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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.

## How to Save on Auto Insurance

The price you pay for auto insurance varies based on the insurance company you select. Don't assume companies charge the same price for the exact same benefits. By shopping around you may be able to find a lower rate based on your insurer's claims experience for your risk characteristics, how it rates you as a driver, and the competition it faces. Be a comparison shopper. Talk to your friends and neighbours. Make some phone calls and check websites for on-line quotes. Do your shopping well in advance of when your current policy expires.

Remember also that insurers change their rates over time and that the company that had the best rates for your needs last year, may not be the company that provides the best value for you now.

While there are minimum standard coverages in Ontario, there are also many options. The only way to ensure you have the best deal is to make sure the coverages are comparable on each quote you receive and that you compare similar policies. When buying auto insurance, weigh the policy cost against the coverage provided. Your goal should be to buy the right amount of coverage to adequately protect you, at a price you can afford.

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### Tips to Save on Auto Insurance

**Know what coverage you need - don't pay for coverage you don't need.** For example, it may not be cost effective to have optional collision or comprehensive damage coverages on a vehicle that is worth less than \$2,000, because any claim you make would not substantially exceed your deductible or the annual premium.

Remember that OHIP does not cover all medical, rehabilitation and attendant care expenses that you may need if you are injured in an auto accident, such as physiotherapy, prescription drugs, mobility aids (e.g., wheelchairs, crutches, etc.), eye and dental services and psychological counselling. On the other hand if you have benefits from your employer or another policy, you may already have some level of coverage for some of these expenses. You should consider this as you review your coverage options.

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#### **Disruption Notice**

Please consult our [outage schedule](#) for more details.

Depending on your comfort with risk, you may want to increase the minimum third-party liability coverage in your standard policy from \$200,000 to \$1 million or \$2 million, so that if third-party damages from an accident exceed \$200,000 you don't have to pay for them out of your own pocket.

Whatever your circumstances, talk to your insurance representative and ask for advice.

**Consider a policy with higher deductibles.** Your deductible is the portion of a loss that you are required to pay. Raising deductibles means you'll contribute more toward the loss if you have an accident, but it can mean a lower insurance premium. Learn more at [How Insurance Rates are Set](#).

**Ask about discounts.** Insurers offer a wide variety of discounts that can help you save money on your policy. Some will lower your premium for insuring multiple vehicles on the same policy. Many offer discounts for mature drivers. All insurers offer discounts if you install winter tires on your vehicle. Ask your insurer about all the [discounts](#) that may be applicable to you.

**Check out defensive driving courses.** Some insurers provide discounts for new drivers who have taken these courses.

**Verify how you are using your vehicle.** Are you still driving your vehicle to work, or are you using it only for pleasure? Insurers charge different premiums depending on the use of your vehicle and the distance travelled so if things have changed in your life, check that your policy reflects these changes.

**Build a good driving history free of accidents and convictions.** This means driving carefully and obeying the rules of the road. Wear your seat belt and don't use your cell phone while driving. Don't drink and drive.

**Make sure you always pay your premium on time.** If you pay your premium by cheque or through automatic withdrawals from your bank account, make sure you always have enough money to cover your payment. If your insurance company is unable to withdraw your payment because you don't have enough money in the account, it could result in the cancellation of your auto insurance policy. If your policy is cancelled for non-payment of premium more than twice, and you have to purchase auto insurance all over again, many companies may consider you a higher risk, and you could pay much more for your auto insurance. Also, if you've had your insurance policy cancelled more than once over the past three years because you failed to pay your premium, insurance companies are not required to offer the option of monthly premium payments.

**Choose the type of vehicle you drive wisely.** For example, if you buy a vehicle with a high theft rate, your premium will be higher. Choose a vehicle with good security features.

**Make sure you tell your broker, agent, or insurance company about any changes to your policy (e.g., different drivers, different use of the vehicle).** In some cases, your premium will drop.

**Finally, don't switch insurance companies midway through the year.** Wait until renewal time to avoid penalties for cancellation.

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Discounts

As an insurance shopper, you should check with your insurance company, agent, or broker each year about possible discounts that may be applicable to you, such as:

**Driver Training Discount:** Most companies offer a discount or a reduced premium for new drivers who have completed a recognized driver-training program.

**Graduated License Discount:** Drivers who progress through the graduated licensing system should receive a rate reduction of 10 per cent on all coverages, provided that the driver has had no chargeable convictions or at-fault accidents when entering into Level Two (Class G2 license). This reduction is applicable for one year. Similarly, a driver should receive a 10 per cent rate reduction on all coverages when the driver becomes fully licensed (Class G license), provided that the driver has had no chargeable convictions or at-fault accidents during Level Two. This reduction is also applicable for one year.

**Group Discount or Group Rates:** If you belong to an eligible group, check to see if it offers group rates. An eligible group may include employees of the same employer, members of a union or professional or occupational association, or certain non-profit associations.

**Mature Driver Discount:** Drivers with good driving records over the age of fifty (or older) may be eligible for a mature driver discount.

**Multi-Policy Discount:** Some insurance companies offer a discount if you purchase your vehicle and home insurance from the same company. This discount can range from 5 to 15 per cent.

**Multi-Vehicle Discount:** You may be able to get a discount if you insure more than one vehicle with the same insurance company. The multi-vehicle discount can range from 5 to 15 per cent.

**Renewal Discount:** Your insurance company may offer you a renewal discount if you have been with the company for a certain number of years without an at-fault accident. The discount can range from 5 to 20 per cent.

**Retiree Discount:** If you are retired and meet certain conditions, you may be able to get a retiree discount on your premium. The retiree discount can range from 5 to 15 per cent off your premium for Accident Benefits coverage.

**Winter Tires Discount:** All insurance companies offer a discount if you install winter tires on your vehicle. Ask your insurer how to qualify.

**Other Discounts:** Your premium may be reduced further if your yearly mileage is low or if you have an alarm in your vehicle. Each company applies discounts differently. Check with your broker, agent or your insurance company to find out what discounts are available to you.

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## Tips for Young Drivers

As a young driver, here are a few tips on getting the best rate for you:

- Take a driver-training course that is recognized by your insurance company.
- Consider gaining experience as a named occasional driver under the insurance policy of a parent

or guardian, rather than as a principal driver of your own vehicle. Premiums for young, occasional drivers are much lower than premiums for young, principal drivers.

- Ask your insurance company if they offer any student discounts. Some companies give discounts to young drivers with good grades or young drivers who live away from home for part of the year.

As a young driver, building a good driving record free of at-fault accidents and driving convictions is the best way to ensure low future premiums.

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