[Français](http://www.ontario.ca/fr/lois/loi/90i08)

Insurance Act

R.S.O. 1990, CHAPTER I.8

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G](http://www.ontario.ca/laws/statute/S00026" \l "schedgs1s1) (see [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2011); [2001, c. 8, s. 43, 44](http://www.ontario.ca/laws/statute/S01008" \l "s43s1); [2002, c. 14, Sched., s. 10](http://www.ontario.ca/laws/statute/S02014" \l "scheds10); [2002, c. 17, Sched. F, Table](http://www.ontario.ca/laws/statute/S02017" \l "schedfs2); [2002, c. 18, Sched. H, s. 4](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s1); [2002, c. 22, s. 114-132](http://www.ontario.ca/laws/statute/S02022" \l "s114s1) (see [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2012); [2002, c. 24, Sched. B, s. 39](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s1); [2002, c. 31, s. 10](http://www.ontario.ca/laws/statute/S02031" \l "s10) (see [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2012); [2004, c. 8, s. 46, Table](http://www.ontario.ca/laws/statute/S04008" \l "s46s1); [2004, c. 11](http://www.ontario.ca/laws/statute/S04011" \l "s1); [2004, c. 31, Sched. 20, s. 1-12](http://www.ontario.ca/laws/statute/S04031" \l "sched20s1); [2005, c. 5, s. 35](http://www.ontario.ca/laws/statute/S05005" \l "s35s1); [2005, c. 31, Sched. 12](http://www.ontario.ca/laws/statute/S05031" \l "sched12s1); [2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1); [2006, c. 19, Sched. L, s. 11 (3)](http://www.ontario.ca/laws/statute/S06019" \l "schedls11s3); [2006, c. 21, Sched. F, s. 136 (1)](http://www.ontario.ca/laws/statute/S06021" \l "schedfs136s1); [2006, c. 33, Sched. O, s. 1-16](http://www.ontario.ca/laws/statute/S06033" \l "schedos1); [2007, c. 7, Sched. 18](http://www.ontario.ca/laws/statute/S07007" \l "sched18s1s1); [2009, c. 33, Sched. 16, s. 7](http://www.ontario.ca/laws/statute/S09033" \l "sched16s7s1); [2010, c. 1, Sched. 11](http://www.ontario.ca/laws/statute/S10001" \l "sched11s1s1); [2010, c. 26, Sched. 9](http://www.ontario.ca/laws/statute/S10026" \l "sched9s1s1); [2011, c. 9, Sched. 21](http://www.ontario.ca/laws/statute/S11009" \l "sched21s1); [2012, c. 8, Sched. 23](http://www.ontario.ca/laws/statute/S12008" \l "sched23s1); [2013, c. 2, Sched. 8](http://www.ontario.ca/laws/statute/S13002" \l "sched8s1); [2014, c. 7, Sched. 14](http://www.ontario.ca/laws/statute/S14007" \l "sched14s1); [2014, c. 9, Sched. 3](http://www.ontario.ca/laws/statute/S14009" \l "sched3s1); [2015, c. 9, s. 30](http://www.ontario.ca/laws/statute/S15009" \l "s30); [2015, c. 20, Sched. 17](http://www.ontario.ca/laws/statute/S15020" \l "sched17s1) (see [2020, c. 36, Sched. 14, s. 3](http://www.ontario.ca/laws/statute/S20036" \l "sched14s3)); [2016, c. 5, Sched. 14](http://www.ontario.ca/laws/statute/S16005" \l "sched14s1) (see [2018, c. 8, Sched. 13, s. 25](http://www.ontario.ca/laws/statute/S18008" \l "sched13s25)); [2016, c. 17, s. 92](http://www.ontario.ca/laws/statute/S16017" \l "s92); (see [2016, c. 37, Sched. 18, s. 5](http://www.ontario.ca/laws/statute/S16037" \l "sched18s5)); [2016, c. 23, s. 55](http://www.ontario.ca/laws/statute/S16023" \l "s55s1); [2016, c. 37, Sched. 10](http://www.ontario.ca/laws/statute/S16037" \l "sched10s1); [2017, c. 34, Sched. 17, s. 22](http://www.ontario.ca/laws/statute/S17034" \l "sched17s22); [2017, c. 34, Sched. 21](http://www.ontario.ca/laws/statute/S17034" \l "sched21s1) (see [2018, c. 8, Sched. 13, s. 26](http://www.ontario.ca/laws/statute/S18008" \l "sched13s26); [2021, c. 8, Sched. 5, s. 13](http://www.ontario.ca/laws/statute/S21008" \l "sched5s13)); [2018, c. 8, Sched. 13](http://www.ontario.ca/laws/statute/S18008" \l "sched13s1) (see [2019, c. 7, Sched. 33, s. 12](http://www.ontario.ca/laws/statute/S19007" \l "sched33s12)); [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices); [2018, c. 17, Sched. 21](http://www.ontario.ca/laws/statute/S18017" \l "sched21s1s1); [2019, c. 7, Sched. 25, s. 19](http://www.ontario.ca/laws/statute/S19007" \l "sched25s19); [2019, c. 7, Sched. 33](http://www.ontario.ca/laws/statute/S19007" \l "sched33s1) (see [2020, c. 36, Sched. 22, s. 9](http://www.ontario.ca/laws/statute/S20036" \l "sched22s9)); [2019, c. 8, Sched. 2](http://www.ontario.ca/laws/statute/S19008" \l "sched2s1); [2019, c. 14, Sched. 9, s. 1-20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s1); [2020, c. 34, Sched. 7](http://www.ontario.ca/laws/statute/S20034" \l "sched7s1); [2020, c. 36, Sched. 14, s. 3, 8](http://www.ontario.ca/laws/statute/S20036" \l "sched14s3); [2020, c. 36, Sched. 22](http://www.ontario.ca/laws/statute/S20036" \l "sched22s1) (see [2021, c. 40, Sched. 14, s. 6](http://www.ontario.ca/laws/statute/S21040" \l "sched14s6)); [2021, c. 4, Sched. 11, s. 19](http://www.ontario.ca/laws/statute/S21004" \l "sched11s19); [2021, c. 8, Sched. 5](http://www.ontario.ca/laws/statute/S21008" \l "sched5s1); [2021, c. 25, Sched. 21, s. 24](http://www.ontario.ca/laws/statute/S21025" \l "sched21s24); [2021, c. 40, Sched. 14](http://www.ontario.ca/laws/statute/S21040" \l "sched14s1s1); [2022, c. 17, Sched. 2](http://www.ontario.ca/laws/statute/S22017" \l "sched2s1); [2023, c. 8, Sched. 5](http://www.ontario.ca/laws/statute/S23008" \l "sched5s1).

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Definitions

Definitions

**1** In this Act, except where inconsistent with the definition sections of any Part,

“accountant” means a person who is licensed under the Public Accounting Act, 2004; (“comptable”)

“actuary” means a Fellow of the Canadian Institute of Actuaries; (“actuaire”)

“adjuster” means a person who,

(a) on behalf of an insurer or an insured, for compensation, directly or indirectly solicits the right to negotiate the settlement of or investigate a loss or claim under a contract or a fidelity, surety or guaranty bond issued by an insurer, or investigates, adjusts or settles any such loss or claim, or

(b) holds himself, herself or itself out as an adjuster, investigator, consultant or adviser with respect to the settlement of such losses or claims,

but does not include,

(c) a barrister or solicitor acting in the usual course of the practice of law,

(d) a trustee or agent of the property insured,

(e) a salaried employee of a licensed insurer while acting on behalf of such insurer in the adjustment of losses,

(f) a person who is employed as an appraiser, engineer or other expert solely for the purpose of giving expert advice or evidence, or

(g) a person who acts as an adjuster of marine losses only; (“expert d’assurance”)

“agent” means a person who, for compensation, commission or any other thing of value,

(a) solicits insurance on behalf of an insurer who has appointed the person to act as the agent of such insurer or on behalf of the Facility Association under the Compulsory Automobile Insurance Act, or

(b) solicits insurance on behalf of an insurer or transmits, for a person other than himself, herself or itself, an application for, or a policy of insurance to or from such insurer, or offers or assumes to act in the negotiation of such insurance or in negotiating its continuance or renewal with such insurer,

and who is not a member of the Registered Insurance Brokers of Ontario; (“agent”)

“Authority” means the Financial Services Regulatory Authority of Ontario continued under subsection 2 (1) of the *Financial Services Regulatory Authority of Ontario Act, 2016*; (“Autorité”)

“Authority rule” means a rule made under subsection 121.0.1 (1); (“règle de l’Autorité”)

“automobile” includes a trolley bus and a self-propelled vehicle, and the trailers, accessories and equipment of automobiles, but does not include railway rolling stock that runs on rails, watercraft or aircraft; (“automobile”)

“broker” means an insurance broker within the meaning of the Registered Insurance Brokers Act; (“courtier”)

“cash-mutual corporation” means a corporation without share capital that is empowered to undertake insurance on both the cash plan and the mutual plan; (“société mutuelle au comptant”)

“chief agency” means the principal office or place of business in Ontario of any licensed insurer having its head office out of Ontario; (“agence principale”)

“Chief Executive Officer” means the Chief Executive Officer appointed under subsection 10 (2) of the *Financial Services Regulatory Authority of Ontario Act, 2016*; (“directeur général de l’Autorité”)

“Commission” means the former Financial Services Commission of Ontario that was established under the repealed Financial Services Commission of Ontario Act, 1997; (“Commission”)

“compensation association” means a body corporate or unincorporated association the purpose of which is to provide compensation to claimants and policyholders of insolvent insurers and that has been designated under the regulations as a compensation association; (“association d’indemnisation”)

“contract” means a contract of insurance, and includes a policy, certificate, interim receipt, renewal receipt, or writing evidencing the contract, whether sealed or not, and a binding oral agreement; (“contrat”)

“debt obligation” means a bond, debenture, note or other evidence of indebtedness, whether the debt is secured or unsecured; (“titre de créance”)

“due application” includes such information, evidence and material as the Chief Executive Officer requires to be furnished and the payment of the fees established by the Minister in respect of any application, certificate or document required or issued by virtue of this Act; (“demande régulière”)

“entity” includes a corporation, trust, partnership, fund, unincorporated association or organization, the Crown, a Crown agency, the government of a foreign country or of a political subdivision of a foreign country and any agency of that government; (“entité”)

“exchange” or “reciprocal insurance exchange” means a group of subscribers exchanging reciprocal contracts of indemnity or insurance with each other through the same attorney; (“bourse” ou “bourse d’assurance réciproque”)

“financial institution” means,

(a) an insurer that is incorporated or organized under the laws of Canada or of any province of Canada,

(b) a bank or authorized foreign bank within the meaning of section 2 of the Bank Act (Canada),

(c) a loan or trust corporation incorporated or organized under the laws of Canada or any province of Canada,

(d) an entity that,

(i) is incorporated or organized under the laws of Canada or of any province of Canada, and

(ii) primarily engages in dealing in securities, including portfolio management and investment counselling,

(e) a credit union or caisse populaire incorporated under the laws of any province of Canada or an association to which the Cooperative Credit Associations Act (Canada) applies,

(f) an entity that is prescribed or is a member of a class that is prescribed; (“institution financière”)

“foreign jurisdiction” means a jurisdiction other than Ontario; (“ressort étranger”)

“fraternal society” means a society, order or association incorporated for the purpose of making with its members only, and not for profit, contracts of life insurance or accident and sickness insurance in accordance with its constitution, by-laws and rules and this Act; (“société fraternelle”)

“governing executive authority” means the executive committee, executive board, management committee, grand executive committee or such other board, committee or body as is charged under the constitution and rules of a fraternal society with its general management between general meetings; (“organe de direction”)

“head office” means the place where the chief executive officer of an insurer transacts business; (“siège social”)

“insurance” means the undertaking by one person to indemnify another person against loss or liability for loss in respect of a certain risk or peril to which the object of the insurance may be exposed, or to pay a sum of money or other thing of value upon the happening of a certain event, and includes life insurance; (“assurance”)

“insurance fund” or “insurance funds”, as applied to a fraternal society or as applied to a corporation not incorporated exclusively for the transaction of insurance, includes all money, securities for money and assets appropriated by the rules of the society or corporation to the payment of insurance liabilities or appropriated for the management of the insurance branch or department or division of the society, or otherwise legally available for insurance liabilities, but does not include funds of a trade union appropriated to or applicable for the voluntary assistance of wage earners unemployed or upon strike; (“fonds d’assurance”)

