

C14 Automobile Insurance—Part 1
(Atlantic Provinces)
Addendum—May 2016
(To be used with 2014 edition of the text.)

Note: This addendum replaces the October 2015 addendum. It addresses recent regime changes to automobile insurance in Prince Edward Island to establish Direct Compensation—Property Damage (DCPD) coverage, among other updates. It also brings the 2014 edition of the textbook in line with the new 2016 edition of the textbook.

Study 2, page 9 – Bullet i. at the bottom of the page has been changed to the following:

- i. Any assignment, waiver, surrender, cancellation, or discharge of the policy by the insurer after the event giving rise to the claim.

Study 3, page 6 – The section entitled **Direct Compensation for Property Damage** has been changed to the following:

Direct Compensation for Property Damage

Direct compensation for property damage (DCPD) allows insured drivers to be compensated by their own insurer for property damage resulting from an automobile collision caused by another party. Working with their own insurer allows drivers involved in an automobile collisions to complete the claims process more efficiently and get appropriate compensation quickly.

This system has been in place for number of years in New Brunswick, Nova Scotia, Ontario, and Quebec. The DCPD system recently implemented in Prince Edward Island is modeled after the systems in these provinces. The following example shows how DCPD covers claims for vehicle damage that is not the insured's fault.

Example

Tom and Rita are both 50% at fault, and neither has collision coverage.

If collision damage to Tom's vehicle is \$1,000 and collision damage to Rita's vehicle is \$800, each will make a claim under DCPD coverage. Payments will be apportioned as follows:

Tom

Paid by Tom's insurer under DCPD coverage (\$1,000 × 50% since he was 50% at fault)	\$500
Total recovery	\$500

Rita

Paid by Rita's insurer under DCPD coverage (\$800 × 50% since she was 50% at fault)	\$400
Total recovery	\$400

Study 3, page 6 – The first sentence in the section entitled **Fault for Premium Chargeability** has been changed to the following:

To determine fault or responsibility for DCPD claims, the Driver’s Fault Chart is used in Quebec, while Fault Determination Rules are used in New Brunswick, Nova Scotia, Ontario, and Prince Edward Island.

Study 4, page 4 – The second bullet point beside the margin heading **Policy not issued according to application** changed to the following:

- if the insured does not object to the changes by advising the insurer in writing within seven days (14 days in New Brunswick), the policy is then deemed to cover as it is written.

Study 5, page 6 - The paragraph beside the margin heading **Use/operation** has been changed to the following:

Use can be distinguished from operation. The courts have determined that use may include such things as cleaning a motorcycle, drilling a hole in an automobile in preparation for the connection of a trailer, spilling an oil load, a passenger grabbing the steering wheel, or getting out of the automobile. In a situation where a claimant got out of an automobile and fell after taking a step or two and was injured, it was determined that the claim arose from the use of the automobile.

Study 5, page 7 – The heading and first sentence of the section entitled Section **A.1—Direct Compensation—Property Damage (New Brunswick, Nova Scotia, and Prince Edward Island)** has been changed to the following:

Section A.1—Direct Compensation—Property Damage (New Brunswick, Nova Scotia, and Prince Edward Island)

In 2005, New Brunswick introduced Direct Compensation—Property Damage coverage under Section A.1 of the S.P.F. No. 1. Nova Scotia did the same in April 2013, and Prince Edward Island in 2015.

Study 5, page 10 – The first paragraph under the heading **Policy Limits** has been deleted. The limits for Quebec** have been changed to Bodily Injury \$450,000 / Property Damage \$50,000

Study 6, page 8 – the fourth bullet point under the heading **3. Exclusions** has been changed to the following:

- under Medical, Rehabilitation, and Funeral Expenses benefits and Loss of Income benefits—for injury or death of the driver who is convicted of impaired driving, impaired driving causing bodily harm or death, or refusal to comply with a demand for a breath sample—Criminal Code (Canada) Sections 253, 254, or 255 respectively (note: the Nova Scotia S.P.F. No. 1 also states that this exclusion applies unless the insured establishes that impairment by alcohol or drugs was not the proximate cause of the accident)

Study 7, page 5 – The two paragraphs beneath **exclusion (a)** have been replaced with the following:

Because of this exclusion, flat tires are not covered unless the damage to the tire results from a peril for which you are covered or is caused by fire, theft, or malicious mischief. For obvious reasons,

general wear and tear is not covered. Limited forms of warranty coverage are generally sold by the manufacturer of the vehicle.

