
NOTICE NUMBER:	02-2015
TITLE:	CAUTION REGARDING RIDE SHARING SERVICES AND INSURANCE
DATE:	July 27, 2015

PURPOSE

The purpose of this Notice is to advise Albertans that they are at risk of not having access to insurance protection and accident benefits under Alberta law if participating in Uber ride sharing services.

Albertans participating in similar ride sharing services or networks may also be at risk.

The Superintendent of Insurance is of the view that Uber's supplemental insurance policies do not currently meet the requirements of Alberta's *Insurance Act* and regulations. These regulations are in place to ensure Albertans have access to insurance protection and accident benefits (including timely injury treatments) in the event of a collision or loss. The Superintendent is committed to working with Uber and other ride sharing services, to ensure that Albertans using ride sharing services have access to insurance protection and accident benefits under Alberta law.

HOW DO RIDE SHARING SERVICES WORK?

Ride share companies use smartphone applications and online platforms to link authorized drivers with passengers. The passenger pays the ride sharing company through a mobile device and the driver is compensated by the ride sharing company. The ride share company receives a percentage of the cost of each ride.

Licensed taxis are not considered to be ride sharing services. People who carpool or share the cost of a trip with others, are not participating in a ride sharing service.

Superintendent of Insurance

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PERSONAL VEHICLE INSURANCE IS NOT SUFFICIENT.

All vehicles are required, by law, to be insured under Alberta's Standard Automobile Form (Automobile Policy). The Automobile Policy is not designed to provide insurance coverage when the vehicle is used as a taxi, "for hire", or for compensation to transport passengers. The Automobile Policy excludes coverage if the insured vehicle is used to carry passengers for financial compensation.

WHAT HAPPENS IF A VEHICLE IS USED FOR RIDE SHARING AND IS INVOLVED IN A COLLISION?

Owners and Drivers

Owners and drivers participating in ride sharing services with Uber are at risk of not having access to coverage provided by the Automobile Policy, Section B- Accident Benefits. This section provides coverage mainly for medical expenses incurred due to a collision. Owners and drivers are at risk of having limited or no third party liability coverage to pay for a potential legal claim if the driver is responsible for a collision that causes injury or damage to a passenger, pedestrian, or other party. Owners and drivers are also at risk of not having access to collision coverage to fix any damage to the vehicle.

Owners and drivers participating in other ride sharing services may be at similar risk.

Passengers

In the event of a collision, passengers participating in Uber ride sharing services are at risk of not having access to coverage provided by the Automobile Policy, Section B- Accident Benefits. This section provides coverage mainly for medical expenses incurred due to a collision. Passengers are also at risk of not being sufficiently compensated for injuries because of the owner's and driver's lack of third party liability coverage.

Passengers participating in other ride sharing services may be at similar risk.

ALBERTA OWNERS AND DRIVERS PARTICIPATING IN RIDE SHARING SERVICES

It is important for owners and drivers to speak to their insurance agent, broker, or insurance company about the coverage they have and the coverage that is required to participate in ride sharing services. Automobile insurers require drivers to disclose any commercial usage of the vehicle including using the vehicle as a taxi, "for hire" or for compensation.

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An endorsement to your automobile policy is required to properly insure owners, drivers, passengers as well as others. If you are intending to participate in a ride sharing service as a vehicle owner or driver, you should discuss this with your automobile insurance broker, agent, or company.

Participating in ride sharing without proper insurance will result in a significant amount of personal risk assumed by an owner and a driver.

ALBERTA PASSENGERS USING RIDE SHARING SERVICES

Albertans who use a ride sharing service without appropriate insurance coverage should know that, in the event of a collision, they are at risk of not having access to insurance protection, accident benefits and potentially any compensation for injuries they may suffer in the event of a collision.

INSURANCE PROVIDED BY RIDE SHARING COMPANIES

Ride sharing companies, such as Uber and others, may claim to have supplemental insurance, over and above the private vehicle insurance of their drivers, to cover liability and property damage in the event of a loss.

The Superintendent of Insurance is of the view that Uber's supplemental insurance does not currently meet the requirements of, nor is compliant with, Alberta's *Insurance Act* and Regulations. Should any other ride sharing service operate in Alberta, the Superintendent of Insurance will review it for compliance with Alberta law.

[ORIGINAL SIGNED]

Mark Prefontaine
Superintendent of Insurance