NOTE: The bulletins posted on this website are provided for historical reference. Information contained in the bulletins is accurate on the date published, but is subject to change and may have been superceded by a later bulletin. Users should verify the information before making decisions or acting upon it.

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Bulletin

No. A-29/93

Property & Casualty

- Auto

Revised OEF's 27, 27a, 27b and 82

This bulletin presents changes - effective January 1, 1994 - to four Ontario endorsement forms:

1. **OEF *27 - Liability for damage to non-owned automobiles and drive-other-automobiles coverage for named persons.***

   Coverage now extends beyond the insured person and his/her spouse. And agreements must be in written form for coverage to apply.

2. **OEF *27a - Drive-other automobiles and liability for damage to non-owned automobiles.***

   This form is discontinued. The coverages it specified are now dealt with in OEF 27.

3. **OEF *27b - Business operations - Liability for damage to non-owned automobiles in the insured's care, custody or control***.

   This form has been renamed and coverages broadened.

4. **OEF *82 - Limited Liability for damage to non-owned automobiles and drive-other-automobiles coverage- named persons endorsement (for use on garage policy - OPF 4)***

   This form has been introduced to provide OEF 27 type coverage to persons using OPF 4 (Garage policy).

These attached revisions and changes result from an ongoing review between the Commission and the insurance industry. Ontario companies writing automobile insurance should use the revised forms OEF 27,27b and, with garage automobile policies (OPF 4), the new OEF 82 starting January 1, 1994.

Please note

Contractual coverage for all three endorsement forms, OEF 27, 27b and 82, will be limited to commitments set out in written agreements.

Companies are responsible for ensuring that the agents and brokers representing them understand these changes and inform their clients - particularly those clients who may be relying on oral commitments no longer covered.

Specifically, companies must

- attach the revised OEF 27 and 27b wordings to all new policies and renewals where applicable
- treat all claims on or after January 1, 1994, using the revised forms or, for policies with the old wording, read in the broader coverage of the revised form(s).
- provide the revised wording to the insured person before using the entire new wording to handle a claim.
- Copies of OEF 27, 27b and 82, which must go into use January 1, 1994, accompany this bulletin.

SUMMARY CHANGES

Each endorsement has implications for drivers renting cars for personal and recreational use.

Each endorsement now restricts contractual coverage to written agreements.

Form 27a has been discontinued since OEF 27 now incorporates coverage previously provided by 27a. Please ensure OEF 27 wording replaces OEF 27a wording on policies where it applies.

Physical damage coverage under OEF 27 extends to the insured individual, his or her spouse, and all drivers listed on the policy. For corporations and other such entities, named persons and their spouses continue to be covered.

Drive-other-automobiles coverage has been added to OEF 27 and is similarly applied, except for people who can claim under their own or their spouses policy.

OEF 82 is a new form for use on Garage Automobile policies (OPF 4). It provides similar coverage to the OEF 27 for persons named in the endorsement and their spouses. The drive-other-automobiles coverage is provided only when the named person and spouse do not themselves own or lease an insured car.

D. Blair Tully

Commissioner

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