Example

If a tire blows out in normal driving, it is not covered. But if the tire is destroyed in a collision and there is Collision coverage, the loss will be covered up to the value of the tire at the time of the incident. Only the Collision deductible will apply.

Study 7, page 6 – The first paragraph on the page has been replaced with the following:

When the vehicle is equipped with a stereo, attached equipment and tapes are covered. Thus, when a car stereo is stolen with a tape in it, the tape as well as the stereo are covered (under Subsections 1, 3, and 4). Other tapes in the vehicle may be claimed under a policy covering personal effects.

The New Brunswick Owner's Form varies; it has two exclusions related to attached equipment and recorded material. Also, it mentions other forms of recorded material in addition to tapes, as follows:

(f) for more than \$50 for recorded material and equipment for use with a playing or recording unit. The insurer shall not be liable for recorded material or equipment not contained within or attached to the playing or recording unit. Recorded material includes, but is not limited to, tapes, compact discs, video cassettes and digital video discs; or

(g) for more than \$1,500 for loss or damage to electronic accessories or equipment other than factory installed equipment. The insurer shall pay the actual cash value of the equipment up to \$1,500 in total. "Electronic accessories and equipment" includes, but is not limited to radios, tape players/decks, stereo players/decks, compact disc players, speakers, telephones, two-way radios including CB radios, ham radios and VHF radios, televisions, facsimile machines, electronic navigation assistance, positioning and location finding devices, computers, and items of a similar nature. "Factory installed equipment" means electronic accessories and equipment which was included in the original new purchase price of the automobile.

Study 7, page 6 – The last paragraph in the section beside the margin heading **Driving under influence of intoxicating liquor or drugs** has been changed to the following:

Note: As mentioned above, the New Brunswick Owner's Policy contains two exclusions relating to attached equipment and recorded material—exclusions (g) and (h)—so exclusions (g) and (h) as shown in this textbook (and applicable under Owner's Policies in other Atlantic provinces) correspond to exclusions (h) and (i) in the New Brunswick policy.

Study 7, page 8 – The last sentence in the paragraph beside the margin heading **Loss of use by theft** has been changed to the following:

(In New Brunswick and Newfoundland, the limits are \$30 per day, \$900 total.)

Study 8, page 1 – The first learning objective has been changed to the following:

- Identify the possible sources of indemnity for residents of particular Atlantic Provinces injured there by an uninsured or unidentified motorist.

Study 8, page 6 – The last sentence in the second paragraph under the heading **Highway Victims Indemnity Funds** has been corrected to include Nova Scotia in the list of provinces where the Facility Association provides uninsured motorist coverage, as follows:

As earlier mentioned, victims of uninsured/unidentified motorists in New Brunswick, Newfoundland, Nova Scotia, and Prince Edward Island are compensated by Facility Association when they are not covered by Section D of an automobile policy.

Study 10, page 3 – The paragraph above the heading **Material Change in Risk** has been changed to the following:

In these Statutory Conditions, unless the context otherwise requires, the word “insured” means a person insured by this contract whether named or not. The New Brunswick and Newfoundland Owner’s Forms also state: Statutory Conditions 1, 8, and 9 shall apply as policy conditions with respect to Section B.

Study 11, page 14 – The last sentence in the paragraph under the heading **Family Protection Endorsement** has been changed to the following:

When a third party is at fault, it covers the shortfall when the third party is inadequately insured to cover the insured’s claims.

Study 11, page 15 – The second paragraph under the heading **Postscript** has been changed to the following:

Students should note that it is not possible to delete or reduce Third Party Liability limits below the provincial minimum limit.

