

Disclaimer:

This consultation draft is intended to facilitate dialogue concerning its contents. Should the decision be made to proceed with the proposal, the comments received during consultation will be considered during the final preparation of the regulation. The content, structure, form and wording of the consultation draft are subject to change as a result of the consultation process and as a result of review, editing and correction by the Office of Legislative Counsel.

CONSULTATION DRAFT**ONTARIO REGULATION**

to be made under the

FINANCIAL SERVICES COMMISSION OF ONTARIO ACT, 1997

Amending O. Reg. 11/01

(ASSESSMENT OF EXPENSES AND EXPENDITURES)

- 1. Subsection 3 (4) of Ontario Regulation 11/01 is revoked.**
- 2. (1) Subsection 4 (1) of the Regulation is amended by striking out “Subject to subsection (2), an” in the portion before paragraph 1 and substituting “An”.**
 - (2) Paragraph 2 of subsection 4 (1) of the Regulation is amended by:**
 - 1. Striking out the formula and substituting “ $D = F + (G \times 0.85) + (H / 2)$ ”.**

2. Striking out “E = the expenses incurred and expenditures made by the Financial Services Commission of Ontario and the Ministry during the assessment period for automobile insurance dispute resolution activity,” in the portion following the formula.

(3) Paragraphs 3, 4, 5, 6, and 7 of subsection 4 (1) of the Regulation are revoked.

(4) Paragraph 8 of subsection 4 (1) of the Regulation is revoked and the following substituted:

8. Calculate the insurer’s automobile insurance share of the assessment, in accordance with the following formula:

$$S = (T / U) \times D$$

where,

- S = the insurer’s automobile insurance share of the assessment,
- T = the insurer’s direct premiums for automobile insurance in Ontario in the year beginning on the January 1 immediately preceding the beginning of the assessment period,
- D = the expenses incurred and expenditures made in respect of automobile insurance, calculated under rule 2,
- U = the total, for all insurers licensed for automobile insurance during the assessment period, of all direct premiums for automobile insurance in the year beginning on the January 1 immediately preceding the beginning of the assessment period.

(5) Subsection 4 (2) is revoked.

Commencement

3. [Commencement]