

FINANCIAL SERVICES COMMISSION OF ONTARIO

Filing Guidelines for Proposed Revisions to Underwriting Rules & Rates for Endorsements

A. ENDORSEMENT FORMS

Standard endorsement (policy change) forms have been approved by the Superintendent and released through Superintendent's bulletins to the industry. Policy change forms to Ontario Automobile Policy (OAP 1) are designated by a series of OPCF numbers. Any endorsement form to OAP 1 that is not a standard form must be filed and approved by the Superintendent in accordance with Section 227 of the *Insurance Act* (the *Act*), R.S.O. 1990, Chap. I.8, as amended.

A non-standard endorsement form must be approved prior to or in conjunction with submitting the filing for proposed revisions to endorsement rules and rates. Please refer to the *Forms Filing Guidelines* for details.

B. UNDERWRITING RULES FOR ENDORSEMENTS

Section 238 of the *Act* outlines the requirements for filing underwriting rules. For coverages other than endorsements, refer to the latest *Section 238 Underwriting Rules Filing Guidelines*. Insurers should complete Appendix A for Personal Vehicles when changing underwriting rules for any endorsement. The standard endorsements are listed first. Any non-standard endorsement should be listed separately at the end of Appendix A. Insurers should complete Appendix C for Commercial/Public Vehicles when changing underwriting rules for any endorsement. The standard endorsements are listed first. Any non-standard endorsement should be listed separately at the end of Appendix C.

C. RATES FOR ENDORSEMENTS

OPCF 44R written on OAP 1 for private passenger automobiles is subject to a prior approval process as set out in the *Private Passenger Automobile Filing Guidelines*. Any changes to OPCF 44R rates should be submitted with an insurer's Private Passenger Automobile insurance rate filing.

The rates for all other endorsements are subject to a file and use process. The proposed OPCF 44R rates on categories other than private passenger auto should be submitted using the *Other than Private Passenger Automobile Filing Guidelines*. For other endorsement rate changes, the guidelines for filing rate changes are set out in this document.

All information and data used to support endorsement rate changes must be documented and provided to FSCO with the filing. Insurers should complete and file Appendix B for Personal Vehicles and Appendix D for Commercial/Public Vehicles when changing any endorsement rate.

D. CERTIFICATE OF AN OFFICIAL

An official who has knowledge of the insurer's automobile insurance forms, underwriting rules and endorsement rates is required to sign the Certificate of an Official. A copy of the required form is attached as Appendix E.

E. PROCEDURES

Endorsement filings should be submitted by using our web-based filing system called ARCTICS. If you require a password, please contact your Team Lead/Rate Analyst.

Alternatively, you may send the filing to:

Financial Services Commission of Ontario
Automobile Insurance Division, Rates and Classifications Unit
5160 Yonge Street, P.O. Box 85
Toronto ON M2N 6L9

F. PROPOSED MANUAL PAGES

When filing for changes to endorsement rates or rules, please provide the draft of the revised rate manual pages, reflecting the changes, if available. Please note that the insurer is required to file with FSCO its rate manual, containing the revised rates and underwriting rules for endorsements in electronic format (e-mail or cd) within 30 days of the approval, in accordance with the *Rate Manual Filing Guidelines*. The electronic copy of the rate manual submitted to FSCO must be identical to any hard copy or versions that are being distributed to anyone, including brokers, agents or other vendors. The Insurer may be subject to regulatory action if it fails to provide the required information within this time frame.

SUMMARY SHEET OF UNDERWRITING RULES FOR ENDORSEMENTS

Company Name: _____

Group Name: _____

Category of Insurance:* _____

Instructions: Indicate with an **X** which column is applicable for each of the OPCFs and non-standard endorsements. If the OPCF is offered on a selective basis, i.e., column C applies, please attach the underwriting rules. The excluded driver endorsement (OPCF 28A) is an endorsement required to be offered under legislation.

*This summary can be used for a specific category or grouping of categories for all Personal Vehicles (including PPA).