“insurance money” means the amount payable by an insurer under a contract, and includes all benefits, surplus, profits, dividends, bonuses, and annuities payable under the contract; (“sommes assurées”)

“insurance on the cash plan” means any insurance that is not mutual insurance; (“assurance au comptant”)

“insurer” means the person who undertakes or agrees or offers to undertake a contract; (“assureur”)

“lodge” includes a primary subordinate division, by whatever name known, of a fraternal society; (“loge”)

“Minister” means the Minister of Finance; (“ministre”)

“motor vehicle liability policy” means a policy or part of a policy evidencing a contract insuring,

(a) the owner or driver of an automobile, or

(b) a person who is not the owner or driver thereof where the automobile is being used or operated by that person’s employee or agent or any other person on that person’s behalf,

against liability arising out of bodily injury to or the death of a person or loss or damage to property caused by an automobile or the use or operation thereof; (“police de responsabilité automobile”)

“mutual benefit society” means a mutual corporation formed for the purpose of providing insurance against sickness, disability or death for its members, or for these and any other purposes necessary or incidental thereto except life insurance, but does not include a pension fund or employees’ mutual benefit society incorporated under or subject to the Corporations Act; (“société de secours mutuel”)

“mutual corporation” means a corporation without share capital that is empowered to undertake mutual insurance exclusively; (“société mutuelle”)

“mutual insurance” means a contract of insurance in which the consideration is not fixed or certain at the time the contract is made and is to be determined at the termination of the contract or at fixed periods during the term of the contract according to the experience of the insurer in respect of all similar contracts, whether or not the maximum amount of such consideration is predetermined; (“assurance mutuelle”)

“non-owner’s policy” means a motor vehicle liability policy insuring a person solely in respect of the use or operation by that person or on that person’s behalf of an automobile that is not owned by that person; (“police de non-propriétaire”)

“officer” includes a trustee, director, manager, treasurer, secretary or member of the board or committee of management of an insurer and a person appointed by the insurer to sue and be sued in its behalf; (“dirigeant”)

“owner’s policy” means a motor vehicle liability policy insuring a person in respect of the ownership, use or operation of an automobile owned by that person and within the description or definition thereof in the policy and, if the contract so provides, in respect of the use or operation of any other automobile; (“police de propriétaire”)

“paid in”, when applied to the capital stock of an insurer or to any shares thereof, means the amount paid to the insurer on its shares, not including the premium, if any, paid thereon, whether such shares are or are not fully paid; (“versé”)

“paid up”, when applied to the capital stock of an insurer or to any shares thereof, means the capital stock or shares on which there remains no liability, actual or contingent, to the issuing insurer; (“libéré”)

“participating share” means a share of a corporation that carries the right to participate in the earnings of the corporation to an unlimited degree and to participate in a distribution of the remaining property of the corporation on dissolution; (“action participante”)

“policy” means the instrument evidencing a contract; (“police”)

“premium” means the single or periodical payment under a contract for insurance, and includes dues, assessments, administration fees paid for the administration or servicing of such contract, and other considerations; (“prime”)

“premium note” means an instrument given as consideration for insurance whereby the maker undertakes to pay such sum or sums as may be legally demanded by the insurer, but the aggregate of which sums does not exceed an amount specified in the instrument; (“billet de souscription”)

“property” includes profits, earnings and other pecuniary interests, and expenditure for rents, interest, taxes and other outgoings and charges and in respect of inability to occupy the insured premises, but only to the extent of express provision in the contract; (“biens”)

“rate”, in relation to automobile insurance, means all amounts payable under contracts of automobile insurance for an identified risk whether expressed in dollar terms or in some other manner and includes commissions, surcharges, fees, discounts, rebates and dividends; (“taux”)

“regulations” means the regulations made under this Act; (“règlements”)

“risk classification system”, in relation to automobile insurance, means the elements used for the purpose of classifying risks in the determination of rates for a coverage or category of automobile insurance, including the variables, criteria, rules and procedures used for that purpose; (“système de classement des risques”)

“security” means, when used to refer to a form of investment,

(a) a share of any class of shares of a corporation or a debt obligation of a corporation, and includes a warrant of a corporation, but does not include a deposit with a financial institution, any instrument evidencing a deposit with a financial institution or a policy, or

(b) any ownership interest in or debt obligation of an unincorporated entity, but does not include a policy; (“titre”or “valeur mobilière”)

“security interest” means an interest in or charge upon property by way of mortgage, hypothec, pledge or otherwise, to secure the payment of a debt or the performance of another obligation; (“sûreté”)

“spouse” means either of two persons who,

(a) are married to each other,

(b) have together entered into a marriage that is voidable or void, in good faith on the part of the person asserting a right under this Act, or

(c) are not married to each other and live together in a conjugal relationship outside marriage; (“conjoint”)

“Superintendent” means the former position of Superintendent of Financial Services under the repealed Financial Services Commission of Ontario Act, 1997. (“surintendent”)

“Tribunal” means the Financial Services Tribunal continued under the Financial Services Tribunal Act, 2017; (“Tribunal”)

“upon proof”, as applied to any matter connected with the licensing of an insurer or other person, means upon proof to the satisfaction of the Chief Executive Officer; (“sur preuve”)

“voting share” means a share of a corporation carrying voting rights under all circumstances or by reason of an event that has occurred and is continuing or by reason of a condition that has been fulfilled. (“action avec droit de vote”) R.S.O. 1990, c. I.8, s. 1; 1993, c. 10, s. 2; 1994, c. 11, s. 336; 1996, c. 21, s. 1; 1997, c. 19, s. 10 (1); 1997, c. 28, s. 64; 1999, c. 6, s. 31 (1); 1999, c. 12, Sched. I, s. 4 (1, 2); 2002, c. 18, Sched. H, s. 4 (1-4); 2004, c. 8, s. 46; 2004, c. 31, Sched. 20, s. 1; 2005, c. 5, s. 35 (1, 2); 2006, c. 33, Sched. O, s. 1; 2014, c. 9, Sched. 3, s. 1; 2017, c. 34, Sched. 17, s. 22; 2018, c. 8, Sched. 13, s. 1, 22; 2019, c. 14, Sched. 9, s. 1; 2020, c. 34, Sched. 7, s. 1; 2020, c. 36, Sched. 14, s. 8 (1).

**Section Amendments with date in force (d/m/y)**

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[2002, c. 18, Sched. H, s. 4 (1-4)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s1) - 30/04/2007

[2004, c. 8, s. 46](http://www.ontario.ca/laws/statute/S04008" \l "s46s1) - 01/11/2005; [2004, c. 31, Sched. 20, s. 1](http://www.ontario.ca/laws/statute/S04031" \l "sched20s1) - 16/12/2004

[2005, c. 5, s. 35 (1, 2)](http://www.ontario.ca/laws/statute/S05005" \l "s35s1) - 09/03/2005

[2006, c. 33, Sched. O, s. 1](http://www.ontario.ca/laws/statute/S06033" \l "schedos1) - 05/05/2008

[2014, c. 9, Sched. 3, s. 1](http://www.ontario.ca/laws/statute/S14009" \l "sched3s1) - 01/04/2016

[2017, c. 34, Sched. 17, s. 22](http://www.ontario.ca/laws/statute/S17034" \l "sched17s22) - 01/04/2019; [2017, c. 34, Sched. 21, s. 1](http://www.ontario.ca/laws/statute/S17034" \l "sched21s1) - no effect - see [2018, c. 8, Sched. 13, s. 26](http://www.ontario.ca/laws/statute/S18008" \l "sched13s26) - 08/05/2018

[2018, c. 8, Sched. 13, s. 1, 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s1) - 08/06/2019

[2019, c. 14, Sched. 9, s. 1](http://www.ontario.ca/laws/statute/S19014" \l "sched9s1) - 10/12/2019

[2020, c. 34, Sched.7, s. 1](http://www.ontario.ca/laws/statute/S20034" \l "sched7s1) - 08/12/2020; [2020, c. 36, Sched. 14, s. 8 (1)](http://www.ontario.ca/laws/statute/S20036" \l "sched14s8s1) - 08/12/2020

PART I  
GENERAL

Organization

**2-5** Repealed: 1997, c. 28, s. 66.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 66 - 01/07/1998

Insurance Ombudsman

**5.1**(1)  The Chief Executive Officer shall appoint an employee of the Authority as Insurance Ombudsman. 1996, c. 21, s. 2; 1997, c. 28, s. 67; 2018, c. 8, Sched. 13, s. 22, 24.

Duties

(2)  The Insurance Ombudsman shall inquire into complaints about insurers’ business practices.

Complaints

(3)  A person may submit a written complaint about an insurer’s business practices to the Insurance Ombudsman if the person has submitted the complaint to the insurer and the complaint has not been resolved within a reasonable time.

Response

(4)  The Insurance Ombudsman shall give the insurer an opportunity to respond to any complaint submitted under subsection (3).

Authority of Insurance Ombudsman

(5)  After considering the complaint and any response, the Insurance Ombudsman may attempt to resolve the complaint or may recommend to the Chief Executive Officer that the Chief Executive Officer inquire into the complaint. 1996, c. 21, s. 2; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 2 - 01/11/1996; 1997, c. 28, s. 67 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22, 24](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**6** Repealed: 2014, c. 9, Sched. 3, s. 2.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 3 - 01/11/1996

[2014, c. 9, Sched. 3, s. 2](http://www.ontario.ca/laws/statute/S14009" \l "sched3s2) - 01/04/2016

Committees

**7** (1)  The Minister shall appoint one or more committees for the purposes of this Act.

Name

(2)  The Minister shall assign a name to each committee. 1996, c. 21, s. 4.

Duties

(3)  Each committee shall,

(a) perform such functions as are assigned to the committee by the Minister or the Chief Executive Officer; and

(b) perform such other functions as are prescribed by the regulations. 1996, c. 21, s. 4; 1997, c. 28, s. 67; 2018, c. 8, Sched. 13, s. 22.

(4)  Repealed: 2014, c. 9, Sched. 3, s. 3.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 4 - 01/11/1996; 1997, c. 28, s. 67 - 01/07/1998

[2014, c. 9, Sched. 3, s. 3](http://www.ontario.ca/laws/statute/S14009" \l "sched3s3) - 01/04/2016

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**8** Repealed: 2014, c. 9, Sched. 3, s. 4.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 5 - 01/11/1996; 1997, c. 28, s. 67 - 01/07/1998

[2014, c. 9, Sched. 3, s. 4](http://www.ontario.ca/laws/statute/S14009" \l "sched3s4) - 01/04/2016

**9** Repealed: 2014, c. 9, Sched. 3, s. 5.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 67 - 01/07/1998

[2014, c. 9, Sched. 3, s. 5](http://www.ontario.ca/laws/statute/S14009" \l "sched3s5) - 01/04/2016

**10** Repealed: 1996, c. 21, s. 6.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 6 - 01/11/1996

Evidence of persons who conducted certain proceedings

**11** (1)  A person who conducted a proceeding described in subsection (2) shall not be required to testify in a civil proceeding or in a proceeding before any tribunal respecting the proceeding described in subsection (2) or respecting information obtained in the discharge of the person’s duties under this Act. 2014, c. 9, Sched. 3, s. 6.

Proceedings

(2)  The proceedings referred to in subsection (1) are mediations, evaluations and arbitrations under sections 279 to 287, as those sections read immediately before being repealed by section 14 of Schedule 3 to the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014. 2014, c. 9, Sched. 3, s. 6.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 7 - 01/11/1996; 1997, c. 28, s. 68 (1, 2) - 01/07/1998

[2014, c. 9, Sched. 3, s. 6](http://www.ontario.ca/laws/statute/S14009" \l "sched3s6) - 01/04/2016

**12** Repealed: 1997, c. 28, s. 69.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 69 - 01/07/1998

**12.1**  Repealed: 1997, c. 28, s. 70.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 70 - 01/07/1998

**12.2**  Repealed: 1997, c. 28, s. 71.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 71 - 01/07/1998

**13** Repealed: 1997, c. 28, s. 72.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 72 - 01/07/1998

**14** Repealed: 1997, c. 28, s. 73.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 73 - 01/07/1998

Assessment of health system costs

**14.1**  (1)  The Lieutenant Governor in Council may, in accordance with the regulations, assess all insurers that have issued motor vehicle liability policies in Ontario for amounts prescribed by the regulations that are incurred by the Ministry of Health and Long-Term Care under an Act or program administered by that ministry. 1996, c. 21, s. 10; 2006, c. 19, Sched. L, s. 11 (3).

