Bulletin

No. A- 09/05

Property & Casualty

- Auto

2006 Indexation Percentage Under Bill 59/198, 2006 Indexation Percentage and Revised Deductibles/ Monetary Amounts Under Bill 164

To the attention of all insurance companies licensed to transact automobile insurance in Ontario

The Financial Services Commission of Ontario (FSCO) has published the 2006 indexation percentage for the Optional Indexation Benefit under Section 29 of the Statutory Accident Benefits Schedule - Accidents on or After November 1, 1996 (Bill 59/198). Also published are the 2006 indexation percentage and revised deductibles/monetary amounts applicable to claims under the Statutory Accident Benefits Schedule - Accidents After December 31, 1993 and Before November 1, 1996 (Bill 164).

These amounts appear in the December 17, 2005 edition of The Ontario Gazette.

The indexation percentage for Bill 59 and Bill 164 claims reflects the year-over-year “Consumer Price Index for Canada (All Items)” from September 2004 to September 2005, as published by Statistics Canada.

Indexation under Bill 59/198

The 2006 indexation percentage is 3.4 per cent. It is applied in accordance with the "Optional Indexation Benefit Guideline" dated October 28, 1996. Under Bill 59/198, indexation applies to named insureds, spouses of named insureds, dependants of any of these and specified drivers, where the optional indexation benefit was purchased.

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The 2006 indexation percentage applies to benefits that are required to be indexed pursuant to Section 29 of the Statutory Accident Benefits Schedule (Bill 59/198) in respect of insured persons who were involved in accidents on or after November 1, 1996.

Indexation under Bill 164

The 2006 indexation percentage is 3.4 per cent. It applies to benefits that are required to be indexed pursuant to Section 80 of the Statutory Accident Benefits Schedule (Bill 164) in respect of insured persons who were involved in accidents after December 31, 1993, and before November 1, 1996.

The 2006 indexation percentage, the revised deductibles and monetary amounts are listed on the enclosed chart, entitled 2006 Indexation Percentage, Revised Deductibles and Monetary Amounts for Automobile Insurance under the Insurance Act and the Statutory Accident Benefits Schedule -- Accidents After December 31, 1993 and Before November 1, 1996.

For More Information

Questions about this bulletin or the enclosures should be referred to Jason Wong in the Automobile Insurance Policy Unit. The phone number is (416) 590-2002, and the fax number is
(416) 590-7265.

Bob Christie

Chief Executive Officer and

Superintendent of Financial Services

December 17, 2005

Attachments:

- 2006 Indexation Percentage for Statutory Accident Benefits under the Statutory Accident Benefits Schedule - Accidents on or After November 1, 1996 (1 page)
- 2006 Indexation Percentage, Revised Deductibles and Monetary Amounts for Automobile Insurance under the Insurance Act and the Statutory Accident Benefits Schedule – Accidents After December 31, 1993 and Before November 1, 1996 (3 pages)

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2006 Indexation Percentage for Statutory Accident Benefits under the
Statutory Accident Benefits Schedule - Accidents on or After
November 1, 1996

The 2006 indexation percentage is **3.4%**. This indexation percentage is to be applied to the amounts to be indexed on January 1, 2006, in accordance with the "Optional Indexation Benefit Guidelines," dated October 28, 1996, for insured persons in respect of whom the optional indexation coverage was purchased and who had accidents that occurred after October 31, 1996.

2006 Indexation Percentage, Revised Deductibles and Monetary Amounts
for Automobile Insurance under the *Insurance Act* and the *Statutory Accident Benefits Schedule - Accidents After December 31, 1993 And Before November 1, 1996*

INDEXATION PERCENTAGE			
Section reference in the *Insurance Act*	**Description**	**Amount 2005**	**Amount 2006**
268.1	indexation percentage	1.8%	3.4%

DEDUCTIBLE AMOUNTS			
Section reference in the *Insurance Act*	**Description**	**Amount 2005**	**Amount 2006**
267.1(8)3	non-pecuniary loss deductible	$12,248.19	$12,664.63
	Family Law Act deductible	$6,124.09	$6, 332.31

MONETARY AMOUNTS			
Section reference in the *SABS*	**Description**	**Amount 2005**	**Amount 2006**
10(9)	maximum weekly income replacement benefit	$1,224.84	$1,266.48
15(5)	Average Weekly Earnings for Ontario	$747.34	$775.07
16(1)(a)	lump sum benefit for each year of elementary school	$2,449.63	$2,532.92
16(1)(b)	lump sum benefit for each year of secondary school	$4,899.27	$5,065.85
	lump sum benefit for each semester of secondary school	$2,449.63	$2,532.92

MONETARY AMOUNTS			
Section reference in the *SABS*	**Description**	**Amount 2005**	**Amount 2006**
16(1)(c)	lump sum benefit for each year of post-secondary school	$9,798.57	$10,131.72
	lump sum benefit for each semester of post-secondary school	$4,899.27	$5,065.85
18(5)	weekly caregiver benefit for first person	$306.19	$316.60
	weekly caregiver benefit for each additional person	$61.22	$63.30
28(4)	maximum weekly loss of earning capacity benefit	$1,224.84	$1,266.48
32(5)	maximum sum of weekly loss of earning capacity benefit and weekly supplement	$1,224.84	$1,266.48
46(1)	maximum limit on supplementary medical benefits and rehabilitation benefits	$1,224,819.38	$1,266,463.24
47(4)	maximum monthly attendant care benefit (all insureds)	$3,674.46	$3,799.39
47(5)	maximum monthly attendant care benefit (catastrophic injuries)	$7,348.92	$7,598.78
47(6)	maximum monthly attendant care benefit (multiple, catastrophic injuries)	$12,248.19	$12,664.63
47(7)	maximum monthly attendant care benefit (severe brain injuries with violent behaviour)	$12,248.19	$12,664.63

MONETARY AMOUNTS			
Section reference in the *SABS*	**Description**	**Amount 2005**	**Amount 2006**
50(10)	hourly rate for personal attendant care (when using Form 1)	$10.72	$11.08
	hourly rate for skilled attendant care (when using Form 1)	$17.14	$17.72
51(1)(b)	death benefit to spouse where insured would not have qualified for income replacement benefits	$61,240.96	$63,323.15
51(4)(a)	death benefit to dependant	$12,248.19	$12,664.63
51(4)(b)	death benefit to former spouse	$12,248.19	$12,664.63
51(5)	death benefit where insured was a dependant	$12,248.19	$12,664.63
51(8)	minimum death benefit to spouse	$61,240.96	$63,323.15
	maximum death benefit to spouse	$244,963.89	$253,292.66
52(2)	funeral benefit	$7,348.92	$7,598.78
54(4)	weekly dependant care expenses for first dependant	$91.86	$94.98
	weekly dependant care expenses for each additional dependant	$30.63	$31.67
54(5)	maximum for weekly dependant care expenses	$183.72	$189.97