

Approach¹



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Modernizing Automobile Insurance - Approval of Electronic Insurance Card

The Financial Services Regulatory Authority of Ontario (FSRA) is an independent principles-based, self-funded regulator, responsible for the regulation of non-securities financial services in Ontario. FSRA, through the promotion of transparency, choice, and efficiency, contributes to enhanced public confidence in the sectors it regulates.

The purpose of this bulletin is to approve an electronic version of the insurance card, commonly referred to as the “pink card”, for use in Ontario.

Insurers in Ontario may now issue an insurance card in electronic format to their policyholders, with the policyholder’s consent, that meets the specifications set out below. The operator of a motor vehicle may now show proof of insurance using an electronic mobile device.

During a one-year transition period, insurers must continue to issue the approved paper version of the insurance card to policyholders along with the electronic version if selected. The transition period will allow stakeholders, consumers and regulators an opportunity to evaluate the implementation of this initiative and make changes if needed.

This bulletin includes mandatory specifications as to both the visual display and content of the card on an electronic mobile device, as well as to the underlying technology, software or application to support its operation, which together comprise the electronic insurance card.

This approval follows the work of the Canadian Council of Insurance Regulators to coordinate the implementation of electronic insurance cards across Canada.

The Compulsory Automobile Insurance Act (the “CAIA”) requires insurers to issue an insurance card to their automobile insurance policyholders in a form approved by FSRA’s CEO. Insurance cards are typically issued by insurers to their policyholders using agents or brokers. FSRA’s CEO is authorized to approve forms, including electronic versions of forms.

1. Approval Form of Electric Insurance Card

The electronic insurance card must have the same data fields, text and overall appearance as the paper version previously approved by the Superintendent (see [Bulletin A-18/93 Property & Casualty – Auto](#)). It must be pink in colour. Unlike the approved paper version, however, inclusion of the provincial and territorial shields as background is optional.

This bulletin does not apply to or affect the Superintendent’s approval of electronic insurance cards for use by insurers in connection with ridesharing and vehicle sharing (see [Bulletin No. A-12/16 Property & Casualty – Auto](#)).

2. Consent of Policyholders is required – Use of Electronic Insurance Card is Optional

Consistent with the requirements set out under the Electronic Commerce Act, 2000 (the “ECA”), the acceptance and use of an electronic insurance card is optional to the customer. The issuance of an electronic insurance card requires the customer’s consent. Insurers cannot require a customer to receive an electronic insurance card.

Likewise, offering electronic insurance cards is optional for insurers. Insurers are not required to make electronic insurance cards available to their customers.

It is particularly important for insurers to provide their customers with information to enable them to make an informed choice about whether or not to request an electronic insurance card, either in addition to, or in lieu of, a paper version.

3. Compliance with all Privacy Legislation and the ECA is Required

Providing electronic insurance cards raises important security, privacy, technology and electronic commerce issues and challenges. Automobile insurers should carefully consider the privacy and security implications and all relevant legislation in designing and delivering an electronic insurance card to customers.

Automobile insurers must comply with the ECA in issuing an electronic insurance card. The ECA includes specific requirements about the accessibility and retention of documents for future reference.

Insurers must also comply with all applicable federal privacy and electronic transactions legislation including the Personal Information Protection and Electronic Documents Act (PIPEDA).

An electronic insurance card provided to a policyholder must not include features that monitor, track location, or collect, use or disclose personal information, without the policyholder's knowledge and his or her informed consent that complies with PIPEDA.

4. Security features – Secured Delivery and Lock Screen Capability

There may be different technological solutions adopted by insurers for the provision of electronic insurance cards.

Whatever the solution used by an insurer, however, it must produce a secure electronic version of the insurance card with no ability to edit or alter the form, and must include delivery and access methods that minimize the potential for fraud and unauthorized access. Some insurers

may choose to include a machine-readable bar code as part of the insurance card, but this is not a mandatory feature.

