

**Ministry of Finance**

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September 25, 2019

**MEMORANDUM TO:** Stephen Waldie  
Assistant Deputy Minister  
Public Safety Division and Public Safety Training Division  
Ministry of the Solicitor General

**FROM:** David Wai  
Assistant Deputy Minister  
Financial Services Policy Division

**SUBJECT:** Electronic Proof of Auto Insurance (EPAI)

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In the 2019 Ontario Budget, the government committed to “Bringing electronic proof of auto insurance to Ontario drivers and allowing for more competition in the auto insurance market.”

The *Compulsory Automobile Insurance Act* (CAIA) requires insurers to issue an insurance card to their automobile insurance policyholders in a form approved by the Chief Executive Officer (CEO) of the Financial Services Regulatory Authority of Ontario (FSRA).

On September 5, 2019, the government announced that the FSRA has approved the use of electronic proof of auto insurance (EPAI) in Ontario, effective immediately. As a result, insurers may now provide electronic insurance cards that serve as proof of auto insurance on a mobile device. Consumers have the option of keeping an electronic insurance card on their mobile device instead of, or in addition to, a paper version.

FSRA’s communication to drivers and auto insurers included the following items of note to Ontario’s law enforcement community:

- FSRA’s communication to drivers regarding the EPAI included:  
(<https://www.fsrao.ca/consumers/auto-insurance/understanding-automobile-insurance>)
  - Your mobile device is your responsibility. If you use an electronic insurance card on your mobile device to show proof of insurance, you’re responsible for any

risks that may arise such as damage to your mobile device. This includes during inspections of the electronic insurance card.

- Insurance providers offering electronic insurance cards must include lock screen capability by design or by consumer activation. This may reduce the risk of other persons viewing the electronic insurance card from gaining access to other information on the electronic mobile device. However, it's still your responsibility to activate any privacy settings on your phone and ensure your mobile device is capable of using privacy settings such as lock screen functionality.
- It's your responsibility to ensure you can show proof of auto insurance regardless of potential issues with your mobile device such as diminished cellular service, drained batteries or damaged screens. You may want to consider receiving a paper version as a backup.
- If someone is using your vehicle with your consent, you are still required by law to have proof of auto insurance in the vehicle at all times. So, if someone borrows your vehicle, that person must have an emailed or transferred version of the electronic insurance card, or else a paper version of the card, in the vehicle.
- FSRA's guidance to auto insurers regarding the EPAI included:  
(<https://www.fsrao.ca/industry/auto-insurance-sector/guidance/modernizing-automobile-insurance-approval-electronic-insurance-card>)
  - The electronic insurance card must include the capability for email or transfer of the card by the policyholder to others (e.g. to law enforcement or to others who use the insured motor vehicle with the owner's consent).
  - Insurers must provide clear, plain language information to notify their policyholders that 'opting in' to receive an electronic insurance card is the policyholder's choice and the policyholder assumes any risk of loss or damage occurring to an electronic mobile device when given to a third party, e.g. any damage that may result during the use and inspection of the electronic insurance card by law enforcement or ServiceOntario.
  - As part of the instructions and information given to policyholders about the use of the electronic insurance card, insurers should remind policyholders that regardless of the format, the operator of a motor vehicle is required to have an insurance card in their vehicle for inspection at all times. Failure to produce a valid insurance card for reasonable inspection by a police officer may result in charges under the CAIA.
  - The responsibility to produce an insurance card applies to any operator of the vehicle regardless of any technological problems such as diminished cellular service, drained battery or charge on an electronic mobile device, or limited or obstructed visibility of the electronic insurance card, e.g. due to a damaged screen.

For additional information, or if you have any questions, please feel free to contact David McLean, Director, Financial Institutions Policy Branch, at: [David.McLean@ontario.ca](mailto:David.McLean@ontario.ca) or (647) 640-3064.

Thank you for your support of this auto insurance modernization initiative.

A handwritten signature in blue ink, appearing to read 'DAVID WAI', with a stylized flourish at the end.

David Wai