



**INSURANCE BROKERS ASSOCIATION OF ONTARIO**  
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March 16, 2021

Mr. Tim Bzowey  
Executive Vice President, Auto Insurance Products  
Financial Services Regulatory Authority of Ontario  
5160 Yonge Street, 16<sup>th</sup> Floor  
Toronto, Ontario M2N 6L9

**PRIVATE & CONFIDENTIAL**

Dear Tim:

Thank you for the opportunity to comment on the proposed Unfair or Deceptive Acts or Practices (UDAP) Rule. As you are aware, IBAO participates in the P&C Stakeholder Advisory Committee (SAC) and have submitted detailed input through that avenue.

To reiterate, the IBAO is very supportive of change that improves consumer's ability to access affordable insurance products and we applaud FSRA's actions in modernizing UDAP in this regard. As you are embarking upon the transformation of UDAP in a phased approach, we will continue to engage with you via the SAC and directly.

As indicated previously, IBAO is supportive of your move in this first phase to increase innovation in the industry and transitioning towards principles-based regulation. Although very supportive of this move our questions and concerns continue to be around how market conduct under the new rules will be monitored and enforced. Broader rules and increased flexibility should come with commensurate improvements to the oversight and conduct framework. The IBAO would be very keen to learn and understand more on how your intended move toward using less prescriptive oversight resources will achieve this.

We are particularly interested in the introduction of new approaches within the proposed rules including operation of the insurance regulatory sandbox and easing of the rules around rebates and incentives. If FSRA continues to ensure that these new approaches are implemented and monitored through the consumer lense we do hope that they will be leveraged to good effect by the industry for the consumers benefit.

The IBAO continues to monitor the practical evolution and implementation in the market of the Fair Treatment of Consumers (FTC) Guidance standards within the industry. Many questions remain on how these standards will be practically and effectively implemented and monitored in the industry. The IBAO is committed to continue to work with all of the industry's regulatory bodies to ensure these standards are implemented in the public's best interest.

If you have any questions regarding the above, please do not hesitate to contact either myself or Joseph Carnevale, President, IBAO directly.

Regards,

A handwritten signature in black ink, appearing to read 'Colin Simpson', is written over a light blue horizontal line.

Colin Simpson  
Chief Executive Officer  
Insurance Brokers Association of Ontario