCPD") in the OAP 1. This endorsement removes Section 7 coverage from a policy.

What this means to you

All stakeholders issuing the OAP 1 will be required to offer the endorsement OPCF 49 accordingly. All forms can be retrieved from the Informco library.

Please continue to review all communications on the Automobile business in Canada and send any questions to lloydscanada@lloyds.com

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