The electronic insurance card must be a downloadable product that can be stored in a secure manner on an electronic mobile device.

The electronic insurance card must be able to be viewed utilizing lock screen capability. That is, the card must be capable of being 'locked', either by design or by the policyholder activating the function and changing settings on their electronic mobile device if required.

Lock screen capability is an important privacy protection feature that is necessary to ensure policyholders can reduce the risk of privacy intrusions when other persons are viewing their insurance card. For example, a locked screen significantly reduces the risk of other persons who are viewing the card from gaining access to other applications and information stored on the person's electronic mobile device. This risk should clearly be communicated by insurers to policyholders.

If the lock screen mechanism requires the electronic mobile device user to activate the function, the insurer must provide clear, plain language instructions to policyholders regarding how to set the locked screen as the default feature when accessing and displaying the electronic insurance card for inspection, e.g. by law enforcement or staff from the Ministry of Transportation, or by ServiceOntario in connection with vehicle registrations.

5. Transfer or Email Capability

The electronic insurance card must include the capability for email or transfer of the card by the policyholder to others (e.g. to law enforcement or to others who use the insured motor vehicle with the owner's consent).

6. Insurers to Inform Policyholders about the Assumption of Risk of Damage to an Electronic Mobile Device

Insurers must provide clear, plain language information to notify their policyholders that ‘opting in’ to receive an electronic insurance card is the policyholder’s choice and the policyholder assumes any risk of loss or damage occurring to an electronic mobile device when given to a third party, e.g. any damage that may result during the use and inspection of the electronic insurance card by law enforcement or ServiceOntario.

7. Provision of Clear Instructions and Technical Information for Using Electronic Insurance Cards

Insurers providing electronic insurance cards to policyholders must provide clear instructions, guidance and information about how to access and use the electronic insurance card, as well any technical requirements and limitations. Where applicable, instructions must include how to set a lock screen as a default when accessing and displaying the card for inspection by others who may handle the electronic mobile device (as specified in section 4 of this bulletin).

8. Transition Period

The current approved paper version of the insurance card must continue to be issued by insurers to all policyholders for a one-year transition period following the effective date of this bulletin, in addition to an electronic insurance card. This transition period will provide an opportunity for consumers, stakeholders and regulators to assess the acceptance, usage and operation of the electronic format and to make changes if needed.

Following the transition period, the form in which the insurance card can be provided by insurers will be governed by the policyholder’s choice and consent. The three choices to be offered to policyholders are electronic, paper, or both. Policyholders who elect to obtain only an electronic insurance card shall continue to have the option to request a paper version from their insurer at any time, at no additional cost.

9. Caution for Consumers

As part of the instructions and information given to policyholders about the use of the electronic insurance card, insurers should remind policyholders that regardless of the format, the operator of a motor vehicle is required to have an insurance card in their vehicle for inspection at all times. Failure to produce a valid insurance card for reasonable inspection by a police officer may result in charges under the CAIA.

The responsibility to produce an insurance card applies to any operator of the vehicle regardless of any technological problems such as diminished cellular service, drained battery or charge on an electronic mobile device, or limited or obstructed visibility of the electronic insurance card, e.g. due to a damaged screen.

Policyholders should also be advised by insurers that if the policyholder is travelling outside Ontario they may be required to carry a paper version of the insurance card as not all jurisdictions may accept an electronic version of the card.

Authority

The electronic insurance card is approved under sections 1 and 16(2) of the CAIA effective as of the date of this bulletin.

Effective Date: September 5, 2019

¹ Effective June 8, 2019, FSRA assumed regulatory responsibilities under the Insurance Act (Ontario) and related statutes. FSRA is issuing the Electronic Proof of Insurance Bulletin based on Financial Services Commission of Ontario (FSCO) stakeholder engagement. FSRA is in the process of reviewing FSCO guidance and processes and creating a FSRA guidance framework. As this is still underway, to provide regulatory continuity, FSRA has issued this guidance with FSCO format and content.