Same

(2)  If an assessment is made under subsection (1), the share of a particular insurer shall be determined in the manner prescribed by regulation. 1996, c. 21, s. 10.

Insurer’s duty to pay

(3)  An insurer shall pay the amount assessed against it. 1996, c. 21, s. 10.

Same

(4)  If an insurer fails to pay an assessment made under subsection (1), the Chief Executive Officer may suspend or cancel the insurer’s licence. 1996, c. 21, s. 10; 1997, c. 28, s. 74; 2018, c. 8, Sched. 13, s. 22.

Same

(5)  The Chief Executive Officer may revive the licence of an insurer whose licence was suspended or cancelled under subsection (4) if the insurer pays all amounts owing by the insurer under this section. 1996, c. 21, s. 10; 1997, c. 28, s. 74; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 10 - 01/11/1996; 1997, c. 28, s. 74 - 01/07/1998

[2006, c. 19, Sched. L, s. 11 (3)](http://www.ontario.ca/laws/statute/S06019" \l "schedls11s3) - 22/06/2006

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Decisions of Chief Executive Officer

Orders

**15** (1)  The Chief Executive Officer shall determine matters before him or her by order and may make an order subject to such conditions as are set out in the order. R.S.O. 1990, c. I.8, s. 15 (1); 1997, c. 28, s. 75 (2); 2018, c. 8, Sched. 13, s. 22.

Interim orders

(2)  The Chief Executive Officer may make interim orders pending the final order in a matter before him or her. R.S.O. 1990, c. I.8, s. 15 (2); 1997, c. 28, s. 75 (2); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 75 (2) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Exemption orders

**15.1**(1)  The Chief Executive Officer may, on the application of a person or entity, and if in the Chief Executive Officer’s opinion it would not be prejudicial to the public interest, make an order exempting the person or entity from any requirement imposed by, or from the application of any provision in, this Act, the regulations or an Authority rule that is prescribed by regulation, and may make the order subject to such conditions as are set out in the order. 2020, c. 36, Sched. 22, s. 1.

Same

(2)  An order under this section is subject to such limits and conditions as may be prescribed by regulation. 2020, c. 36, Sched. 22, s. 1.

**Section Amendments with date in force (d/m/y)**

[2020, c. 36, Sched. 22, s. 1](http://www.ontario.ca/laws/statute/S20036" \l "sched22s1) - 01/01/2022

Matters before the Chief Executive Officer

**16** (1)  The Chief Executive Officer is not required to hold a hearing when making a decision but shall allow the parties affected by a matter before him or her to make written submissions. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22.

Variation of decisions

(2)  Subject to subsection (1), the Chief Executive Officer may reconsider and vary or revoke a decision or order made by him or her if the Chief Executive Officer considers it advisable to do so. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22.

Making of rules

(3)  The Chief Executive Officer may make rules for the practice and procedure to be observed in determining matters before him or her. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22.

Chief Executive Officer’s powers

(4)  In determining any matter, the Chief Executive Officer may,

(a) determine what constitutes adequate public notice;

(b) conduct any inquiry or inspection the Chief Executive Officer considers necessary;

(c) consider any relevant information obtained by the Chief Executive Officer in addition to information provided by the parties, if he or she first informs the parties of the additional information and gives them an opportunity to explain or refute it. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 76 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Appeal of Chief Executive Officer’s decision

**17** (1)  If an appeal is provided for, a person affected by a decision of the Chief Executive Officer may appeal the decision to the Tribunal. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22.

Notice of appeal

(2)  A notice of appeal shall be in writing and shall be served on the Chief Executive Officer and filed with the Tribunal within 30 days after the date of the Chief Executive Officer’s decision or within such other time period that this Act specifies. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22, 23.

Hearing

(3)  The Tribunal shall hold a hearing of an appeal. 1997, c. 28, s. 76.

Parties

(4)  The parties to an appeal are the person who requests the appeal, the Chief Executive Officer and the other persons whom the Tribunal specifies. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22.

Power of the Tribunal

(5)  Upon hearing an appeal, the Tribunal may, by order, confirm, vary or rescind the decision appealed from or substitute its decision for that of the Chief Executive Officer. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22.

Stay of decision

(6)  The filing of a notice of appeal does not stay the decision of the Chief Executive Officer but the Tribunal may grant a stay until it disposes of the appeal. 1997, c. 28, s. 76; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 76 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**18** Repealed: 1997, c. 28, s. 76

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 76 - 01/07/1998

Reference hearings

**19** (1)  The Lieutenant Governor in Council may require the Tribunal to examine and report on any question related to insurance that, in the opinion of the Lieutenant Governor in Council, requires a public hearing. R.S.O. 1990, c. I.8, s. 19 (1); 1997, c. 28, s. 77.

Parties

(2)  The Tribunal shall determine who may be a party to a reference hearing. R.S.O. 1990, c. I.8, s. 19 (2); 1997, c. 28, s. 77.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 77 - 01/07/1998

Exclusive jurisdiction

**20** (1)  This section applies with respect to proceedings under this Act before the Tribunal or the Chief Executive Officer. 2014, c. 9, Sched. 3, s. 7; 2018, c. 8, Sched. 13, s. 22.

Idem

(2)  A person referred to in subsection (1) has exclusive jurisdiction to exercise the powers conferred upon him or her under this Act and to determine all questions of fact or law that arise in any proceeding before him or her and, unless an appeal is provided under this Act, his or her decision thereon is final and conclusive for all purposes. R.S.O. 1990, c. I.8, s. 20 (2).

Decisions, etc., not stayed

(3)  An application for judicial review and any appeal from an order of the court on the application does not stay the decision made under this Act. R.S.O. 1990, c. I.8, s. 20 (3).

Court may grant stay

(4)  Despite subsection (3), a judge of the court to which the application is made or a subsequent appeal is taken may grant a stay until the disposition of the judicial review or appeal. R.S.O. 1990, c. I.8, s. 20 (4).

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 77 - 01/07/1998

[2014, c. 9, Sched. 3, s. 7](http://www.ontario.ca/laws/statute/S14009" \l "sched3s7) - 01/04/2016

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**21** Repealed: 2014, c. 9, Sched. 3, s. 8.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 11 - 01/11/1996

[2014, c. 9, Sched. 3, s. 8](http://www.ontario.ca/laws/statute/S14009" \l "sched3s8) - 01/04/2016

**22** Repealed: 2014, c. 9, Sched. 3, s. 9.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 78 - 01/07/1998

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006

[2014, c. 9, Sched. 3, s. 9](http://www.ontario.ca/laws/statute/S14009" \l "sched3s9) - 01/04/2016

Administration

Records of Chief Executive Officer

**23** (1)  The Chief Executive Officer shall keep the following books and records:

1. A register of all licences issued under this Act, in which shall appear the name of the insurer, the address of the head office, the address of the principal office in Canada, the name and address of the chief or general agent in Ontario, the number of the licence issued, particulars of the classes of insurance for which the insurer is licensed, and such other information as the Chief Executive Officer considers necessary.

2. A record of all securities deposited by each insurer with the Chief Executive Officer, naming in detail the several securities, their par value, their date of maturity and value at which they are received as deposit. R.S.O. 1990, c. I.8, s. 23 (1); 1997, c. 28, s. 79; 2018, c. 8, Sched. 13, s. 22.

Inspection

(2)  The books and records required by this section to be kept shall be open to inspection at such times and upon payment of such fees as may be established by the Minister. R.S.O. 1990, c. I.8, s. 23 (2); 1997, c. 19, s. 10 (2); 2004, c. 31, Sched. 20, s. 2.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (2) - 10/10/1997;1997, c. 28, s. 79 - 01/07/1998

[2004, c. 31, Sched. 20, s. 2](http://www.ontario.ca/laws/statute/S04031" \l "sched20s2) - 16/12/2004

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**24** Repealed: 1999, c. 12, Sched. I, s. 4 (3).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (3) - 22/12/1999

Information about insurers, etc.

Publication, notice of licence

**25** (1)  The Chief Executive Officer shall maintain an up-to-date list of the insurers licensed under this Act and shall publish the list on the website of the Authority. 2019, c. 14, Sched. 9, s. 2.

Publication, notice of suspension etc.

(1.1)  The Chief Executive Officer shall from time to time give notice of the suspension or cancellation or revival of a licence and shall publish the notices on the website of the Authority. 2019, c. 14, Sched. 9, s. 2.

Certificates

(2)  The Chief Executive Officer may issue a certificate,

(a) Repealed: 1997, c. 28, s. 81 (2).

(b) stating that a copy of, or extract from, a document or thing in the custody of the Authority is a true copy of, or extract from, the original;

(c) stating the amount payable to the Minister of Finance under subsection 32 (3) or (4);

(d) stating the amount payable for an audit under subsection 101 (4);

(e) stating whether a document was served or delivered under this Act;

(f) stating whether any document required under this Act was filed;

(g) stating whether a document or notification was received or issued by the Chief Executive Officer.

(h), (i) Repealed: 1997, c. 28, s. 81 (4).

R.S.O. 1990, c. I.8, s. 25 (2); 1997, c. 28, s. 81 (1-4); 2009, c. 33, Sched. 16, s. 7 (1); 2014, c. 9, Sched. 3, s. 10; 2018, c. 8, Sched. 13, s. 22, 24.

(3)  Repealed: 1997, c. 28, s. 81 (5).

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 81 (1-5) - 01/07/1998

[2009, c. 33, Sched. 16, s. 7 (1)](http://www.ontario.ca/laws/statute/S09033" \l "sched16s7s1) - 15/12/2009

[2014, c. 9, Sched. 3, s. 10](http://www.ontario.ca/laws/statute/S14009" \l "sched3s10) - 01/04/2016

[2018, c. 8, Sched. 13, s. 22, 24](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 2](http://www.ontario.ca/laws/statute/S19014" \l "sched9s2) - 31/07/2020

Official documents as evidence

**26** (1)  In this section,

“official document” means a certificate, licence, order, decision, direction, inquiry or notice under this Act. R.S.O. 1990, c. I.8, s. 26 (1).

Idem

(2)  An official document that purports to be signed on behalf of the Chief Executive Officer shall be received in evidence in any proceeding as proof, in the absence of evidence to the contrary, of the facts stated in the official document without proof of the signature or the position of the person appearing to have signed the official document. R.S.O. 1990, c. I.8, s. 26 (2); 1997, c. 28, s. 82; 2018, c. 8, Sched. 13, s. 22.

True copies as evidence

(3)  A true copy certified by the Chief Executive Officer under clause 25 (2) (b) is admissible in evidence to the same extent as and has the same evidentiary value as the document or thing of which it is a copy. R.S.O. 1990, c. I.8, s. 26 (3); 1997, c. 28, s. 82; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 82 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Right to a licence

**27** It is the duty of the Chief Executive Officer to determine the right of an insurer in Ontario to be licensed under this Act. 1997, c. 28, s. 83; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 83 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Decision of Chief Executive Officer

**28** (1)  Every decision of the Chief Executive Officer upon an application for a licence shall be in writing and notice thereof shall be forthwith given to the insurer. R.S.O. 1990, c. I.8, s. 28 (1) ; 2018, c. 8, Sched. 13, s. 22.

Certified copy

(2)  The insurer, or any person interested, is entitled, upon payment of the fee established by the Minister, to a certified copy of the decision. R.S.O. 1990, c. I.8, s. 28 (2); 2004, c. 31, Sched. 20, s. 3.

