



PRESS RELEASE

FOR IMMEDIATE RELEASE

A new automobile insurance policy in Quebec We're all on the same page!

Montreal, January 16, 2014 – Groupement des assureurs automobiles (GAA) is pleased to announce that the new plain language automobile insurance policy will take effect March 1st.

Easy to read. Easy to understand.

In 2010, GAA and Autorité des marchés financiers (AMF) began reworking auto insurance policies Q.E.F. No. 1 and 5, and their endorsements, so that consumers would find them easier to read and to understand.

In 2011, a SOM poll of 1,000 Quebecers noted that 58% of respondents found the terms used in the automobile insurance policies were not clear. Other studies revealed that readers had a very limited understanding of the legal language used in insurance policies and that 16 years of schooling was needed to understand them, which corresponded to university level in Quebec.

“The automobile insurance policy is one of the most important contracts in Quebec, not only given the number of policyholders, but also because it provides peace of mind when we get behind the wheel. It was crucial for the insurance industry to simplify the policy so that consumers could easily understand it”, noted Line Crevier, Supervisor, Technical Affairs and IBC-GAA Information Centre.

Simplified legal concepts

Some policyholders will soon receive the new policy, while others will receive it when their policy is renewed.

More specifically, the new policy wording is presented in a more attractive form. Sentences are shorter, presented as bulleted lists. In addition, legal concepts have been simplified using clear and plain language. For example, the term “financial consequences” replaces the term “pecuniary consequences”, while “additional coverages” replaces “additional agreements” and “motor vehicle used for personal

purposes” replaces “automobile of the private passenger type”.

“When the policyholder receives the new policy we hope that he or she will find it a straightforward document that is easy to read and understand. As for insurers, the plain language document will also make it easier to explain the coverages and rights, as well as the policy terms and conditions in the event of a loss. All this has been done to make sure WE’RE ALL ON THE SAME PAGE!”, noted Line Crevier.

Consumers who wish to obtain more information can go to our web site at gaa.qc.ca, or contact our Insurance Information Centre agents at 1 877 288-4321. The Centre is open Mondays to Fridays, from 8.30 a.m. to 4.30 p.m.

About GAA

Groupement des assureurs automobiles’ mission is to actively participate in developing the automobile insurance industry in Quebec and to safeguard consumers’ interests, more specifically by guaranteeing them access to insurance, streamlining the claims settlement process and promoting fair and equitable premiums based on published statistical data.

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