Study 13, page 10 – The first sentence of the second paragraph in the section entitled **Vehicle Rate Groups** has been changed to the following:

Because of DCPD in effect in New Brunswick, Nova Scotia, Ontario, Prince Edward Island, and Quebec, rate groups are also in use for Third Party Liability coverage.

Study 13, page 9 – **Footnote 1.** at the bottom of the page has been replaced with the following:

- ^{1.} 1.10 used as an example, in practice this figure would require additional calculations by actuaries and reflect actual past loss experiences

Study 14, page 4 – The following content has been inserted after the first paragraph in the section entitled **The Facility Association:**

In provinces where the Association operates, the underwriting rules of the various automobile insurers serve as guidelines to determine whether a risk qualifies for insurance through the voluntary market. These rules are a list of grounds for which the insurer declines to issue, terminates, or refuses to renew a contract, or refuses to provide or continue a coverage or endorsement.

Since underwriting rules can vary from insurer to insurer, a risk declined by one insurer’s underwriting rules may be accepted by another insurer’s underwriting rules. In theory, a risk would be placed in the residual market if it does not meet *any* insurer’s underwriting rules. But some risks placed in the residual market may be eligible for insurance through the voluntary market.

Example

In Ontario, consumers are only required to have one declination letter from a voluntary market insurer before being eligible for coverage through the residual market.

Study 14, page 5 – The section entitled **Sharing of Results** has been replaced with the following:

Sharing of Results

In each jurisdiction where the Association operates, all insurers who write automobile liability insurance are members and share in the results. Association results are shared proportionately on the basis of voluntary business written by each insurer: Private passenger business is based on car years insured; other business is based on third party liability premiums written.

Definition

A **car year** is a measurement of an insurer's exposure. It means an automobile insured for a period of 12 months. For example, a single policy providing coverage on three automobiles for a six-month term would be 1.5 car years.

Study 14, page 5 – The second paragraph in the section entitled **Servicing Carriers** has been deleted.

Study 14, page 7 – The following section has been inserted after the section entitled **Servicing Carrier Compensation**:

Risk Sharing Pools

The Facility Association also manages risk sharing pools in Alberta, New Brunswick, Nova Scotia, and Ontario, which are established under the Plan of Operation. These pools allow automobile insurance underwriters to transfer certain private passenger automobile exposures that may meet the companies' underwriting guidelines, but still present higher-than-average risk. They are sometimes referred to as "grey" private passenger risks.

Because these risks meet underwriting guidelines, insurers cannot decline them, and they must still be written in the voluntary market at the insurers' normal rates. Risk sharing pools give the writing companies the option of keeping such business for their own account or transferring it to the pool.

Only risks that do *not* meet underwriting guidelines can be considered residual market risks and have policies issued through the Facility Association.

Ontario Risk Sharing Pool

The Ontario Risk Sharing Pool has operated since 1993. Insurers who are members of the pool cede the entire "grey" policies to the pool, but retain 15 percent of the premiums and claims. Insurers share the experience of the transferred risk with the pool in accordance with their share of the market and their usage of the pool. The company which issues the initial policy (the primary writer) remains responsible for servicing the policy, including settling any claims which may arise from the policy.

Two Alberta Risk Sharing Pools

Since 2004, two risk sharing pools have been operating in Alberta. One allows Alberta automobile insurers to transfer private passenger automobile exposures that are subject to the province's statutory maximum premium: This is called the Grid Pool.

The other is called the Non-Grid Pool. It enables insurers to transfer any eligible private passenger automobile insurance exposures they underwrite, up to a predefined maximum amount. The types of risks transferred to the Non-Grid Pool would be “grey” risks—similar to those transferred to the Ontario Risk Sharing Pool.

The results of both these pools are shared by all private passenger automobile insurers in Alberta according to their market share (not including business submitted to the pools).

**New Brunswick
“First Chance”
Risk Sharing Pool**

In New Brunswick, the “First Chance” Risk Sharing Pool started operating in 2005. Underwriters in New Brunswick can transfer certain private passenger automobile exposures that are eligible for the province’s “First-Chance” discount into the pool. The results of the pool are shared in a similar manner to Alberta.