Appeal

(3)  The insurer or any person affected by a decision of the Chief Executive Officer made under subsection (1) may appeal the decision to the Tribunal. 1997, c. 28, s. 84; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 84 - 01/07/1998

[2004, c. 31, Sched. 20, s. 3](http://www.ontario.ca/laws/statute/S04031" \l "sched20s3) - 16/12/2004

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**29** Repealed: 2013, c. 2, Sched. 8, s. 1.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 85 - 01/07/1998

[2013, c. 2, Sched. 8, s. 1](http://www.ontario.ca/laws/statute/S13002" \l "sched8s1) - 16/08/2013

**30** Repealed: 2013, c. 2, Sched. 8, s. 2.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 85 - 01/07/1998

[2013, c. 2, Sched. 8, s. 2](http://www.ontario.ca/laws/statute/S13002" \l "sched8s2) - 16/08/2013

**31** Repealed: 2013, c. 2, Sched. 8, s. 3.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 4 - 01/01/1994; 1997, c. 28, s. 85 - 01/07/1998

[2013, c. 2, Sched. 8, s. 3](http://www.ontario.ca/laws/statute/S13002" \l "sched8s3) - 16/08/2013

**32** Repealed: 2013, c. 2, Sched. 8, s. 4.

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (4) - 22/12/1999

[2009, c. 33, Sched. 16, s. 7 (2, 3)](http://www.ontario.ca/laws/statute/S09033" \l "sched16s7s2) - 15/12/2009

[2012, c. 8, Sched. 23, s. 1](http://www.ontario.ca/laws/statute/S12008" \l "sched23s1) - 01/01/2013

[2013, c. 2, Sched. 8, s. 4](http://www.ontario.ca/laws/statute/S13002" \l "sched8s4) - 16/08/2013

Service of documents

**33** (1)  Unless otherwise provided in this Act or in the rules made by the Chief Executive Officer under subsection 16 (3) or by the Tribunal, service of any document for the purpose of a matter to be determined by the Chief Executive Officer or a proceeding before the Tribunal that may result in an order or decision affecting the rights or obligations of a person required to be licensed under this Act may be made,

(a) on any person, by personal service on the person to be served;

(b) on an insurer, by first class registered mail addressed to the insurer or its chief executive officer at the insurer’s head office in Ontario as identified in the records of the Chief Executive Officer;

(c) on a person who is not an insurer, by first class registered mail addressed to the person’s last known address;

(d) on any person, by leaving a copy of the document with the solicitor, if any, of the person to be served, or with an employee in the solicitor’s office; or

(e) on any person, by telephone transmission of a facsimile of the document in accordance with subsection (7). R.S.O. 1990, c. I.8, s. 33 (1); 1993, c. 10, s. 5 (1); 1997, c. 28, s. 86; 1999, c. 12, Sched. I, s. 4 (5); 2018, c. 8, Sched. 13, s. 22.

Service at place of residence

(2)  Where an attempt is made to effect personal service at a person’s place of residence and for any reason personal service cannot be effected, the document may be served by,

(a) leaving a copy, in a sealed envelope addressed to the person, at the place of residence with anyone who appears to be an adult member of the same household; and

(b) on the same day or the following day, mailing another copy of the document to the person at the place of residence. R.S.O. 1990, c. I.8, s. 33 (2).

Effective date of service

(3)  Service by first class registered mail under subsection (1) and service at a person’s place of residence under subsection (2) is effective on the seventh day after the document is mailed in accordance with subsection (1) or (2). 1993, c. 10, s. 5 (2).

(4), (5)  Repealed: 1993, c. 10, s. 5 (2).

Acceptance of service by a solicitor

(6)  Service on a solicitor is not effective unless the solicitor endorses on the document or a copy of it an acceptance of service on behalf of his or her client and the date of the acceptance. R.S.O. 1990, c. I.8, s. 33 (6).

Requirements for service by facsimile

(7)  A document that is served by telephone transmission shall include a cover page indicating,

(a) the sender’s name, address and telephone number;

(b) the name of the person to be served;

(c) the date and time of transmission;

(d) the total number of pages transmitted, including the cover page;

(e) the telephone number from which the document is transmitted; and

(f) the name and telephone number of a person to contact in the event of transmission problems. R.S.O. 1990, c. I.8, s. 33 (7).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 5 (1, 2) - 01/01/1994; 1997, c. 28, s. 86 - 01/07/1998; 1999, c. 12, Sched. I, s. 4 (5) - 22/12/1999

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Deemed service

**34** (1)  Where an attempt is made to effect service under subsection 33 (1) on an insurer or an agent, and for any reason service cannot be effected, the document may be served on the Chief Executive Officer and such service shall be deemed to be service on the insurer or agent. R.S.O. 1990, c. I.8, s. 34 (1); 2018, c. 8, Sched. 13, s. 22.

Method of service

(2)  Service may be made on the Chief Executive Officer under subsection (1) by first class registered mail addressed to the Chief Executive Officer at the Chief Executive Officer’s office, or by personal service on the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 34 (2); 2018, c. 8, Sched. 13, s. 22, 23.

Chief Executive Officer to forward document

(3)  Where a document is served on the Chief Executive Officer under subsection (1), the Chief Executive Officer shall forthwith mail the document to the insurer or agent at the address for the insurer or agent contained in the records of the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 34 (3) ; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Service of notice or process on chief agent or Chief Executive Officer, insurers outside Ontario

**35** (1)  Where the head office of a licensed insurer is situate out of Ontario, notice or process in any action or proceeding in Ontario may be served upon the chief agent of the insurer in Ontario or, where no appointment of a chief agent is then in effect, upon the Chief Executive Officer and such service shall be deemed service upon the insurer in the case of a corporation and upon members of the insurer in the case of an unincorporated body or association. R.S.O. 1990, c. I.8, s. 35 (1) ; 2018, c. 8, Sched. 13, s. 22.

Insurer to file address

(2)  Every licensed insurer shall file in the office of the Chief Executive Officer notice of a post office address to which any such notice or process may be forwarded by the Chief Executive Officer and shall from time to time notify the Chief Executive Officer of any change in the address so filed. R.S.O. 1990, c. I.8, s. 35 (2) ; 2018, c. 8, Sched. 13, s. 22.

Chief Executive Officer to forward notice or process

(3)  The Chief Executive Officer shall forthwith after the receipt of any such notice or process forward it to the insurer by registered mail addressed in the manner last notified to him or her for this purpose by the insurer. R.S.O. 1990, c. I.8, s. 35 (3) ; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Annual report

**36** (1)  The Chief Executive Officer shall prepare for the Minister, from the statements filed by the insurers and from any inspection or inquiries made, an annual report, showing particulars of the business of each insurer as ascertained from such statement, inspection and inquiries, and such report shall be published on the website of the Authority promptly after completion. R.S.O. 1990, c. I.8, s. 36 (1) ; 2018, c. 8, Sched. 13, s. 22; 2020, c. 34, Sched. 7, s. 2.

Permissible investments

(2)  In his or her annual report the Chief Executive Officer shall allow as assets only such of the investments of the several insurers as are authorized by this Act, or by their Acts or instruments of incorporation, or by the general Acts applicable to such investments. R.S.O. 1990, c. I.8, s. 36 (2) ; 2018, c. 8, Sched. 13, s. 22.

Chief Executive Officer’s corrections of annual statements

(3)  In his or her annual report the Chief Executive Officer shall make all necessary corrections in the annual statements made by all licensed insurers as provided in this Act, and the Chief Executive Officer is at liberty to increase or diminish the liabilities of such insurers to the true and correct amounts thereof as ascertained by him or her in the examination of their affairs at the head office thereof in Ontario, or otherwise. R.S.O. 1990, c. I.8, s. 36 (3); 2018, c. 8, Sched. 13, s. 22.

Appraisement of real property owned by insurer

(4)  If it appears to the Chief Executive Officer, or if he or she has any reason to suppose, from the annual statements prepared and delivered to him or her by all insurers, that the value placed by any insurer, incorporated and licensed in Ontario, upon the real property owned by it or any parcel thereof is too great, the Chief Executive Officer may require such insurer to secure an appraisement of such real property by one or more competent valuators or the Chief Executive Officer may procure such appraisement at the expense of the insurer, and the appraised value, if it varies materially from the statement or return made by the insurer, may be substituted in the annual report of the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 36 (4); 2006, c. 33, Sched. O, s. 2; 2018, c. 8, Sched. 13, s. 22.

Appraisement of real property held as security for loans

(5)  In like manner, if it appears to the Chief Executive Officer, or if he or she has any reason to suppose, that the amount secured by mortgage or hypothec upon any parcel of real property, together with the interest due and accrued thereon, is greater than the value of the parcel, or that the parcel is not sufficient for the loan and interest, the Chief Executive Officer may procure an appraisement thereof and, if from the appraised value it appears that the parcel is not adequate security for the loan and interest, he or she may write off the loan and interest a sum sufficient to reduce the loan to such an amount as may fairly be realizable from the security, in no case to exceed the appraised value, and the Chief Executive Officer may insert the reduced amount in his or her annual report. R.S.O. 1990, c. I.8, s. 36 (5); 2006, c. 33, Sched. O, s. 2; 2018, c. 8, Sched. 13, s. 22.

Appraisement of other investments

(6)  In like manner, if it appears to the Chief Executive Officer, or if he or she has any reason to suppose, that the value of any other investment of the funds of the insurer is less than the amount of the value of the investments shown in the books of the insurer, the Chief Executive Officer may make or cause to be made an appraisal of the security, and, if from the appraised value it appears that the value of the security as shown on the books of the insurer is greater than its true value as shown by the appraisal, he or she may reduce the book value of the security to such amount as may fairly be realizable from the security, in no case to exceed the appraised value, and the Chief Executive Officer may insert the reduced amount in his or her annual report. R.S.O. 1990, c. I.8, s. 36 (6) ; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 2](http://www.ontario.ca/laws/statute/S06033" \l "schedos2) - 05/05/2008

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2020, c. 34, Sched. 7, s. 2](http://www.ontario.ca/laws/statute/S20034" \l "sched7s2) - 08/12/2020

Electronic format of documents

**37** Subject to any specific requirements set out in this Act, the regulations, the Authority rules or other applicable law, including the Electronic Commerce Act, 2000, a record or other document that is to be provided, issued or otherwise transmitted under this Act may be provided, issued or otherwise transmitted in electronic format. 2019, c. 7, Sched. 33, s. 1.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 87 - 01/07/1998

[2018, c. 8, Sched. 13, s. 2](http://www.ontario.ca/laws/statute/S18008" \l "sched13s2) - no effect - see [2019, c. 7, Sched. 33, s. 12](http://www.ontario.ca/laws/statute/S19007" \l "sched33s12) - 29/05/2019

[2019, c. 7, Sched. 33, s. 1](http://www.ontario.ca/laws/statute/S19007" \l "sched33s1) - 01/01/2022

**38** Repealed: 1997, c. 19, s. 10 (3).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (3) - 10/10/1997

PART II  
GENERAL PROVISIONS APPLICABLE TO INSURERS

Application of Part, insurance business in Ontario

**39** (1)  This Part applies to insurance undertaken in Ontario and to all insurers carrying on business in Ontario.

Undertaking insurance

(2)  An insurer undertaking a contract of insurance that under this Act is deemed to be made in Ontario, whether the contract is original or renewed, except the renewal from time to time of life insurance policies, shall be deemed to be undertaking insurance in Ontario within the meaning of this Part.

Carrying on business

(3)  An insurer undertaking insurance in Ontario or that in Ontario sets up or causes to be set up a sign containing the name of an insurer, or that in Ontario maintains or operates, either in its own name or in the name of its agent or other representative, an office for the transaction of the business of insurance either in or out of Ontario, or that in Ontario distributes or publishes or causes to be distributed or published any proposal, circular, card, advertisement, printed form or like document, or that in Ontario makes or causes to be made any written or oral solicitation for insurance, or that in Ontario issues or delivers any policy of insurance or interim receipt or collects or receives or negotiates for or causes to be collected or received or negotiated for any premium for a contract of insurance or inspects any risk or adjusts any loss under a contract of insurance, or that prosecutes or maintains in Ontario an action or proceeding in respect of a contract of insurance, or a club, society or association incorporated or unincorporated that receives, either as trustees or otherwise, contributions or money from its members out of which gratuities or benefits are paid directly or indirectly upon the death of its members, or any of them, shall be deemed to be an insurer carrying on business in Ontario within the meaning of this Act. R.S.O. 1990, c. I.8, s. 39.

Licences

Necessity for licence

**40** (1)  Every insurer undertaking insurance in Ontario or carrying on business in Ontario shall obtain from the Chief Executive Officer and hold a licence under this Act. R.S.O. 1990, c. I.8, s. 40 (1); 1997, c. 28, s. 88; 2018, c. 8, Sched. 13, s. 22.

Prohibition re: licence

(2)  No person shall carry on business as an insurer or engage in an act constituting the business of insurance in Ontario without a licence under this Act. R.S.O. 1990, c. I.8, s. 40 (2).

