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FSRA is actively reviewing all FSCO regulatory direction, including but not limited to forms, guidelines and FAQs.

Until FSRA issues new regulatory direction, all existing regulatory direction remains in force.

## Don't Get Scammed Buying Auto Insurance

Purchasing auto insurance for your vehicle is mandatory in Ontario. While this helps to protect drivers from the uncertainty of accidents, it also gives criminals a chance to sell you fraudulent insurance products and involve you in sales scams.

Victims sometimes realize they do not have valid auto insurance only when they fail to receive a proof of insurance card (pink slip).

Some victims discover they do not have valid auto insurance under very serious circumstances. This can happen when they are stopped by the police and charged for driving without insurance, or when they become involved in an auto accident.

**Remember:** driving without valid auto insurance, even unknowingly, is illegal. It is your responsibility to ensure that you have valid auto insurance, purchased from a licensed agent, broker or insurance company.

Recognizing auto insurance scams can be difficult. We have outlined two common insurance sales scams that will prevent you from becoming an auto insurance fraud victim.

### False Advertising Scam

Criminals often advertise the sale of cheap auto insurance in community newspapers or flyers. They can even resemble those from a legitimate insurance company or licensed professional. These advertisements claim they can find you lower car insurance premiums than what you are currently paying or have been quoted in the past.

Some of these advertisements do not identify the name of the insurance company, sales agent or broker. Where a name is provided, it could be used fraudulently or be fake.

Fraudulent auto insurance can look legitimate. You may see an advertisement of fraudulent auto insurance beside a legitimate business advertisement.

#### The Reality

- Your auto insurance coverage is non-existent because it was never arranged. The individual you

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contacted kept your payment for themselves.

- The individual you contacted is not a licensed insurance agent or broker.

## False Insurance Agent/Broker Scam

An individual pretending to be a licensed auto insurance agent or broker offers to arrange auto insurance coverage at a rate much lower than what you expected. The individual charges you a fee for this service.


After getting information about your driving history, the individual impersonates you when calling a licensed insurance company for an auto insurance quote. The individual lies to the insurance company about your personal information or driving history to get a lower rate. For example, he or she will state that you belong to a group that qualifies for a discount or will fail to tell the insurance company about your accidents or traffic violations.

You pay your premium directly to the insurance company and receive a proof of insurance coverage.

### The Reality

- The individual you are dealing with is not a licensed insurance agent or broker. A licensed insurance agent or broker generally does not charge you a fee — he or she receives payment from the insurance company.
- Your auto insurance coverage is invalid because the information provided to the insurance company is false.

## What You Can Do to Avoid Being Scammed

- Only purchase auto insurance from reputable insurance providers. For a list of licensed insurance companies, please visit FSCO's [Licensed Insurance Companies in Ontario](#).
- Do not pay a referral fee – licensed agents and brokers do not charge you fees.
- Make sure the insurance agent you are dealing with is licensed by searching [FSCO's database](#). You can also check if they are licensed with the [Registered Insurance Brokers of Ontario](#)  (RIBO).
- Do not pay your auto insurance premium through a transfer or money wiring service – this is not a practice in the insurance industry.
- Never sign a blank document. Always read the document carefully and ensure the information you provide is accurate before signing.
- When applying for auto insurance, you must complete an application form called the Ontario Application for Automobile Insurance – Owner's Form (OAF1). If an agent or broker completes


the form on your behalf, check it for accuracy – by signing the contract, you are agreeing to the statements made to the insurance company.

- If you suspect fraudulent activity in the purchase of auto insurance, report it to the police.

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## How to Report a Scam or Fraud

Remember, if something sounds too good to be true, it probably is. If you suspect that you may be a victim or target of a scam or fraud, you can help put it to an end by reporting it.

- Report the matter to your local police and insurance provider
- You can also submit an anonymous tip to [Crime Stoppers](#)  (1-800-222-TIPS).
- You may also file a report to FSCO's [Auto Insurance Fraud Hotline](#) or call 1-855-5TIP-NOW.

If you want legal advice, the [Law Society of Upper Canada](#)  has services to help you find a legal professional.

In addition to the police, there are a number of other [organizations](#) that you can contact for help.

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