

Notice regarding the Guide to Compliance Audit Program and Use of FCSA Data

Established under the *Automobile Insurance Act*, CQLR, c. A-25 (the “AIA”), the *Fichier central des sinistres automobiles* (automobile claims database or the “FCSA”) is a tool used, among other things, to track information concerning the automobile driving experience of Québec insureds and ensure fair automobile insurance rates in Québec.

The *Autorité des marchés financiers* (the “AMF”) adopted the Guide to Compliance Audit Program and Use of FCSA Data (the “Guide”), which came into effect on January 1, 2010, in order to provide a framework for the compliance audit process and ensure the FCSA is consulted in accordance with the obligations under the AIA. The *Groupement des assureurs automobiles* (the “GAA”) was mandated by the AMF to ensure that all users of the FCSA abide by the compliance rules.

In recent years, insurers’ practices have evolved significantly, particularly regarding the underwriting of risk. In order to fully reflect changes in these practices, the legislative framework should be adjusted.

However, in the interim, the AMF has undertaken to implement certain transitional measures for consulting the FCSA. Consequently, the AMF considers that an insurer has met its obligation under subparagraph b) of the definition of “Underwriting” in the Guide if, prior to consulting the FCSA, it has inquired with the customer or the insured about his or her claims record (experience) and the customer or the insured has had the opportunity to respond. This exchange with the customer or the insured must be documented so that the GAA can verify its occurrence.

These transitional measures are effective immediately.

Additional Information

Additional information is available from:

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