

Lloyd's Canada Automobile Business Handbook

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1 Introduction

1.1 Purpose

The purpose of this handbook is to provide Lloyd's market participants with consolidated guidance regarding the underwriting, issuance, administration, and reporting of automobile insurance business in Canada.

This handbook brings together key regulatory, operational, and compliance requirements applicable to Canadian automobile business and is intended to assist Lloyd's syndicates, managing agents, coverholders, brokers, and service providers in complying with Canadian regulatory obligations and Lloyd's Canada requirements.

This handbook should be read in conjunction with applicable federal, provincial, and territorial legislation, regulatory guidance, Lloyd's Canada communications, and individual syndicate underwriting authorities.

1.2 Key principles

Automobile insurance is one of the most highly regulated classes of insurance in Canada and requires ongoing compliance with provincial and territorial legislation, regulatory requirements, and Lloyd's Canada guidance.

All Lloyd's market participants writing Canadian automobile business should adhere to the following principles:

- Regulatory compliance is mandatory.
- Approved automobile forms must be used where prescribed.
- Automobile business must be reported accurately and within required timelines.
- Market participants are responsible for understanding and complying with local regulatory requirements.
- Failure to comply may result in regulatory sanctions, financial penalties, and reputational risk.

2 Canadian Automobile Business

2.1 What Constitutes Automobile Business

Automobile insurance business must be written and administered in accordance with applicable provincial and territorial legislation. For Lloyd's Canada purposes, automobile business includes, but is not limited to, the following segments:

Automobile Segment	Description
Private Passenger Automobile	Private passenger automobile business in jurisdictions where Lloyd's is authorized to write such business
Commercial Fleet	Commercially rated fleet automobile risks

Individually Rated Commercial Automobile (IRCA)	Commercial automobile risks rated on an individual basis where permitted
Non-Owned Automobile	Coverage issued under SPF 6, QPF 6 or equivalent provincial forms
Garage Automobile	Coverage issued under SPF 4, QPF 4 or equivalent provincial forms
Recreational Vehicles	Recreational vehicle risks where authorized
Automobile Physical Damage (APD)	Physical damage coverage written in accordance with provincial requirements
Non-Owned Trailer	Non-owned trailer exposures
Excess Automobile Liability	Excess automobile liability and umbrella automobile risks

3 Distribution requirements

3.1 Binding Authority Business

All Canadian automobile business written through Lloyd's must:

- Be underwritten through an approved Canadian-domiciled Lloyd's Coverholder.
- Not be written on an open market basis.
- Not be written through a lineslip.
- Be processed through the Lineage Accounting and Settlement System.

These requirements support Lloyd's reporting and regulatory obligations across Canadian jurisdictions.

4 Policy forms and endorsements

4.1 Mandated forms

Automobile insurance remains a highly regulated line of business across Canada.

All automobile insurance policies and related endorsements issued by Lloyd's underwriters must utilize regulator-approved forms and prescribed regulatory wording where required by law. Such forms must be used without alteration, deviation, or modification unless specifically approved by the relevant regulatory authority.

Failure to use approved forms may expose market participants to regulatory sanctions, financial penalties, and reputational risk.

Approved Forms Repository

Approved automobile forms must be obtained through iAccessPLUS (formerly Informco).

iAccessPLUS serves as the authoritative repository for regulator-approved automobile policy forms and endorsements and reflects updates issued by provincial and territorial regulators.

4.2 Common Automobile Forms

Standard Policy Forms

Form	Description
SPF 1	Standard Automobile Owner's Policy (Common Law Provinces)
OAP 1	Ontario Automobile Policy
QPF 1	Québec Owner's Policy
SPF 4	Garage Automobile Policy
QPF 4	Québec Garage Automobile Policy
SPF 6	Non-Owned Automobile Policy
QPF 6	Québec Non-Owned Automobile Policy
SPF 7	Standard Excess Automobile Policy
QPF 7	Québec Excess Automobile Policy
SPF 8	Lessor's Contingent Policy
QPF 8	Québec Lessor's Contingent Policy

Common Endorsements

Endorsement	Description
OPCF 19	Limitation of Amount Endorsement
OPCF 47R	Optional Accident Benefits Coverage and Priority of Payment
OPCF 49	Agreement Not to Recover for Loss or Damage from an Automobile Collision
SEF 19	Limitation of Amount Endorsement
SEF 94	Legal Liability for Damage to Hired Automobiles

All policy forms and endorsements must be sourced from approved regulatory repositories and used in accordance with the requirements of the applicable jurisdiction.