Idem

(3)  No insurer shall carry on business in Ontario as an insurer of a class of insurance that is not authorized by its licence under this Act. R.S.O. 1990, c. I.8, s. 40 (3).

Prohibition against acting on behalf of unlicensed insurer

(4)  No person in Ontario shall do or cause to be done any act or thing mentioned in subsection 39 (3) on behalf of or as agent of an insurer that is not licensed under this Act. R.S.O. 1990, c. I.8, s. 40 (4).

Exception

(5)  The following shall not be deemed insurers within the meaning of this Act or required or entitled to be licensed as such:

1. Pension fund societies incorporated under the Corporations Act.

2. Corporations mentioned in paragraphs 3 and 4 of section 343.

3. A trade union in Ontario that under the authority of its incorporating Act or charter has an assurance or benefit fund for the benefit of its own members exclusively.

4. Mutual benefit societies. R.S.O. 1990, c. I.8, s. 40 (5); 1997, c. 19, s. 10 (4).

Unauthorized insurance

(6)  No insurer that is incorporated in Ontario and licensed under this Act shall carry on or solicit business as an insurer in another jurisdiction unless it is authorized to do so under the laws of that jurisdiction. R.S.O. 1990, c. I.8, s. 40 (6).

Prohibited benefits

(7)  No mutual benefit society shall offer or pay a benefit that would have been prohibited under this Act on January 1, 1996. 1997, c. 19, s. 10 (5).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (4, 5) - 10/10/1997;1997, c. 28, s. 88 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Reinsurance with unlicensed insurer

**41** Subject to the regulations, nothing in this Act prevents a licensed insurer who has lawfully effected a contract of insurance in Ontario from reinsuring the risk or part thereof with an insurer transacting business out of Ontario and not licensed under this Act. R.S.O. 1990, c. I.8, s. 41.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 41 of the Act is amended by striking out “the regulations” and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 2)

**Section Amendments with date in force (d/m/y)**

[2017, c. 34, Sched. 21, s. 2](http://www.ontario.ca/laws/statute/S17034" \l "sched21s2) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Authorized insurers and insurance

What insurers may be licensed

**42** (1)  Upon due application and upon proof of compliance with this Act, the Chief Executive Officer may issue a licence to undertake contracts of insurance and carry on business in Ontario to any insurer coming within one of the following classes:

1. Joint stock insurance companies.

2. Mutual insurance corporations.

3. Cash-mutual insurance corporations.

4. Fraternal societies.

5. Repealed: 1997, c. 19, s. 10 (6).

6. Companies duly incorporated to undertake insurance contracts and not within classes 1 to 5.

7. Reciprocal insurance exchanges.

8. Underwriters or syndicates of underwriters operating on the plan known as Lloyds.

9. Repealed: 1997, c. 19, s. 10 (6).

R.S.O. 1990, c. I.8, s. 42 (1); 1997, c. 19, s. 10 (6); 1997, c. 28, s. 88; 1999, c. 12, Sched. I, s. 4 (6); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 42 of the Act is amended by adding the following subsections: (See: 2018, c. 8, Sched. 13, s. 3)

Limit, issuance of licence

(1.1)  After the day section 3 of Schedule 13 to the Plan for Care and Opportunity Act (Budget Measures), 2018 comes into force, the Chief Executive Officer cannot issue a licence under subsection (1) to an insurer unless the insurer satisfies at least one of the following criteria:

1. The insurer is incorporated in a jurisdiction in Canada other than Ontario,

i. that is prescribed by the Authority rules, and

ii. that has adopted international standards of solvency regulation in accordance with the Authority rules.

2. The insurer is a foreign company within the meaning of the Insurance Companies Act (Canada) and is authorized by an order of the Superintendent of Financial Institutions (Canada) made under that Act to insure risks in Canada.

3. The insurer is a reciprocal insurance exchange licensed under Part XIII of this Act.

4. The insurer is a mutual insurance corporation incorporated or amalgamated under the Corporations Act.

Note: On a day to be named by proclamation of the Lieutenant Governor, paragraph 4 of subsection 42 (1.1) of the Act is amended by adding “and a member of the Fire Mutuals Guarantee Fund” at the end. (See: 2018, c. 17, Sched. 21, s. 1 (1))

5. The insurer is owned by a province or municipality, or by an agency, commission or subsidiary of a province or municipality.

6. The insurer is an insurer incorporated or owned by a professional regulatory body authorized to provide insurance pursuant to its authorizing statute. 2018, c. 8, Sched. 13, s. 3.

Same

(1.2)  For greater certainty, unless an insurer satisfies at least one of the criteria listed in subsection (1.1), the Chief Executive Officer cannot issue a licence under subsection (1.1) to the insurer after the day section 3 of Schedule 13 to the Plan for Care and Opportunity Act (Budget Measures), 2018 comes into force, even if the insurer applied for the licence on or before that date and satisfied the requirements under this Act for the licence as they existed when the application was made. 2018, c. 8, Sched. 13, s. 3.

Limit, licence for purpose of dissolving or winding up

(1.3)  If, within three years after the day section 3 of Schedule 13 to the Plan for Care and Opportunity Act (Budget Measures), 2018 comes into force, an insurer does not satisfy at least one of the following criteria, the insurer’s licence is limited to authorizing the insurer to carry on business in Ontario solely for the purpose of dissolving or winding up its business:

1. The insurer is incorporated in a jurisdiction in Canada other than Ontario,

i. that is prescribed by the Authority rules, and

ii. that has adopted international standards of solvency regulation in accordance with the Authority rules.

2. The insurer is a foreign company within the meaning of the Insurance Companies Act (Canada) and is authorized by an order of the Superintendent of Financial Institutions (Canada) made under that Act to insure risks in Canada.

3. The insurer is a reciprocal insurance exchange licensed under Part XIII of this Act.

4. The insurer is a mutual insurance corporation incorporated or amalgamated under the Corporations Act.

Note: On a day to be named by proclamation of the Lieutenant Governor, paragraph 4 of subsection 42 (1.3) of the Act is amended by adding “and a member of the Fire Mutuals Guarantee Fund” at the end. (See: 2018, c. 17, Sched. 21, s. 1 (2))

5. The insurer is owned by a province or municipality, or by an agency, commission or subsidiary of a province or municipality.

6. The insurer is an insurer incorporated or owned by a professional regulatory body authorized to provide insurance pursuant to its authorizing statute. 2018, c. 8, Sched. 13, s. 3.

Authorized insurance

(2)  A licence issued under this Act authorizes the insurer named therein to exercise in Ontario all rights and powers reasonably incidental to the carrying on of the business of insurance named therein that are not inconsistent with this Act or with its Act or instrument of incorporation or organization. R.S.O. 1990, c. I.8, s. 42 (2).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (6) - 10/10/1997; 1997, c. 28, s. 88 - 01/07/1998; 1999, c. 12, Sched. I, s. 4 (6) - 01/01/2001

[2018, c. 8, Sched. 13, s. 3](http://www.ontario.ca/laws/statute/S18008" \l "sched13s3) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019[2018, c. 17, Sched. 21, s. 1 (1, 2)](http://www.ontario.ca/laws/statute/S18017" \l "sched21s1s1) - not in force

Classes of insurance and licence conditions

**43** (1)  The Chief Executive Officer may by order determine and define classes of insurance for the purposes of this Act and of licences granted to insurers under this Act. 1997, c. 28, c. 89 (1); 2018, c. 8, Sched. 13, s. 22.

Not a regulation

(1.1)  An order made by the Chief Executive Officer under subsection (1) is not a regulation within the meaning of Part III (Regulations) of the Legislation Act, 2006. 1997, c. 28, c. 89 (1); 2006, c. 21, Sched. F, s. 136 (1); 2018, c. 8, Sched. 13, s. 22.

Publication of list

(1.2)  The Chief Executive Officer shall publish on the website of the Authority a list of the classes of insurance authorized under subsection (1) as of the date of the list and shall publish on the website of the Authority notice of all additions to or deletions from the list as soon as practicable after making them. 2019, c. 14, Sched. 9, s. 3.

Licence to carry on insurance business

(2)  Subject to the provisions of the Parts of this Act that particularly relate to the classes of insurers mentioned in section 42, a licence may be granted to an insurer to carry on any one or more of the classes of insurance defined under subsection (1). R.S.O. 1990, c. I.8, s. 43 (2); 2002, c. 18, Sched. H, s. 4 (5).

Determination of classes of insurance by Chief Executive Officer

(3)  For the purposes of this Act, the Chief Executive Officer may determine the class or classes of insurance into which the circumstances or conditions in any case may bring any insurance granted or that may be granted in respect thereto, and the policy form for the class of insurance to be used thereunder. R.S.O. 1990, c. I.8, s. 43 (3); 2018, c. 8, Sched. 13, s. 22.

Conditions

(4)  A licence may be issued subject to such limitations and conditions as may be prescribed by Authority rule. R.S.O. 1990, c. I.8, s. 43 (4); 2018, c. 8, Sched. 13, s. 4.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, c. 89 (1) - 01/07/1998

[2002, c. 18, Sched. H, s. 4 (5)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s5) - 30/04/2007

[2006, c. 21, Sched. F, s. 136 (1)](http://www.ontario.ca/laws/statute/S06021" \l "schedfs136s1) - 25/07/2007

[2018, c. 8, Sched. 13, s. 4, 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s4) - 08/06/2019

[2019, c. 14, Sched. 9, s. 3](http://www.ontario.ca/laws/statute/S19014" \l "sched9s3) - 31/07/2020

Membership in compensation association

**44** (1)  Where a compensation association has been designated by the regulations as a compensation association for a class of insurers, every insurer in that class shall be deemed to be a member of the compensation association and shall be bound by the by-laws and memorandum of operation of the compensation association. 2002, c. 18, Sched. H, s. 4 (6).

Assessments and levies

(2)  A member of a compensation association shall pay to the compensation association all assessments and levies made against the member by the compensation association, and, where the member fails to pay the assessment or levy within thirty days of the day the notice of the assessment or levy is provided to the member,

(a) the compensation association may claim the amount of the assessment or levy, with interest, as a debt due from the member or if the insurer has ceased to be a member, from the former member; and

(b) the licence of the member to carry on insurance may be cancelled. R.S.O. 1990, c. I.8, s. 44 (2); 2019, c. 7, Sched. 33, s. 2.

Non-application

(3)  Subsections (1) and (2) do not apply to,

(a) a mutual insurance corporation that is a member of the Fire Mutuals Guarantee Fund or such other insurers designated under the regulations as being adequately covered by some other plan of compensation;

(b) an insurer whose business is limited to that of reinsurance;

(c) an insurer named in an agreement entered into under section 120 as an insurer to whom subsections (1) and (2) do not apply;

(d) a reciprocal insurance exchange; or

(e) a class of insurer designated by the regulations. R.S.O. 1990, c. I.8, s. 44 (3); 1997, c. 19, s. 10 (8); 1999, c. 12, Sched. I, s. 4 (8).

Note: On a day to be named by proclamation of the Lieutenant Governor, section 44 of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 3)

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (7, 8) - 10/10/1997; 1999, c. 12, Sched. I, s. 4 (7) - 22/12/1999; 1999, c. 12, Sched. I, s. 4 (8) - 01/01/2001

[2002, c. 18, Sched. H, s. 4 (6)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s6) - 30/04/2007

[2017, c. 34, Sched. 21, s. 3](http://www.ontario.ca/laws/statute/S17034" \l "sched21s3) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2019, c. 7, Sched. 33, s. 2](http://www.ontario.ca/laws/statute/S19007" \l "sched33s2) - 29/05/2019

Conditions of automobile insurance licence

**45** (1)  A licence to carry on automobile insurance in Ontario is subject to the following conditions:

1. In any action in Ontario against the licensed insurer or its insured arising out of an automobile accident in Ontario, the insurer shall appear and shall not set up any defence to a claim under a contract made outside Ontario, including any defence as to the limit or limits of liability under the contract, that might not be set up if the contract were evidenced by a motor vehicle liability policy issued in Ontario and such contract made outside Ontario shall be deemed to include the statutory accident benefits referred to in subsection 268 (1).

2. In any action in another province or territory of Canada, a jurisdiction in the United States of America or a jurisdiction designated in the Statutory Accident Benefits Schedule against the licensed insurer, or its insured, arising out of an automobile accident in that jurisdiction, the insurer shall appear and shall not set up any defence to a claim under a contract evidenced by a motor vehicle liability policy issued in Ontario, including any defence as to the limit or limits of liability under the contract, that might not be set up if the contract were evidenced by a motor vehicle liability policy issued in that jurisdiction. R.S.O. 1990, c. I.8, s. 45 (1); 1993, c. 10, s. 6; 1996, c. 21, s. 12.

