

## New updates to Ontario auto insurance (Commercial and Personal Auto)

Please see below for a comprehensive overview of impacts to both our Commercial and personal auto offerings.

These changes will go into effect for Brokers/Insureds starting in November 2024.

### Combating auto theft

Gore Mutual is committed to addressing the ongoing issue of vehicle theft by making strategic adjustments to better serve our target business and meet our clients' needs. As the industry continues to grapple with persistent auto theft, we are enhancing our efforts to increase Tag adoption while also implementing stronger measures such as higher surcharges and stricter underwriting.

In the past, we have adjusted our pricing and strategies to respond to the persistent auto theft concern, including implementing surcharges on Gore Mutual-identified high-theft vehicles and strongly encouraging the installation of Tag.

Despite these initiatives, auto theft remains a significant challenge, and the industry continues to be impacted. To effectively address these ongoing concerns, we recognize the need for further action by:

1. Further refining our IRCA pricing segmentation initiatives. These adjustments enable us to better align our pricing with target segments. Premiums may increase or decrease based on individual risk characteristics. The overall impact of this update is **+6.2%**. **Effective November 25, 2024, for New Business and January 7, 2025, for Renewals.**
2. Increasing the surcharge for high-theft vehicles from \$500 to \$1500 within areas of concentrated auto theft (IRCA only). **Effective November 25, 2024, for New Business and January 7, 2025, for Renewals.**
3. Declining the OPCF 43/43a if a Gore Mutual-identified high-theft vehicle is garaged in Metropolitan Toronto (postal code 'M') and does not have Tag installed (IRCA only). **Effective November 15, 2024, for New Business and December 28, 2024, for Renewals.**
4. Updating our list of high-theft vehicles; these changes will be reflected on the quoting vendor for all auto products (IRCA, Fleet, and Personal Auto). **Effective November 25, 2024, for New Business and January 7, 2025, for Renewals.**

As a reminder, Gore Mutual will continue to provide a \$100 installation subsidy for Tag on all vehicles.

### IRCA and Personal auto underwriting updates

There are additional updated and new underwriting rules which can be found in our ON Personal Auto & IRCA Manual available in Go Broker.

These changes will be effective New Business on **November 15, 2024**, and for Renewals on **December 28, 2024**.

Due to evolving market conditions, we are updating Gore Mutual's commercial and personal auto underwriting and physical damage rules, as well as payment plan restrictions and definitions.

- 1. New and updated decline rules:** We have updated our underwriting criteria for declines to better reflect current market conditions and risk assessments. All changes will be denoted with change lines (Personal Auto & IRCA).
- 2. Physical damage rules:** Vehicles that have had three or more comprehensive claims within the past three years will not be eligible for Comprehensive, Specified Perils, or All Perils coverage. However, glass claims are excluded from this count. If a vehicle has three or more glass claims in the last three years, the OPCF 13C endorsement will be applied (Personal Auto & IRCA).
- 3. Payment plan restrictions:**
  - **Personal Auto:** For new business only, customers with two or more non-payment cancellations in the past three years will be eligible for a one-pay plan only.
  - **IRCA:** For new business only, customers with one or more non-payment cancellations in the past three years will be eligible for a one-pay plan only.
- 4. Definitions update:** We have clarified the business use definition (Personal Auto only).

These updates aim to provide further clarity and position our offerings more competitively. We appreciate your continued partnership as we work together to combat vehicle theft and ensure the best possible coverage for our customers.