**Nova Scotia
Inexperienced
Driver Risk
Sharing Pool**

The Inexperienced Driver Risk Sharing Pool in Nova Scotia is designed to provide operators with less than six years driving experience and a clear driving record (no accidents or convictions) with affordable insurance on private passenger vehicles. It has been operating since 2006.

Insurers in Alberta, New Brunswick, and Nova Scotia cede 100 percent of premiums and claims to their various pools and share the results according to their market share (excluding business submitted to the pools). Nova Scotia has no limit for transferring business to the pool, but limits apply in New Brunswick and Alberta. *All* risk sharing pools have an expense allowance that varies by province.

Study 14, page 8 – The section entitled **British Columbia** has been changed to the following:

British Columbia

**No need for
special programs**

There are no such industry or government programs for insurance availability in British Columbia. They are not necessary because ICBC is a Crown corporation with the mandate to provide basic insurance to all drivers in a non-discriminatory manner. This mandate is explicitly stated in the *Insurance (Vehicle) Act* so that all people who own and register a vehicle in British Columbia will have the compulsory basic coverage.

Private insurers compete for extension coverages only. If a risk is undesirable, they can decline to offer extension insurance, but no one will be denied basic coverages.

Study 16, pages 5–10 – The content in the study entitled **Ontario Plan** has been replaced with the following:

Learning Objectives

When you finish this study, you should be able to meet the following objectives:

- Summarize how coverage is provided in Ontario and by whom.
- Outline the basic compulsory coverages.
- State what additional coverages are available and from whom.

Contents

- Ontario plan
 - Summary of coverages
 - Statutory conditions
 - Endorsements
 - Loss situations

Ontario Plan

Owner's Policy— OAP 1

Automobile insurance in Ontario is provided entirely through the private sector. Policy forms are regulated by the province through the Financial Services Commission of Ontario (FSCO). Ontario uses a combination of

- its own forms of automobile policies—Ontario Automobile Policies (OAP) 1, 2, and 4, which correspond to the Standard Policy Forms (SPF) 1, 2, and 4 used elsewhere in Canada; and
- Standard Policy Forms—SPF 6, 7, and 8, which are also used elsewhere in Canada.

The specific Ontario automobile policies are in a “plain language” format, so the layout is slightly different than the Standard Policy Forms. The Ontario Owner’s Policy (OAP 1) has eight sections:

- Section 1—Introduction
- Section 2—What Automobiles Are Covered
- Section 3—Liability Coverage
- Section 4—Accident Benefits Coverage

Details pertaining to this section of the policy are contained in the Statutory Accident Benefits Schedule which is part of the Regulations pursuant to the *Insurance Act* of Ontario.

- Section 5—Uninsured Automobile Coverage

Uninsured automobile coverage is a separate, compulsory coverage, unlike other provinces where it is part of Accident Benefits.

- Section 6—Direct Compensation—Property Damage Coverage (DCPD)
- Section 7—Loss or Damage Coverages
- Section 8—Statutory Conditions

Summary of Coverages

In Ontario, Liability coverage, Accident Benefits coverage, Uninsured Automobile coverage, and DCPD coverage are compulsory coverages. The Loss or Damage coverages are optional.

**Uninsured
Automobile**

Although the Uninsured Automobile coverage in Ontario is slightly different from other provinces because it has been split off from Accident Benefits, the coverage provided by it is similar. Where the insured person has access to a policy, it pays in lieu of a motor vehicle accident compensation fund.

**Loss or Damage
coverage**

The optional coverages for loss of or damage to the insured automobile are similar to those in other provinces. Insureds can choose from a number of coverage options—All Perils, Collision, Comprehensive, and Specified Perils.

Liability Coverage

The minimum amount of Liability coverage (Section 3) required is \$200,000. However, Liability coverage limits may be increased to various amounts for additional premium (subject to underwriting considerations).

