

Notice regarding the coming into force on October 10, 2019 of the Québec Automobile Insurance Policy Form (“Q.P.F.”) No. 2 – Insurance for drivers who do not own a vehicle, and its endorsements

(section 71 of the *Insurers Act*)

Under section 71 of the *Insurers Act*,¹ the form and terms of insurance policies relating to the ownership or use of motor vehicles must be approved by the *Autorité des marchés financiers* (the “Authority” or the “AMF”). The same is true for any riders (“endorsements”) that may be attached to those policies.

The AMF, in collaboration with the *Groupement des assureurs automobiles*, has developed a new automobile insurance policy to meet the insurance needs of persons who are not owners of a vehicle but who occasionally borrow or rent a vehicle through, for example, a vehicle-sharing platform (sharing economy) or a car rental company.

The Québec Automobile Insurance Policy Form (Q.P.F.) No. 2 – Insurance for drivers who do not own a vehicle (“Q.P.F. No. 2”) covers the insured when the vehicle rented or borrowed by the insured damages the property, injures or causes the death of another person. It also covers the insured when the rented or borrowed vehicle is damaged or stolen. It contains the following three protections:

- Protection 1: Damage caused BY the vehicle
- Protection 2: Damage caused TO the vehicle
- Protection 3: Defence of your interests and other covered costs

Main features of Q.P.F. No. 2

Protection 1: Damage caused BY the vehicle

This protection covers the insured when he or she is liable for bodily injury or property damage caused to another person by the rented or borrowed vehicle. Accordingly, if the insured is civilly liable for the damage or injury because he or she was driving, was using or had custody of the vehicle when the loss happened, the insurer will cover any financial consequences the insured may incur. This protection applies when the insurance of the owner of the rented or borrowed vehicle is insufficient.

Protection 2: Damage caused TO the vehicle

This protection offers “All perils” coverage for damage to the rented or borrowed vehicle, whether or not the insured is civilly liable for the damage. A “voluntary compensation” clause is included in this protection in order to cover, at the insured’s option, damage caused to the rented or borrowed vehicle even though the insured is not civilly liable.

Protection 3: Defence of your interests and other covered costs

¹ CQLR, c. A-32.1

This protection covers defence costs, fire department service charges, towing costs, general average costs and customs duties. These costs are payable in addition to the amounts of insurance provided for in Protections 1 and 2.

Endorsements

The following four endorsements may be attached to Q.P.F. No. 2:

- Q.E.F. No. 2-9 – Marine risk exclusion for amphibious vehicles
- Q.E.F. No. 2-25 – Changes to *Your declarations*
- Q.E.F. No. 2-41 – Changes to your deductibles
- Q.E.F. No. 2-44 – Addition of countries or places where your contract applies

Effective date of the new Q.P.F. No. 2 and its endorsements

The new Q.P.F. No. 2 and its endorsements may be used as of October 10, 2019 by all insurers offering automobile insurance in Québec.

The AMF reminds insurers that each insurer is responsible for ensuring that the automobile insurance policies used in Québec are those approved by the AMF, without altering or modifying their version.

Special care has been taken to develop a new Q.P.F. No. 2 that has an intuitive structure and is written in clear and plain language for the benefit of consumers. Insurers who use Q.P.F. No. 2 will therefore need to ensure that they adhere to the form of Q.P.F. No. 2 as published by the AMF, including the icons and the text in the right-hand margin. The AMF intends to use the enforcement actions available to it to ensure compliance with this requirement.

The form and its endorsements are available on the AMF website at www.lautorite.qc.ca under Professionals / Insurers / Automobile insurance / AMF approved forms.

Additional Information

Additional information may be obtained from the AMF Information Centre at:

Québec City: 418-525-0337

Montréal: 514-395-0337

Toll-free: 1-877-395-0337

www.lautorite.qc.ca

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