Ontario Policy Change Form (OPCF) Number and Title		(A) Not Offered	(B) Offered to all individuals (No underwriting restrictions)	(C) Offered on a selective basis (Attach rules)
2	Providing coverage when named persons drive other automobiles or rent or lease other automobiles			
3	Drive government automobiles			
5	Permission to rent or lease automobiles and extending coverage to the specified lessee(s)			
6A	Permission to carry paying passengers			
8	Property damage reimbursement			
9	Marine use excluded (amphibious automobiles)			
13C	Restricting glass coverage			
16	Suspension of coverage			
17	Reinstatement of coverage			
19	Limiting the amount paid for loss or damage coverages			
19A	Agreed value of automobiles			
20	Coverage for transportation replacement			

Appendix A (Personal Vehicles)

Ontario Policy Change Form (OPCF) Number and Title		(A) Not Offered	(B) Offered to all individuals (No underwriting restrictions)	(C) Offered on a selective basis (Attach rules)
23A	Lienholder protection			
25A	Alteration			
27	Liability for damage to non-owned automobile(s), and other coverages when insured persons drive, rent or lease other automobiles			
28	Reducing coverage for named persons			
28A	Excluded driver *		X	
29	Additional coverage for named person(s)			
30	Removing coverage for attached machinery			
31	Non-owned equipment			
32	Use of recreational vehicles by unlicensed operators			
35	Coverage for emergency road service			
38	Agreed limit for automobile electronic accessories and equipment			
40	Fire deductible			
43	Removing depreciation deduction			
43A	Removing depreciation deduction for specified lessee(s)			
44R	Family protection coverage			
46	Pre-determined Income from Self-Employment Agreement			
47	Agreement not to rely on SABS priority of payment rules			

SUMMARY SHEET OF RATES FOR ENDORSEMENTS

Company Name: _____

Group Name: _____

Category of Insurance:* _____

Instructions: For each endorsement that is offered by the insurer provide the current rate and the proposed rate. If the endorsement is not offered indicate **N/A**. If the endorsement is offered but there is no charge indicate **\$0**.

*This summary can be used for a specific category or grouping of categories for all Personal Vehicles (including PPA)

Proposed Effective Date for New Policies: _____

Proposed Effective Date for Renewal Policies: _____

Ontario Policy Change Form (OPCF) Number and Title		(A) Current Rate Charged	(B) Proposed Rate to be Charged
2	Providing coverage when named persons drive other automobiles or rent or lease other automobiles		
3	Drive government automobiles		
5	Permission to rent or lease automobiles and extending coverage to the specified lessee(s)		
6A	Permission to carry paying passengers		
8	Property damage reimbursement		
9	Marine use excluded (amphibious automobiles)		
13C	Restricting glass coverage		
16	Suspension of coverage		
17	Reinstatement of coverage		
19	Limiting the amount paid for loss or damage coverages		
19A	Agreed value of automobiles		
20	Coverage for transportation replacement		

Appendix B (Personal Vehicles)

Ontario Policy Change Form (OPCF) Number and Title		(A) Current Rate Charged	(B) Proposed Rate to be Charged
23	Lienholder protection		
25A	Alteration		
27	Liability for damage to non-owned automobile(s), and other coverages when insured persons drive, rent or lease other automobiles		
28	Reducing coverage for named persons		
28A	Excluded driver *		
29	Additional coverage for named person(s)		
30	Removing coverage for attached machinery		
31	Non-owned equipment		
32	Use of recreational vehicles by unlicensed operators		
35	Coverage for emergency road service		
38	Agreed limit for automobile electronic accessories and equipment		
40	Fire deductible		
43	Removing depreciation deduction		
43A	Removing depreciation deduction for specified lessee(s)		
44R	Family protection coverage (Note: OPCF 44R rate changes must be filed using Private Passenger Automobile Filing Guidelines and/or Other than Private Passenger Automobile Filing Guidelines)		
46	Pre-determined Income from Self-Employment Agreement		
47	Agreement not to rely on SABS priority of payment rules		

* All insurers must provide the OPCF 28A if requested by the named insured, with no underwriting restrictions (at \$0 charge). No changes to the standard OPCF28A will be accepted by FSCO.