Penalty for breach

(2)  A licence may be cancelled when the holder commits a breach of condition as set out in subsection (1). R.S.O. 1990, c. I.8, s. 45 (2).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 6 - 01/01/1994; 1996, c. 21, s. 12 - 01/11/1996

Scope of life insurance licence

**46** Every insurer licensed for the transaction of life insurance may, under the authority of its licence, unless the licence expressly provides otherwise,

(a) Repealed: 2002, c. 18, Sched. H, s. 4 (7).

(b) transact annuities of all kinds and insurance providing for the establishment of accumulation or endowment funds. R.S.O. 1990, c. I.8, s. 46; 2002, c. 18, Sched. H, s. 4 (7).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (7)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s7) - 30/04/2007

**47** Repealed: 2002, c. 18, Sched. H, s. 4 (8).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (8)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s8) - 30/04/2007

Capital requirements, etc.

**48** (1)  Repealed: 2019, c. 14, Sched. 9, s. 20.

Capital requirements for joint stock Co. — insurance other than life

(2)  A licence shall not be granted to a joint stock insurance company unless the company furnishes to the Chief Executive Officer satisfactory evidence that if the company is applying for a licence to transact any insurance other than life insurance, the company has, in aggregate, a paid up capital and unimpaired surplus of not less than $3,000,000 or such greater amount as the Chief Executive Officer in the circumstances may require. R.S.O. 1990, c. I.8, s. 48 (2); 1997, c. 28, s. 90; 2018, c. 8, Sched. 13, s. 22.

Capital requirements for other insurers — insurance other than life

(3)  A licence shall not be granted to a mutual insurance corporation, a cash-mutual insurance corporation, an insurance company mentioned in paragraph 6 of subsection 42 (1), or to an underwriter or syndicate of underwriters operating on the plan known as Lloyds, except upon proof that the net surplus of assets over all liabilities exceeds the amount fixed by subsection (2) for the paid in capital stock of joint stock insurance companies, and that such net surplus of assets over all liabilities together with the contingent liability of members, if any, exceeds the amount fixed by subsection (2) for the paid up capital and surplus of joint stock insurance companies for the respective classes of insurance mentioned therein. R.S.O. 1990, c. I.8, s. 48 (3).

Exemption orders

(4)  On the report of the Chief Executive Officer, the Lieutenant Governor in Council may by order exempt an insurer from the minimum capital requirements set out in subsection (2) or (3), as the case may be, if the insurer is offering its services only within Ontario or if the insurer is offering a specialized or limited service that in the opinion of the Lieutenant Governor in Council does not require the support of higher capital requirements. R.S.O. 1990, c. I.8, s. 48 (4); 2018, c. 8, Sched. 13, s. 22.

Idem

(5)  An exemption under subsection (4) may be made subject to such conditions as the Lieutenant Governor in Council may impose. R.S.O. 1990, c. I.8, s. 48 (5).

Capital requirements for other insurers — life insurance

(6)  A licence shall not be granted to a mutual insurance corporation, a cash-mutual insurance corporation, an insurance company mentioned in paragraph 6 of subsection 42 (1), a reciprocal insurance exchange, or to an underwriter or syndicate of underwriters operating on the plan known as Lloyds, not licensed on the 30th day of June, 1971, except upon proof that the net surplus of assets over all liabilities exceeds the amount fixed by subsection (1) for the paid in capital stock of joint stock insurance companies, and that such net surplus of assets over all liabilities together with the contingent liability of members, if any, exceeds the amount fixed by subsection (1) for the paid up capital and surplus of joint stock insurance companies for the respective classes of insurance mentioned therein. R.S.O. 1990, c. I.8, s. 48 (6); 1999, c. 12, Sched. I, s. 4 (9).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 48 (6) of the Act is repealed. (See: 2019, c. 14, Sched. 9, s. 4)

Application of subs. (3)

(7)  Subsection (3) does not apply to a mutual insurance corporation incorporated under the laws of Ontario that is a member of the Fire Mutuals Guarantee Fund. 1999, c. 12, Sched. I, s. 4 (10).

(7.1)  Repealed: 2019, c. 14, Sched. 9, s. 20.

Application of other Parts

(8)  A licence shall not be granted to an insurer except upon proof that it has complied with the provisions of this Act and the regulations applicable to it. R.S.O. 1990, c. I.8, s. 48 (8).

(9)  Repealed: 2019, c. 14, Sched. 9, s. 20.

Evidence by insurer when head office is outside Ontario

(10)  Where the head office of an applicant for a licence under this Act is situate out of Ontario, a licence shall not be granted except upon proof of its ability to provide for the payment at maturity of all its contracts, but the Chief Executive Officer may accept as sufficient the fact that it is licensed by any other government in Canada. R.S.O. 1990, c. I.8, s. 48 (10); 2018, c. 8, Sched. 13, s. 22.

Licence of extra-provincial corporation

(11)  A licence shall not be granted to a corporation that is incorporated under the law of a province other than Ontario unless its head office and chief place of business is situate in that province. R.S.O. 1990, c. I.8, s. 48 (11).

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 90 - 01/07/1998; 1999, c. 12, Sched. I, s. 4 (9) - 01/01/2001; 1999, c. 12, Sched. I, s. 4 (10) - 22/12/1999

[2002, c. 18, Sched. H, s. 4 (9)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s9) - 30/04/2007

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 4](http://www.ontario.ca/laws/statute/S19014" \l "sched9s4) - not in force; [2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

Information preliminary to licence

**49** The Chief Executive Officer may require such notice of the application for a licence to be given by publication on the website of the Authority and elsewhere as he or she considers necessary. R.S.O. 1990, c. I.8, s. 49; 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 5.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 5](http://www.ontario.ca/laws/statute/S19014" \l "sched9s5) - 31/07/2020

Documentary, etc., requirements

Documents to be filed by applicants for licence

**50** (1)  Before the issue of a licence to an insurer, such insurer shall file in the office of the Chief Executive Officer the following documents:

1. A certified copy of its Act or other instrument of incorporation or association and of its constitution and by-laws and regulations verified in a manner satisfactory to the Chief Executive Officer.

2. A certified copy of its last balance sheet and auditor’s report thereon.

3. If the head office of the insurer is out of Ontario, notice of the place where the chief office of the insurer in Ontario is to be situate.

4. If the head office of the insurer is out of Ontario, a power of attorney from the insurer to an agent resident in Ontario.

5. Copies of all policy forms and forms of application for insurance proposed to be used by the insurer in Ontario.

6. Any evidence or documents required by other Parts of this Act. R.S.O. 1990, c. I.8, s. 50 (1); 2018, c. 8, Sched. 13, s. 22.

Evidence

(2)  The applicant for a licence shall furnish such evidence as the Chief Executive Officer considers necessary that the requirements of this Act have been complied with and that the applicant is entitled to the licence applied for. R.S.O. 1990, c. I.8, s. 50 (2); 2018, c. 8, Sched. 13, s. 22.

Paying cost of examination

(3)  When the Chief Executive Officer considers it necessary to conduct an examination of the affairs of an applicant for a licence, the applicant shall pay the costs of the examination upon receiving a statement thereof certified by the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 50 (3); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Filing of changes in by-laws, etc.

**51** Every licensed insurer shall file in the office of the Chief Executive Officer certified copies of every amendment, revision or consolidation of its Act or other instrument of incorporation or association and of its constitution, by-laws and regulations verified in a manner satisfactory to the Chief Executive Officer within thirty days after the passing or adoption of the amendment, revision or consolidation. R.S.O. 1990, c. I.8, s. 51; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Corporate requirements

Statement of expenses of organization

**52** (1)  Upon application being made for a licence under this Act by an insurer incorporated in Ontario, there shall be submitted to the Chief Executive Officer a sworn statement setting forth the several sums of money paid in connection with the incorporation and organization of the insurer, and such statement shall, in addition, include a list of all unpaid liabilities, if any, in connection with or arising out of the incorporation and organization. R.S.O. 1990, c. I.8, s. 52 (1); 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 6.

To what limited

(2)  Until the licence is granted, no payments on account of expenses of incorporation and organization shall be made out of the money paid in by shareholders, except reasonable sums for the payment of clerical assistance, legal services, office rental, advertising, stationery, postage and expense of travel, if any. R.S.O. 1990, c. I.8, s. 52 (2).

Conditions precedent to issue of licence

(3)  The Chief Executive Officer shall not issue the licence until he or she is satisfied that all the requirements of this Act and of the Corporations Act as to the subscriptions for shares in the capital of the insurer, the payment of money by shareholders on account of their subscriptions, the election of directors and other preliminaries have been complied with, and unless he or she is satisfied that the expenses of incorporation and organization, including any commission payable in connection with subscriptions for shares in the capital of the insurer, are reasonable. R.S.O. 1990, c. I.8, s. 52 (3); 1997, c. 28, s. 90; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 90 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 6](http://www.ontario.ca/laws/statute/S19014" \l "sched9s6) - 10/12/2019

Right to licence and insurer’s name

Right to licence

**53** (1)  An insurer that has applied for a licence and has complied with this Act and the Corporations Act is entitled to the licence. R.S.O. 1990, c. I.8, s. 53 (1).

Name of insurer

(2)  The Chief Executive Officer may refuse to licence an insurer where the name of the insurer is,

(a) the same as or similar to the name of another insurer and the assumption or use of the name in Ontario would be likely to deceive or mislead the public; or

(b) if the name of the insurer is objectionable on any public grounds. R.S.O. 1990, c. I.8, s. 53 (2); 1997, c. 28, s. 90; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 90 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Power of attorney of chief agent, insurers outside Ontario

**54** (1)  Every licensed insurer that has its head office outside Ontario shall file with the Chief Executive Officer an executed copy of a power of attorney from the insurer to a chief agent resident in Ontario. R.S.O. 1990, c. I.8, s. 54 (1); 2018, c. 8, Sched. 13, s. 22.

Execution of power of attorney

(2)  The power of attorney shall be under the seal of the insurer, and shall be signed by the president and secretary or other proper officers of the insurer in the presence of a witness who shall make oath as to its due execution. R.S.O. 1990, c. I.8, s. 54 (2).

Authentication

(3)  The official positions held by the officers signing the power of attorney shall be verified by an oath of a person cognizant of the fact. R.S.O. 1990, c. I.8, s. 54 (3).

Contents of power of attorney

(4)  The power of attorney shall declare at what place in Ontario the chief agency of the corporation is and shall expressly authorize the chief agent to receive service of process in all actions and proceedings against the insurer in Ontario for any liability incurred by the insurer therein, and also to receive from the Chief Executive Officer all notices that the law requires to be given, or that it is thought advisable to give, and shall declare that service of process for or in respect of such liability on the chief agent is legal and binding on the insurer. R.S.O. 1990, c. I.8, s. 54 (4); 2018, c. 8, Sched. 13, s. 22.

Authority conferred

(5)  The power of attorney may confer upon the chief agent any further or other powers that the insurer considers advisable. R.S.O. 1990, c. I.8, s. 54 (5).

Effect of copy as evidence

(6)  The production of a copy of the power of attorney certified by the Chief Executive Officer is sufficient evidence for all purposes of the power and authority of the person therein named to act on behalf of the insurer in the manner and for the purposes set forth in the certified copy. R.S.O. 1990, c. I.8, s. 54 (6); 2018, c. 8, Sched. 13, s. 22.

Changes in chief agent

(7)  Where the insurer changes its chief agent in Ontario, it shall, within seven days of the appointment, file with the Chief Executive Officer a similar power of attorney, stating the change and containing a similar declaration as to service of process and notices. R.S.O. 1990, c. I.8, s. 54 (7); 2018, c. 8, Sched. 13, s. 22.

Service of process thereafter

(8)  After the power of attorney is filed, any process in any action or proceeding against the insurer for liability incurred in Ontario may be validly served on the insurer upon its chief agent, but nothing in this section renders invalid service in any other mode in which the corporation may be lawfully served. R.S.O. 1990, c. I.8, s. 54 (8).

