

## What exactly is “No-Fault Insurance”?

No-fault insurance means that if you are injured or your car is damaged in an accident, then you deal with your own insurance company, regardless of who is at fault. You don't have to go after the at-fault driver for vehicle damage reports and statutory accident benefits compensation.

In Ontario, companies are required to use Regulation 668, [Fault Determination Rules](#), to assess fault in an accident for purposes of vehicle damage. These rules:

- cover more than 40 accident situations using diagrams to illustrate specific occurrences;
- can be applied to almost every possible road collision scenario; and,
- are applied regardless of road or weather conditions, visibility, point of impact on the vehicles, or the actions of pedestrians.

These rules help insurance companies deal with vehicle damage claims quickly and economically.

As the owner of the vehicle, you are responsible for anyone who drives your vehicle with your permission. If your friend has an at-fault accident while driving your vehicle, the accident will become part of your driving record and will affect your insurance premium.

In many cases, if you have your first at-fault accident after six or more years of claims-free and conviction-free driving, your premium may not change or may increase by a relatively small amount. Some insurance companies offer endorsements to drivers that will allow them to maintain their driving record or premium after a first at-fault accident. You will need to regain your six years of accident-free driving before you return to lower premiums.

If this is your second at-fault accident in the last six years, you can expect your premiums to increase quite significantly.

If you have any convictions or cancellations of a policy, in addition to an at-fault accident, or are an inexperienced driver with an at-fault accident, you may be considered to be a high-risk driver and be placed with an insurer that specializes in these types of risks.

A police officer may say that neither of the drivers were at-fault in a situation such as a vehicle being unable to stop on an icy road and rear-ending another vehicle. Such a comment relates to the laying of charges and should not be taken as an opinion about how the [Fault Determination Rules](#) apply to an auto insurance claim. In a case like this, the insurer would apply the rule stating that a vehicle which rear-ends another is at-fault.

If you disagree with your company in the assessment of fault in an accident, work with HUNTERS to contact the [Consumer Complaint Officer](#) at your insurance company and request that the assessment be reviewed by a senior representative of the company. If you continue to disagree, you may choose to go to court.

Courtesy of the Financial Services Commission of Ontario – see more at [www.ontarioinsurance.com](http://www.ontarioinsurance.com)



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