Appendix B (Personal Vehicles)

Non-Standard Endorsements Number and Title	(A) Current Rate Charged	(B) Proposed Rate to be Charged

Appendix B (Personal Vehicles)

Individual to whom questions concerning this filing may be addressed:

Name: _____

Title: _____

Company: _____

Address: _____

Phone No.: _____

Facsimile No.: _____

E-mail Address: _____

Appendix C (Commercial Vehicles and Public Vehicles)

SUMMARY SHEET OF UNDERWRITING RULES FOR ENDORSEMENTS

Company Name: _____

Group Name: _____

Category of Insurance:* _____

Instructions: Indicate with an **X** which column is applicable for each of the OPCFs and non-standard endorsements. If the OPCF is offered on a selective basis, i.e., column C applies, please attach the underwriting rules. The excluded driver endorsement (OPCF 28A) is an endorsement required to be offered under legislation.

*This summary can be used for Commercial Vehicle and/or Public Vehicle categories.

Ontario Policy Change Form (OPCF) Number and Title		(A) Not Offered	(B) Offered to all individuals (No underwriting restrictions)	(C) Offered on a selective basis (Attach rules)
2	Providing coverage when named persons drive other automobiles or rent or lease other automobiles			
3	Drive government automobiles			
4A	Permission to carry explosives			
4B	Permission to carry radioactive materials			
5	Permission to rent or lease automobiles and extending coverage to the specified lessee(s)			
5C	Permission to rent or lease (unspecified lessees - short term leases only)			
5D	Conversion coverage (rented or leased automobiles)			
6A	Permission to carry paying passengers			
6B	School bus			
6C	Public passenger vehicles			
6D	Driver training school			
6F	Public passenger vehicles - combined limits			

Appendix C (Commercial Vehicles and Public Vehicles)

7	Separate limits (liability)			
8	Property damage reimbursement			
9	Marine use excluded (amphibious automobiles)			
13C	Restricting glass coverage			
16	Suspension of coverage			
17	Reinstatement of coverage			
19	Limiting the amount paid for loss or damage coverages			
19A	Agreed value of automobiles			
20	Coverage for transportation replacement			
21A	Monthly reporting basis fleet (applicable to Ontario licensed vehicles)			
21B	Blanket fleet coverage for Ontario licensed automobiles			
22	Damage to property of passengers			
23A	Lienholder protection			
23B	Mortgage (broad form)			
24	Fire apparatus			
25A	Alteration			
27	Liability for damage to non-owned automobile(s), and other coverages when insured persons drive, rent or lease other automobiles			
27B	Business operations - liability for damage to non-owned automobile(s) in your care, custody or control			
28	Reducing coverage for named persons			
28A	Excluded driver *		X	
29	Additional coverage for named person(s)			
30	Removing coverage for attached machinery			
31	Non-owned equipment			

Appendix C (Commercial Vehicles and Public Vehicles)

32	Use of recreational vehicles by unlicensed operators			
35	Coverage for emergency road service			
38	Agreed limit for automobile electronic accessories and equipment			
40	Fire deductible			
43	Removing depreciation deduction			
43A	Removing depreciation deduction for specified lessee(s)			
44R	Family protection coverage			
46	Pre-determined Income from Self-Employment Agreement			
47	Agreement not to rely on SABS priority of payment rules			

Non-Standard Endorsements Number and Title		FSCO Filing No. and Approval Date of the Form	(A) Offered to all individuals (No underwriting restrictions)	(B) Offered on a selective basis (Attach Rules)

* All Insurers must provide the OPCF28A if requested by the named insured (at \$0 charge), with no underwriting restrictions. No changes to the standard OPCF28A will be accepted by FSCO.

SUMMARY SHEET OF RATES FOR ENDORSEMENTS

Company Name: _____

Group Name: _____

Category of Insurance:* _____

Instructions: For each endorsement that is offered by the insurer provide the current rate and the proposed rate. If the endorsement is not offered indicate **N/A**. If the endorsement is offered but there is no charge indicate **\$0**.

*This summary can be used for Commercial Vehicle and/or Public Vehicle categories.