**Threshold for
liability for**

In Ontario, the general rule is that owners, occupants, and persons present at the incident are not liable for damages in tort actions. However, where the injuries suffered meet a certain definition—or verbal threshold—lawsuits are permitted. Therefore, the ability to sue for damages is set out as an exception to this rule. Whether the verbal threshold has been met can only be determined by a judge on a motion before a trial or at the trial.

Definition

Verbal threshold is the words or language describing the nature and type of injury that must be suffered in order to be able to commence a legal action against the responsible party.

The original threshold has been modified as subsequent legislative amendments have been made, most recently in 2003. (Legislative changes to Ontario automobile insurance in 2010 did not affect the threshold.) Lawsuits are permitted for all types of economic loss, but recovery from tortfeasors for loss of income and loss of earning capacity is limited.

Lawsuits are now allowed for non-economic loss if the injured person dies or sustains “permanent and serious” disfigurement and/or impairment of an important physical, mental, or psychological function. And once a claimant establishes that the injury meets this threshold, a deductible is applied to the amount of the damages with respect to each claimant. Insureds have the option of increasing or decreasing this deductible.

Lawsuits to recover health care expenses are only permitted in cases where injuries meet the same threshold as for non-economic losses (see above).

Direct Compensation—Property Damage Coverage

This section of the policy provides direct compensation for vehicle damage. It indemnifies insureds for damage to the automobile and its contents and loss of use caused partially or completely by third parties.

Direct Compensation—Property Damage coverage (Section 6) applies if both vehicles are insured under automobile policies issued by insurers licensed in Ontario, or that have signed the Direct Compensation undertaking, and damage occurs in Ontario.

This section does not give rights of recovery that are greater than a third party would have against the wrongdoer if no DCPD coverage existed. In tort systems, the third party would only recover to the extent of being not-at-fault; for instance, 100 percent not-at-fault, 50 percent not-at-fault, 25 percent

not-at-fault, and so on. Under DCPD, this same right of recovery is exercised against the insured's own insurer, with fault decided using the Fault Determination Rules.

The insured is prevented from suing any other person involved in the accident for damage or loss of use. Similarly the insurer that pays the claim cannot subrogate against other parties or their insurer(s).

Loss or Damage coverage (Section 7), such as Collision or Comprehensive, is not affected by DCPD coverage. When an automobile is involved in a collision with non-vehicular property, the owner of the damaged property would still claim against the motorist but the claim would be paid under Liability coverage. The claim would only be paid if the motorist was found liable.

Example

Tim loses control of his vehicle and crashes into Catherine's fence. Catherine will claim against Tim. If Tim is found liable, Catherine would be compensated for the damage to her fence by Tim's Liability coverage.

Accident Benefits Coverage

Statutory Accident Benefits Schedule (SABS)

Accident Benefits coverage (Section 4) is compulsory in Ontario. When lawsuits for injuries arising out of automobile accidents were limited by legislation, a Statutory Accident Benefits Schedule (SABS) was created to provide increased and wide-ranging Accident Benefits coverage. These benefits are the subject of their own *Regulation* under the *Ontario Insurance Act*. They have been revised numerous times since coming into effect in 1994. Below is a brief description of the coverages available under SABS. (Note that dollar limits and time limits apply in each case.)

1. Income replacement benefits (IRB)
2. Non-earner benefits—benefits for those who are unable to lead a normal life because of an automobile accident but do not qualify for any of the other benefits
3. Caregiver benefits—benefits for those looking after dependants
4. Medical, rehabilitation, and attendant care benefits
5. Payment of other expenses
 - Educational expenses
 - Expenses of visitors
 - Housekeeping and maintenance expenses
 - Damage to clothing, glasses, hearing aids, etc.
 - Cost of examination
6. Death and funeral benefits—includes capital sums paid upon the death of insured persons and dependants

Priority of Accident Benefits payments

The Ontario *Insurance Act* states that Accident Benefits will be paid in the following manner:

- All persons claim Accident Benefits from their own automobile insurer.