5 Provincial Considerations

5.1 Ontario

Automobile Physical Damage

Standalone Automobile Physical Damage coverage may be written for Commercial Fleet business in Ontario, subject to the use of approved policy forms and applicable regulatory requirements. Standalone APD for Individually Rated Commercial Automobile (IRCA) business is currently unavailable as Lloyd's has not filed and obtained approval for the required Ontario IRCA rates.

OPCF 49

Effective January 1, 2024, insurers issuing OAP 1 policies are required to offer OPCF 49, which allows insureds to opt out of Direct Compensation Property Damage (DCPD) coverage. The endorsement removes Section 7 coverage from the policy where selected.

OPCF 47R

Effective July 1, 2026, insurers issuing OAP 1 policies are required to use OPCF 47R to document an insured's optional accident benefits elections. The endorsement replaces OPCF 47.

Ontario Accident Benefits Reform

Ontario Accident Benefits reforms effective July 1, 2026, include:

- Introduction of 34 new accident benefits statistical reporting codes.
- Retirement of 16 legacy accident benefits codes.
- Changes to Lineage reporting requirements.
- Revisions to the Automobile Statistical Plan.

5.2 Alberta

Commercial Property Exemption

Alberta legislation permits certain commercial automobile physical damage exposures to be written under a commercial property insurance policy where the risk falls within the scope of a statutory exemption.

The exemption was primarily intended for industrial vehicles used in mining, forestry, and energy operations that operate principally off public roads. The exemption was not intended as a general solution for ordinary commercial fleet business and should be used only where appropriate based on the underlying risk characteristics and applicable legal guidance.

Restrictions

The exemption cannot be used for private passenger automobiles operating on public roads.

APD Written Under Commercial Property

When APD is written under a commercial property policy:

- SPF 1 Section C wording must not be inserted into the property policy.
- SEFs and CAEs cannot be attached to commercial property policies.

- Proprietary endorsements may be developed.
- Automobile and property insurance forms should not be mixed.

Vehicle Warranty and Protection Products

Motor vehicle warranty contracts, dealership loyalty products, and vehicle protection products may constitute insurance under Alberta legislation. Where insurance elements exist, the product must be underwritten by a licensed insurer and distributed through appropriately licensed insurance representatives.

5.3 British Columbia

Private insurers may provide optional automobile coverage supplementing ICBC AutoPlan.

Standalone Own Physical Damage coverage may generally be written for:

- Fleet risks
- Individually Rated Commercial Automobile risks

No policy form filing or rate filing requirement currently applies to these optional coverages. However, all contracts must comply with applicable British Columbia automobile legislation.

5.4 Québec

infoNIV Requirements

The Groupement des assureurs automobiles (GAA) has implemented the infoNIV database to support the identification of recovered stolen vehicles. Effective February 1, 2025, Vehicle Identification Numbers (VINs) must be reported for most Québec automobile policies.

Exemptions

The requirement does not apply to:

- Non-individually rated fleets
- Motorcycles
- Snowmobiles
- All-terrain vehicles
- Individually rated garage policies.

5.5 Gender Classification code “X” applicable to all GISA jurisdictions

A new gender classification code “X” was introduced effective July 1, 2026. The designation must be accommodated for operators within all GISA jurisdictions.

6 Excess Automobile Liability

Commercial excess automobile liability may be provided:

- On a standalone basis; or
- As part of an umbrella liability program.

The terms and conditions of the underlying automobile policy are incorporated into the excess policy. These include policy conditions, coverage provisions, and expiry dates.

In Ontario and Alberta, rates for Commercial Non-Fleet Excess Automobile Third Party Liability written on SPF 7 are not required to be filed and approved prior to use.

For British Columbia optional automobile coverage supplementing AutoPlan, no form filing or rate filing requirements currently apply.

7 Subscription policies

Subscription automobile policies are permissible in Ontario and Alberta provided all participating insurers maintain the necessary automobile insurance licences.

Where multiple Lloyd's syndicates participate in a subscription placement:

- The lead syndicate may be identified; or
- All participating syndicates may be listed.