Proposed Effective Date for New Policies: _____

Proposed Effective Date for Renewal Policies: _____

Ontario Policy Change Form (OPCF) Number and Title		(A) Current Rate Charged	(B) Proposed Rate to be Charged
2	Providing coverage when named persons drive other automobiles or rent or lease other automobiles		
3	Drive government automobiles		
4A	Permission to carry explosives		
4B	Permission to carry radioactive materials		
5	Permission to rent or lease automobiles and extending coverage to the specified lessee(s)		
5C	Permission to rent or lease (unspecified lessees - short term leases only)		
5D	Conversion coverage (rented or leased automobiles)		
6A	Permission to carry paying passengers		
6B	School bus		
6C	Public passenger vehicles		
6D	Driver training school		
6F	Public passenger vehicles – combined limits		

Appendix D (Commercial Vehicles and Public Vehicles)

7	Separate limits (liability)		
8	Property damage reimbursement		
9	Marine use excluded (amphibious automobiles)		
13C	Restricting glass coverage		
16	Suspension of coverage		
17	Reinstatement of coverage		
19	Limiting the amount paid for loss or damage coverages		
19A	Agreed value of automobiles		
20	Coverage for transportation replacement		
21A	Monthly reporting basis fleet (applicable to Ontario licensed vehicles)		
21B	Blanket fleet coverage for Ontario-licensed automobiles		
22	Damage to property of passengers		
23A	Lienholder protection		
23B	Mortgage (broad form)		
24	Fire apparatus		
25A	Alteration		
27	Liability for damage to non-owned automobile(s), and other coverages when insured persons drive, rent or lease other automobiles		
27B	Business operations - liability for damage to non-owned automobile(s) in your care, custody or control		
28	Reducing coverage for named persons		
28A	Excluded driver *		
29	Additional coverage for named person(s)		
30	Removing coverage for attached machinery		
31	Non-owned equipment		

Appendix D (Commercial Vehicles and Public Vehicles)

32	Use of recreational vehicles by unlicensed operators		
35	Coverage for emergency road service		
38	Agreed limit for automobile electronic accessories and equipment		
40	Fire deductible		
43	Removing depreciation deduction		
43A	Removing depreciation deduction for specified lessee(s)		
44R	Family protection coverage (Note: OPCF 44R rate changes must be filed using Other than Private Passenger Automobile Filing Guidelines)		
46	Pre-determined Income from Self-Employment Agreement		
47	Agreement not to rely on SABS priority of payment rules		

* All insurers must provide the OPCF28A if requested by the named insured, (at \$0 charge) with no

Non-Standard Endorsements Number and Title		(A) Current Rate Charged	(B) Proposed Rate Charged

underwriting restrictions. No changes to the standard OPCF28A will be accepted by FSCO.

Appendix D (Commercial Vehicles and Public Vehicles)

Individual to whom questions concerning this filing may be addressed:

Name: _____

Title: _____

Company: _____

Address: _____

Phone No.: _____

Facsimile No.: _____

E-mail Address: _____

CERTIFICATE OF AN OFFICIAL

I, _____, _____,
(Name of Official) **(Position Held)**

of _____ (the "Insurer")
(Official Name of Company)

CERTIFY THAT:

1. I have knowledge of the matters that are the subject of this certificate.
2. The information and each document contained in the filing accompanying this certificate is complete and accurate in all material respects.
3. The Insurer's grounds for declining to issue, terminating or refusing to renew, or refusing to provide or continue an endorsement are set out in *Appendix A and Appendix C*.
4. The Insurer's rates for endorsements are set out in *Appendix B and Appendix D*.
5. I have satisfied myself that the proposed rates are just and reasonable, do not impair the solvency of the Insurer, and are not excessive in relation to the financial circumstances of the Insurer.
6. If the filing is approved, all premiums (including all fees, discounts, surcharges and other components comprising such premiums) quoted and charged by the Insurer will at all times and in all material respects accurately reflect and conform to the filing as approved, whether such premiums are calculated manually or otherwise.
7. I have informed myself as to the Insurer's business systems and processes and confirm that any system or process changes that may be required to enable the Insurer to comply with paragraph 6 above will be adequately tested in advance and fully communicated to staff and intermediaries and implemented by the Insurer in a timely manner.

Signature of Official

Date, Location