- If there is no such insurance, benefits are payable by the insurer of the automobile in which they were riding.
- If recovery cannot be had (for instance, if there was no insurance on the automobile in which the injured person was a passenger) then recovery can be made from the insurer of any automobile involved in the accident.
- Finally, if no recovery is possible from any of the above three sources, the benefits will be paid by the Ontario Motor Vehicle Accident Claims (MVAC) Fund.

Prior to this legislation, recovery from MVAC was only possible pursuant to a judgment, but the *Act* now requires MVAC to pay Accident Benefits in the absence of an automobile policy from which to claim.

Optional benefits

Insurers are obliged to offer optional Accident Benefits to insureds, which increase the amounts or duration of coverage available to the insureds under the various benefits described above. Optional benefits may be purchased at any time before an accident for which a claim is made. These benefits are available only to the named insured, any person specified in the policy as a driver of the insured automobile, the spouse of the named insured, and any dependant of the named insured or spouse.

Statutory Conditions

Statutory Conditions (Section 8) are similar but not identical to those in other provinces. The main differences are as follows:

- If an insurer misclassifies a risk it must pay interest on any overpayment of premium by the insured.
- Premiums may be paid monthly without any penalty but with interest payable at a rate governed by the *Regulations* that accompany the *Ontario Insurance Act*.
- Subject to absolute liability and certain allowances provided under Accident Benefits, there is no coverage under the policy if the insured is not authorized by law to drive (no driver's licence or licence under suspension). Qualification to drive is not enough, as in some other provinces.

Endorsements

Ontario automobile endorsements are called Ontario Policy Change Forms (OPCF). Generally they follow the numbering of equivalent Standard Endorsement Forms (SEF) used in other provinces; however, there may be some variation in the wording. Some forms do not have equivalents elsewhere, such as the OPCF 28A—Excluded Driver form, which makes it possible to exclude coverage under the policy, except certain Accident Benefits, if the excluded driver operates the vehicle.

Loss Situations

Tom and Rita are involved in an intersection accident in Ontario. Tom is covered by insurer A and Rita is covered by insurer B.

**Property
Damage claim**

Example 1	
Tom and Rita are both 50% at fault and neither have Collision coverage. If collision damage to Tom's vehicle is \$1,000 and collision damage to Rita's vehicle is \$800, each will make a claim under DCPD coverage.	
Payments will be apportioned as follows:	
Tom	
Paid by insurer A under DCPD coverage	\$500
(\$1,000 × 50%—since he was 50% at fault)	
Total recovery	\$500
Rita	
Paid by insurer B under DCPD coverage	\$400
(\$800 × 50%—since she was 50% at fault)	
Total recovery	\$400
Example 2	
For the above loss, if Tom is found 100% at fault and Rita is found 0% at fault, payments would be apportioned as follows:	
Tom	
Paid by insurer A under DCPD coverage	\$0
(Tom is 100% at fault so is not eligible to make a claim under DCPD)	
Total recovery	\$0
Rita	
Paid by insurer B under DCPD coverage	\$800
(\$800 × 100%—since she is 0% at fault)	
Total recovery	\$800
Example 3	
Where both Tom and Rita are 50% at fault and both have Collision coverage with \$500 deductible, payments will be apportioned as follows:	
Tom	
Paid by insurer A under DCPD coverage	\$500
(\$1,000 × 50%—since he was 50% at fault)	
Paid by insurer A under Collision coverage	\$250
(\$500 less 50% of his \$500 deductible)	
Total recovery	\$750
Rita	
Paid by insurer B under DCPD coverage	\$400
(\$800 × 50%—since she was 50% at fault)	
Paid by insurer B under Collision coverage	\$150
(\$400 less 50% of her \$500 deductible)	
Total recovery	\$550

Bodily injury claim

Example 4
 Rita suffered very little injury, but Tom, a prominent surgeon, has suffered extensive injuries and developed a tremor in his right hand. He may not operate again for a long time, if ever. How will automobile insurance respond?