Policyholder Disclosure

All delegated authority agreements must require that details of the Lloyd's lead are specified in the policy documentation provided to the insured. This should include the managing agent name and syndicate number. Mandating the disclosure of the Lloyd's lead will ensure that policyholders have the information required should they need to confirm the validity of their contract directly with their insurer.

The following is an example of wording that would meet our requirements:

Lloyd's Underwriters led by Managing Agent A, Syndicate 1000, under Agreement No. (UMR)

In instances where there are multiples leads, the lead underwriter(s) of the relevant section of the delegated authority contract should be specified.

Please note that this requirement does not prohibit the inclusion of details for all participating Lloyd's syndicates, if preferred or required by local regulatory rules.

8 Aggregate limits

Aggregate physical damage limits are permissible in Alberta and Ontario where approved policy forms and endorsements are utilized

9 Reporting requirements

9.1 Lineage reporting

All Canadian automobile business must be processed and reported through the Lineage Accounting and Settlement System, which automatically satisfies the regulatory reporting requirements. In addition, it is crucial that all reporting includes the applicable Risk Codes.

Automobile Physical Damage coverage must be reported as automobile business for Lloyd's reporting purposes, including Alberta APD business written pursuant to the commercial property exemption.

9.2 Risk Codes

Binding Authority business reported through Lineage and settled through Velonetic (previously referred to as Xchanging) are to use the following risk codes:

Risk Codes	
MG	USA AND CANADA MOTOR VEHICLE PHYSICAL DAMAGE
MH	USA AND CANADA MOTOR VEHICLE THIRD PARTY LIABILITY
MI	USA AND CANADA DAMAGE AND THIRD PARTY LIABILITY

What needs to be reported	How is it to be reported	Risk Codes
1. Private Passenger – Quebec only.	As Automobile	MG, MH, MI
2. Commercial Fleet	As Automobile	MG, MH, MI
3. Individually Rated Commercial Automobile (IRCA) - where Lloyd's is authorized	As Automobile	MG, MH, MI
4. Standalone Physical damage coverage – Commercial Fleet	As Automobile	MG
5. Non-Owned Automobile (OPF 6, SPF 6, QPF 6)-	As Automobile	MI

6. Garage	As Automobile	MI
7. Recreational vehicles– where Lloyd's is authorized	As Automobile	MG, MH, MI

9.3 Year-End Reporting

Accurate regulatory reporting is a requirement of various provincial bodies in Canada and is heavily scrutinized. A failure by Lloyd's, or any Lloyd's market participant, to meet the relevant regulatory requirements could result in disciplinary actions by the regulator. It is therefore imperative that all unreported data with regards to Automobile business be reported on a timely basis to avoid jeopardizing your Lloyd's contracts.

Reminder:

All Automobile business in Canada:

- Must be written via binding authorities held by approved Lloyd's Coverholders;
- Cannot be written on the open market or via lineslips;
- Must be processed through Lineage

10 Compliance Checklist

Before binding any Canadian automobile risk, market participants should verify the following:

Licensing

- ☐ Appropriate automobile licences are held.

Forms

- ☐ Current forms have been obtained from iAccessPLUS.
- ☐ Approved wording is being used.
- ☐ Mandatory endorsements have been offered where required.

Provincial Requirements

- ☐ Province-specific requirements have been reviewed.
- ☐ Filing and approval requirements have been confirmed.

Reporting

- ☐ Lineage coding has been verified.
- ☐ Appropriate risk codes have been selected.

Underwriting

- ☐ Syndicate authority has been confirmed.
- ☐ The risk falls within underwriting appetite.
- ☐ Required regulatory approvals have been obtained.

11 Additional resources

For additional guidance, readers should refer to applicable Lloyd's Canada Automobile Bulletins, including:

- AU-24-001 – Updated Guidance on the Canada Automobile Business
- AU-24-003 – Automobile Insurance Q&A
- AU-24-010 – Automobile Physical Damage Cover in Canada
- AU-24-017 – Alberta Warranty and Vehicle Protection Products
- AU-24-021 – Québec infoNIV
- AU-26-001 – Use of Mandated Automobile Forms in Canada
- AU-26-006 – Ontario Accident Benefits and Statistical Plan Updates
- RE-25-008 – Year-End Automobile Reporting Requirements

Lloyd's Canada bulletins are updated periodically. Market participants should ensure that they are referring to the most current version of all guidance and regulatory communications.