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Form, term, conditions of licence

Form

**55** (1)  Subject to section 382, the licence shall be in such form or forms for the different classes of insurers as may be from time to time determined by the Chief Executive Officer, and shall specify the business to be carried on by the insurer. R.S.O. 1990, c. I.8, s. 55 (1); 1997, c. 28, s. 90; 2018, c. 8, Sched. 13, s. 22.

Conditions

(2)  The Chief Executive Officer may, at any time and in respect of any licence of an insurer,

(a) set a term for the licence;

(b) impose any conditions or limitations that the Chief Executive Officer considers appropriate relating to the carrying on of the insurer’s business; or

(c) vary, amend or revoke any condition or limitation to which the licence is subject. 1997, c. 28, s. 91 (1); 2018, c. 8, Sched. 13, s. 22.

Notice

(3)  The Chief Executive Officer shall not exercise any power under subsection (2) until he or she has given the insurer notice of intention to exercise the power and has afforded the insurer a reasonable opportunity to make written submissions. 1997, c. 28, s. 91 (1); 2018, c. 8, Sched. 13, s. 22.

Application

(4)  Subsections (2) and (3) apply in respect of licences in force on the date this section comes into force and in respect of licenses issued after the date this section comes into force. 1997, c. 28, s. 91 (1).

Appeal to Tribunal

(5)  The insurer may appeal the decision of the Chief Executive Officer to the Tribunal. 1997, c. 28, s. 91 (1); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, ss. 90, 91 (1) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Failure to pay claim, licence cancellation, etc.

**56** (1)  Where written notice has been served on the Chief Executive Officer and upon proof of an undisputed claim arising from loss insured against in Ontario remaining unpaid for the space of sixty days after being due or of a disputed claim after final judgment in the regular course of law and tender of a legal, valid discharge being unpaid, the Chief Executive Officer may suspend or cancel the licence. R.S.O. 1990, c. I.8, s. 56 (1); 1997, c. 28, s. 92; 2018, c. 8, Sched. 13, s. 22.

Revival of licence

(2)  The licence may be revived and the insurer may again transact business if, within six months after notice to the Chief Executive Officer of the failure of the insurer to pay an undisputed claim or the amount of a final judgment as provided in this section, such undisputed claim or final judgment upon or against the insurer in Ontario is paid and satisfied. R.S.O. 1990, c. I.8, s. 56 (2); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 92 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Suspension, cancellation of insurer’s licence for failure to pay administrative penalty

**57** (1)  The Chief Executive Officer may suspend or cancel an insurer’s licence if the insurer fails to pay an administrative penalty as required under this Act. 2012, c. 8, Sched. 23, s. 2; 2018, c. 8, Sched. 13, s. 22.

Notice

(2)  The Chief Executive Officer shall give written notice to the insurer before exercising the Chief Executive Officer’s authority under subsection (1). 2012, c. 8, Sched. 23, s. 2; 2018, c. 8, Sched. 13, s. 22, 23.

Procedural steps not required

(3)  Section 58 does not apply to the exercise of the Chief Executive Officer’s authority under subsection (1). 2012, c. 8, Sched. 23, s. 2; 2018, c. 8, Sched. 13, s. 23.

Revival of licence

(4)  If a licence is suspended or cancelled under subsection (1), the Chief Executive Officer may revive the licence if the insurer pays the administrative penalty. 2012, c. 8, Sched. 23, s. 2; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (10) - 10/10/1997

[2012, c. 8, Sched. 23, s. 2](http://www.ontario.ca/laws/statute/S12008" \l "sched23s2) - 01/01/2013

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Disciplinary action against insurers

Chief Executive Officer’s report

**58** (1)  Upon examination, from annual statements, or upon any other evidence, the Chief Executive Officer shall make a report if he or she,

(a) finds, with respect to an insurer incorporated or organized under the laws of Ontario, that the assets of the insurer are insufficient to justify its continuance in business or to provide for its obligations;

(b) is of the opinion that there exists a state of affairs that is or may be prejudicial to the interests of persons who have contracts of insurance with an insurer licensed in Ontario;

(c) finds that an insurer licensed in Ontario has failed to comply with any provision of law or with its Act or instrument of incorporation or association; or

(d) becomes aware that the licence of an insurer licensed in Ontario has been suspended or cancelled by any government in Canada. 1997, c. 28, s. 94; 2018, c. 8, Sched. 13, s. 22.

Notice to insurer

(2)  The Chief Executive Officer may give notice in writing, which shall include a copy of the report made under subsection (1), to the insurer stating that the Chief Executive Officer intends,

(a) to suspend or cancel the insurer’s licence; or

(b) to take possession and control of the assets of the insurer if incorporated or organized under the laws of Ontario. 1997, c. 28, s. 94; 2018, c. 8, Sched. 13, s. 22.

Request for hearing

(3)  Within 15 days after receiving the notice, the insurer may request in writing that the Tribunal hold a hearing before the Chief Executive Officer takes any action described in the notice. 1997, c. 28, s. 94; 2018, c. 8, Sched. 13, s. 22.

Hearing

(4)  If, within the time period allowed, the insurer requests a hearing, the Tribunal shall hold a hearing. 1997, c. 28, s. 94.

No request for hearing

(5)  If, within the time period allowed, the insurer does not request a hearing, the Chief Executive Officer may, by order,

(a) suspend or cancel the licence of the insurer; or

(b) take possession and control of the assets of the insurer if incorporated or organized under the laws of Ontario. 1997, c. 28, s. 94; 2018, c. 8, Sched. 13, s. 22.

Interim order

(6)  If the Chief Executive Officer is of the opinion that the interests of the public may be adversely affected by any delay in making an order mentioned in subsection (5), the Chief Executive Officer may make an interim order before the expiry of the time period for the insurer to request a hearing or, if the Tribunal holds a hearing, before the final determination of the hearing. 1997, c. 28, s. 94; 2018, c. 8, Sched. 13, s. 22.

Interim order in force

(7)  Unless the Chief Executive Officer revokes an interim order,

(a) the interim order remains in force indefinitely if, within the time allowed, the insurer does not request a hearing;

(b) the interim order remains in force until the final determination of the hearing if, within the time period allowed, the insurer requests a hearing. 1997, c. 28, s. 94; 2018, c. 8, Sched. 13, s. 22.

Powers of Tribunal

(8)  At a hearing, if the Tribunal finds that one or more of the circumstances described in clauses (1) (a), (b), (c) and (d) exist, it may,

(a) suspend or cancel the licence of the insurer; or

(b) order the Chief Executive Officer to take possession and control of the assets of the insurer if incorporated or organized under the laws of Ontario. 1997, c. 28, s. 94; 2018, c. 8, Sched. 13, s. 22.

Copy of order to insurer

(9)  If the Tribunal makes an order described in clause (8) (b), the Chief Executive Officer shall deliver a copy of the order to an officer of the insurer. 1997, c. 28, s. 94; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 94 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**59** Repealed: 1997, c. 28, s. 94.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 94 - 01/07/1998

**60** Repealed: 1997, c. 19, s. 10 (11).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (11) - 10/10/1997

**61** Repealed: 1997, c. 28, s. 95.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 95 - 01/07/1998

Chief Executive Officer takes control

Power of Chief Executive Officer upon taking control

**62** (1)  If the Chief Executive Officer has taken possession and control of the assets of the insurer, he or she shall thereafter conduct its business and take such steps as in his or her opinion should be taken toward its rehabilitation, and for such purposes the Chief Executive Officer has all the powers of the board of directors of the insurer, and, without limiting the generality of the foregoing, the Chief Executive Officer may,

(a) exclude the directors, officers, employees and agents of the insurer from the premises, property and business of the insurer; and

(b) carry on, manage and conduct the operations of the insurer and in the name of the insurer preserve, maintain, realize, dispose of and add to the property of the insurer, receive the incomes and revenues of the insurer and exercise all the powers of the insurer. R.S.O. 1990, c. I.8, s. 62 (1); 1993, c. 10, s. 9; 1997, c. 28, s. 96 (1); 2018, c. 8, Sched. 13, s. 22.

Application to court

(2)  While the Chief Executive Officer has possession and control of the assets of an insurer under this section, the Chief Executive Officer may apply to the court for an order for the winding up of the insurer under Part VI of the Corporations Act. R.S.O. 1990, c. I.8, s. 62 (2); 1997, c. 28, s. 96 (2); 2018, c. 8, Sched. 13, s. 22.

Appointment of managers

(3)  Where the Chief Executive Officer is in possession and control of the assets of an insurer and is conducting its business, he or she may appoint one or more persons to manage and operate the business of the insurer and,

(a) each person so appointed is a representative of the Chief Executive Officer; and

(b) the remuneration of any such person, other than an employee of the office of the Chief Executive Officer, shall be fixed by the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 62 (3); 1997, c. 28, s. 96 (3); 2018, c. 8, Sched. 13, s. 22.

Relinquishing control

(4)  Whenever the Chief Executive Officer believes that an insurer whose assets are in the possession and control of the Chief Executive Officer meets all the requirements of this Act and that it is otherwise proper for the insurer to resume possession and control of its assets and the conduct of its business, the Chief Executive Officer may relinquish to the insurer the possession and control of its assets, and after that time the powers of the Chief Executive Officer under this section cease. R.S.O. 1990, c. I.8, s. 62 (4); 2018, c. 8, Sched. 13, s. 22.

Rehabilitation efforts futile

(5)  If the Chief Executive Officer considers that further efforts to rehabilitate an insurer whose assets are in the possession and control of the Chief Executive Officer would be futile, the Chief Executive Officer may relinquish to the insurer the possession and control of its assets, and after that time the powers of the Chief Executive Officer under this section cease. 1997, c. 28, s. 96 (4); 2018, c. 8, Sched. 13, s. 22.

Expenses of proceedings

(6)  The expenses of the Chief Executive Officer incurred in rehabilitation proceedings under this section and section 58 shall be paid by all insurers licensed under this Act to carry on business of the same class or classes as the insurer who is the subject of the proceedings, and the share of each shall be the proportion of the expenses that the net premium income received from the insurer’s policyholders in Ontario in its last preceding fiscal year bears to the total net premium income received from the policyholders in Ontario by all insurers of that class in their respective last preceding fiscal years. R.S.O. 1990, c. I.8, s. 62 (6); 1997, c. 28, s. 96 (5); 2018, c. 8, Sched. 13, s. 22.

Advisory committee

(7)  The insurers required to bear the said expenses of the Chief Executive Officer may appoint a committee of not more than six members to advise the Chief Executive Officer in respect of all matters pertinent to the rehabilitation of the insurer whose assets are in the possession and control of the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 62 (7); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 9 - 01/01/1994; 1997, c. 28, s. 96 (1-5) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Appeal against Tribunal order to take control

**63** (1)  Despite section 62, an insurer may appeal to the Divisional Court from any order made by the Tribunal under clause 58 (8) (b) within thirty days after the delivery of a copy of the order to an officer of the insurer. 1993, c. 10, s. 10 (1); 1997, c. 28, s. 97 (1).

Stay

(2)  An order of the Tribunal under clause 58 (8) (b) shall take effect immediately, but where there is an appeal, a judge of the Divisional Court may grant a stay until any appeal is disposed of. R.S.O. 1990, c. I.8, s. 63 (2); 1993, c. 10, s. 10 (2); 1997, c. 28, s. 97 (2).

Documents to be filed

(3)  The Tribunal shall file with the Divisional Court,

(a) the decision of the Tribunal;

(b) the report of the Chief Executive Officer;

(c) the record of the hearing; and

(d) all written submissions by the appellant to the Tribunal. 1997, c. 28, s. 97 (3); 2018, c. 8, Sched. 13, s. 22.

(4)  Repealed: 1993, c. 10, s. 10 (3).

Order

(5)  Where an appeal is taken under this section, the court may by order direct the Chief Executive Officer to take such action as the court considers proper or refrain from taking any action specified in the order and the Chief Executive Officer shall act accordingly. R.S.O. 1990, c. I.8, s. 63 (5); 2018, c. 8, Sched. 13, s. 22.