Tom may claim under the Accident Benefits provided by insurer A, which will pay a weekly income replacement benefit subject to a maximum weekly limit. He will also receive medical and rehabilitation benefits to assist in his return to employment.

If he purchased optional income replacement benefits, he will be paid a weekly benefit subject to the limit of the optional coverage purchased.

In Ontario, the right to sue is restricted. However, where the injuries suffered meet a certain definition—or verbal threshold—lawsuits are permitted. Whether the verbal threshold has been met can only be determined by a judge on a motion before a trial or at the trial.

Study 17, page 6 – The table “Summary of Automobile Coverage in Saskatchewan” has been replaced with the following revised table:

Summary of Compulsory Automobile Coverage in Saskatchewan		
Coverage	Basic Plate insurance	Auto Pak Extension Coverage
Third Party Liability	\$200,000	Options of \$1 million \$2 million
Comprehensive	Covers collision, upset, and damage caused to the vehicle by specified perils, such as, theft and vandalism Coverage is subject to a deductible, the amount of which depends on the class of vehicle covered	Insured can purchase lower deductibles
Personal Injury Benefits (No-Fault Option)	Includes the following coverages, which are subject to various limits and conditions: <ul style="list-style-type: none"> • Income benefits • Rehabilitation coverage • Medical, travel, and personal expenses • Living assistance • Permanent impairment payments • Death benefits and funeral expenses Benefit limits are indexed Coverage limits under the no-fault option are greater than under the tort option, however, the insured’s right to sue is severely limited	Auto Pak will pay amounts in addition to those received under basic plate insurance for the following: <ul style="list-style-type: none"> • Income benefits • Spousal death benefits • Education allowance • Funeral expenses
Personal Injury Benefits (Tort Option)	Includes the following coverages, which are subject to various limits and conditions: <ul style="list-style-type: none"> • Income benefits • Medical and rehabilitation coverage • Permanent impairment payments • Death benefits and funeral expenses 	Auto Pak will pay amounts in addition to amounts received under basic plate insurance for the following: <ul style="list-style-type: none"> • Income benefits • Spousal death benefits • Funeral expenses

	Coverage limits are lower than under the no-fault option, because an injured person not responsible for the collision can sue those responsible for expenses above the package of benefits and for pain and suffering	The amount of additional payments under the tort option will be different than under the no-fault option
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Study 17, page 9 –The table “Summary of Automobile Coverage in Manitoba” has been replaced with the following revised table:

Summary of Compulsory Automobile Coverage in Manitoba		
Coverage	Basic Autopac	Optional Autopac
Third Party Liability	\$200,000	Options of \$1 million \$2 million \$5 million
All Perils	Covers collision, upset, and damage caused to the vehicle by specified perils, such as, theft and vandalism Coverage is subject to a limit per vehicle and a deductible Amount of deductible depends on the type of vehicle covered	Insured can purchase excess value insurance if the limit per vehicle is too low Insured can purchase lower deductibles
Personal Injury Protection Plan	Includes the following coverages, which are subject to various limits and conditions: <ul style="list-style-type: none"> • Medical and personal expenses • Income replacement • Caregiver expenses • Personal assistance • Impairment • Rehabilitation • Death payments Basic benefits amounts are adjusted each year based on either the Consumer Price Index or the Manitoba Average Industrial Wage	Not available However, increased limits may be available from private insurers

Study 17, page 13 – The table “Summary of Automobile Coverage in British Columbia” has been replaced with the following revised table:

Summary of Compulsory Automobile Coverage in B.C.		
Coverage	Basic Autoplan	Optional Coverages
Third Party Liability	\$200,000 The rules are different for a bus, taxi, limo or heavy commercial vehicle	Optional coverage available between \$300,000 and \$5 million
Physical Damage Coverage for Vehicle	Not available	Insured can purchase various types of physical damage coverage with a choice of deductibles
Accident Benefits	Includes the following coverages,	Not available

	<p>which are subject to various limits and conditions:</p> <ul style="list-style-type: none">• Medical and rehabilitation expenses• Wage loss and homemaker disability benefits• Death and funeral benefits	
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