

AUTOMOBILE INSURANCE ***WHAT YOU NEED TO KNOW***

What's in a Basic Automobile Insurance Policy?

If you own a vehicle in Ontario, you are required to purchase, at the very least, the following automobile insurance coverage:

- **Third-Party Liability Coverage:** This section of your automobile insurance policy protects you if someone else is killed or injured, or their property is damaged. It will pay for claims as result of lawsuits against you up to the limit of your coverage, and will pay the costs of settling the claims. *By law, you must carry a minimum of \$200,000 in third-party liability coverage.*

****It recommended that as a CHAP worker you carry \$1,000,000 third-party liability coverage. (See below under increased third-party liability coverage)**

- **Statutory Accident Benefits Coverage:** This section of your automobile insurance policy provides you with benefits, including supplementary medical, rehabilitation, attendant care, caregiver, non-earner, and income replacement benefits, if you are injured in an automobile accident, regardless of who caused the accident.
- **Direct Compensation – Property Damage Coverage:** This section of your automobile insurance policy covers damage to your vehicle or its contents, and for loss of use of your vehicle or its contents, to the extent that another person was at fault for the accident. It is called direct compensation because even though someone else caused the damage, you collect directly from your own insurer, instead of the person who caused the damage.

Increasing Your Liability Coverage:

In addition to the mandatory minimum coverages that are required by law, you may purchase higher liability limits under your Third-Party Liability coverage.

- **Increased Third-Party Liability Coverage:** While you are legally required to carry a minimum of \$200,000, you may want to increase this coverage. The cost to increase your Third-Party Liability coverage to \$1 million or \$2 million is small in most cases.

Contact your insurance agent to discuss your insurance coverage before you transport an individual in your vehicle.

For more information regarding automobile insurance go to the Financial Services Commission of Ontario website www.fsco.gov.on.ca and download the brochure "Understanding Automobile Insurance".