Further decision

(6)  Despite the determination of the appeal under this section, the Chief Executive Officer and the Tribunal have power to make any further reports and orders on new material or where there is a material change in the circumstances, and any such further order is subject to appeal under this section. 1993, c. 10, s. 10 (4); 1997, c. 28, s. 97 (4); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 10 (1-4) - 01/01/1994; 1997, c. 28, s. 97 (1-4) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Revocation of licence

**63.1**The Chief Executive Officer may revoke an insurer’s licence under this Act at the request of the insurer. 2018, c. 8, Sched. 13, s. 5.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 5](http://www.ontario.ca/laws/statute/S18008" \l "sched13s5) - 08/06/2019

Revival of licence

**64** Where the licence of an insurer is suspended or cancelled under this Act, it may be revived if the insurer makes good the deposit, or the deficiency, as the case may be, to the satisfaction of the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 64; 1997, c. 28, s. 98; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 64 of the Act is amended by adding the following subsection: (See: 2018, c. 8, Sched. 13, s. 6)

Exception

(2)  After the day section 3 of Schedule 13 to the Plan for Care and Opportunity Act (Budget Measures), 2018 comes into force, an insurer’s licence cannot be revived unless the insurer satisfies at least one of the criteria listed in subsection 42 (1.3) at the time of the revival. 2018, c. 8, Sched. 13, s. 6.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 98 - 01/07/1998

[2018, c. 8, Sched. 13, s. 6](http://www.ontario.ca/laws/statute/S18008" \l "sched13s6) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Notice of suspension or cancellation

**65** If a licence of an insurer is suspended or cancelled, notice of such suspension or cancellation shall be published on the website of the Authority and elsewhere as the Chief Executive Officer directs, and thereafter any person transacting business on behalf of the insurer except for winding-up purposes is guilty of an offence. 1997, c. 28, s. 99; 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 7.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 99 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 7](http://www.ontario.ca/laws/statute/S19014" \l "sched9s7) - 31/07/2020

Withdrawal from Automobile Insurance

Withdrawal procedure

**65.1**(1)  For the purpose of this section, an insurer is withdrawing from the business of automobile insurance if the insurer does anything that results or is likely to result in a significant reduction in the amount of gross premiums written by the insurer for automobile insurance in any part of Ontario, including any of the following things that have or are likely to have that result:

1. Refusing to process applications for automobile insurance.

2. Declining to issue, terminating or refusing to renew contracts of automobile insurance.

3. Refusing to provide or continue coverages or endorsements in respect of contracts of automobile insurance.

4. Taking actions that directly or indirectly result in termination of contracts between the insurer and the agents and brokers who solicit or negotiate contracts of automobile insurance on behalf of the insurer.

5. Reducing the ability of the agents or brokers to solicit or negotiate contracts of automobile insurance on behalf of the insurer.

6. Reducing the insurer’s ability to act as a servicing carrier or ceasing to act as a servicing carrier under the Plan of Operation of the Facility Association.

7. Taking actions that directly or indirectly result in the termination of any contract between the insurer and the Facility Association.

8. Engaging in any activity or failure to act that is prescribed by the regulations.

Withdrawal from automobile insurance

(2)  An insurer shall not withdraw from the business of automobile insurance except in accordance with this section. 1993, c. 10, s. 11.

Procedure for withdrawal

(3)  An insurer that intends to withdraw from the business of automobile insurance shall file with the Chief Executive Officer a notice in the form provided by the Chief Executive Officer. 1993, c. 10, s. 11; 1997, c. 28, s. 100; 2018, c. 8, Sched. 13, s. 22.

Time for notice

(4)  The notice shall specify the date that the insurer intends to begin to withdraw from the business of automobile insurance and shall be filed at least 180 days before that date. 1993, c. 10, s. 11.

Additional information

(5)  The Chief Executive Officer may require the insurer to provide such information, material and evidence as the Chief Executive Officer considers necessary in addition to the information, material and evidence required to be provided in the notice. 1993, c. 10, s. 11; 1997, c. 28, s. 100; 2018, c. 8, Sched. 13, s. 22.

Authority to withdraw

(6)  The insurer may withdraw from the business of automobile insurance on or after the date specified in the notice under subsection (4). 1993, c. 10, s. 11.

Chief Executive Officer’s powers

(7)  Despite subsection (6), the Chief Executive Officer may,

(a) authorize the insurer to withdraw from the business of automobile insurance before the date specified in the notice under subsection (4); or

(b) prohibit the insurer from withdrawing from the business of automobile insurance until a date specified by the Chief Executive Officer that is not later than ninety days after the date specified in the notice under subsection (4). 1993, c. 10, s. 11; 1997, c. 28, s. 100; 2018, c. 8, Sched. 13, s. 22.

Application of regulations under subs. 121 (1), par. 16

(8)  The Chief Executive Officer may order that the regulations made under paragraph 16 of subsection 121 (1) do not apply to a class of contracts, coverages or endorsements specified by the Chief Executive Officer to which an insurer is a party. 1993, c. 10, s. 11; 1997, c. 28, s. 100; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 11 - 01/01/1994; 1997, c. 28, s. 100 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Deposits

Deposits

**66** (1)  At any time, the Chief Executive Officer may require an insurer to deposit, in any amount the Chief Executive Officer considers necessary, securities acceptable to the Chief Executive Officer and on such conditions as the Chief Executive Officer considers proper. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

When to be made

(2)  The securities shall be deposited with the Chief Executive Officer within 30 days of the date that the requirement is made or within such longer period of time as is agreed to by the Chief Executive Officer. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Appeal

(2.1)  An insurer may appeal to the Tribunal the decision of the Chief Executive Officer to require a deposit. 1997, c. 28, s. 101 (2); 2018, c. 8, Sched. 13, s. 22.

Withdrawal of deposit

(3)  No part of a deposit shall be withdrawn without the approval of the Chief Executive Officer. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Failure to comply

(4)  The Chief Executive Officer may suspend the licence of an insurer that fails to deposit securities in the amount and within the time required by,

(a) the Chief Executive Officer under subsection (1) if the insurer has not appealed the Chief Executive Officer’s decision; or

(b) the Tribunal under subsection (2.1) if the insurer has appealed the Chief Executive Officer’s decision. 1997, c. 28, s. 101 (3); 2018, c. 8, Sched. 13, s. 22, 23.

Vesting

(5)  Securities deposited with the Chief Executive Officer are vested in the Chief Executive Officer without any formal transfer. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Interest

(6)  The insurer is entitled to the interest and dividends paid on securities while the securities are on deposit with the Chief Executive Officer, if the insurer is in compliance with this Act. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Substitution

(7)  The Chief Executive Officer may permit an insurer to substitute other securities for those deposited by the insurer. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Reciprocal deposits

(8)  If an insurer incorporated under the laws of Ontario or a reciprocal insurance exchange provided for in Part XIII wants to be licensed by another province that requires a deposit, the Chief Executive Officer may hold securities as a deposit on a reciprocal basis for the other province. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Purpose of deposits

(9)  The Chief Executive Officer shall hold and administer a deposit as security for the Ontario contracts of the insurer and for any contracts in a reciprocating province. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Order to fix amount

(10)  If a reciprocating province requires that the amount of a deposit be in a fixed amount, the Lieutenant Governor in Council may, by order, fix the required amount of the deposit and list the reciprocating provinces with respect to the deposit. 1997, c. 19, s. 10 (14).

Claims

(11)  If an insurer that has deposited securities with the Chief Executive Officer under this section ceases to carry on the business of insurance in Ontario or if its licence is suspended or cancelled under this Act, the Chief Executive Officer shall notify each reciprocating province of the cessation, suspension or cancellation. The notice shall state that the reciprocating province is entitled to submit to the Chief Executive Officer an accounting of all claims and liabilities outstanding in the reciprocating province in respect of the insurer before the deposit is released to the insurer. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Out-of-province insurer

(12)  If the Chief Executive Officer is notified that an insurer that has deposited securities with the Chief Executive Officer has ceased to transact business in a reciprocating province or that the insurer’s licence to transact the business of insurance has been suspended or cancelled in that province, the Chief Executive Officer may, at the request of the reciprocating province, take any action that the Chief Executive Officer could take if the insurer ceased to carry on the business of insurance in Ontario or could take if the licence of the insurer were suspended or cancelled in Ontario. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Notice to insured

(13)  If the Chief Executive Officer receives notice that an order has been made in another province for the administration of a deposit of an insurer in respect of which Ontario is a reciprocating province and that a date has been fixed by the trustee in the other province for the termination of the administration of the deposit, the Chief Executive Officer shall give notice of the termination date to persons insured under Ontario policies issued by the insurer. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

Application to court

(14)  The Chief Executive Officer may, at any time, make application to a court of competent jurisdiction for directions regarding the administration of securities deposited by an insurer under this section. 1997, c. 19, s. 10 (14); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (14) - 10/10/1997; 1997, c. 28, s. 101 (2, 3) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**67-99** Repealed: 1997, c. 19, s. 10 (14).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (14) - 10/10/1997

Records and Returns

Report on share transfers

**100** No transfers of shares of an insurer shall be entered in the book or books maintained for that purpose until thirty days after notice thereof has been deposited with the Chief Executive Officer if,

(a) the transfer relates to 10 per cent or more of the issued shares of the insurer for the time being enjoying voting rights; or

(b) the directors have reason to believe that the transfer would result in a majority of the issued shares of the insurer for the time being enjoying voting rights being beneficially owned by any one person. R.S.O. 1990, c. I.8, s. 100; 1997, c. 28, s. 102; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 102 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Returns

**101** (1)  When required by the Chief Executive Officer and subject to the Authority rules, licensed insurers shall prepare and file with the Chief Executive Officer or with an agency designated by the Chief Executive Officer a return respecting the experience of the insurer’s business in a form approved by the Chief Executive Officer containing such information as the Chief Executive Officer may require. R.S.O. 1990, c. I.8, s. 101 (1); 1997, c. 28, s. 102; 2018, c. 8, Sched. 13, s. 7, 22.

Compilation of data

(2)  The Chief Executive Officer may require any agency so designated to compile the data so filed in such form as he or she may approve, and the expense of making the compilation shall be apportioned among the insurers whose data is compiled by such agency by the Chief Executive Officer, who shall certify in writing the amount due from each insurer, and it is payable by the insurer to such agency forthwith. R.S.O. 1990, c. I.8, s. 101 (2); 2018, c. 8, Sched. 13, s. 22.

Audit and direction

(3)  If it appears to the Chief Executive Officer that the insurer’s records of premium income and claims paid are not kept in such a manner as to show correctly the experience of the insurer for the purposes of the return, the Chief Executive Officer may nominate an accountant to proceed under his or her direction to audit the books and records of the insurer and to give such instructions as will enable the officers of the insurer to keep the records correctly after the audit. R.S.O. 1990, c. I.8, s. 101 (3); 1997, c. 28, s. 102; 2018, c. 8, Sched. 13, s. 22.

Expenses of audit

(4)  The insurer shall pay the accountant for an audit under subsection (3) forthwith upon receiving a certificate of the Chief Executive Officer stating the amount payable. R.S.O. 1990, c. I.8, s. 101 (4); 1997, c. 28, s. 102; 2018, c. 8, Sched. 13, s. 22.

Debt to the Crown

(5)  Any amount payable to an accountant under subsection (3) that is not paid within thirty days from the date on which the insurer receives the Chief Executive Officer’s certificate becomes a debt owing to the Crown. R.S.O. 1990, c. I.8, s. 101 (5); 1997, c. 28, s. 102; 2018, c. 8, Sched. 13, s. 23.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 102 - 01/07/1998

[2017, c. 34, Sched. 21, s. 4](http://www.ontario.ca/laws/statute/S17034" \l "sched21s4) - no effect - see [2018, c. 8, Sched. 13, s. 26](http://www.ontario.ca/laws/statute/S18008" \l "sched13s26) - 08/05/2018

[2018, c. 8, Sched. 13, s. 7, 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s7) - 08/06/2019

Information on claims

**101.1**Every insurer shall provide the Chief Executive Officer or an agency designated by the Chief Executive Officer with information prescribed by the regulations about applications for insurance and claims made to the insurer at such times and subject to such conditions as are prescribed by the regulations. 1996, c. 21, s. 13; 1997, c. 28, s. 102; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 101.1 of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 5)

Note: On a day to be named by proclamation of the Lieutenant Governor, the French version of section 101.1 of the Act is amended. (See: 2022, c. 17, Sched. 2, s. 1)

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 13 - 01/11/1996; 1997, c. 28, s. 102 - 01/07/1998

[2017, c. 34, Sched. 21, s. 5](http://www.ontario.ca/laws/statute/S17034" \l "sched21s5) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2022, c. 17, Sched. 2, s. 1](http://www.ontario.ca/laws/statute/S22017" \l "sched2s1) - not in force

Note: On a day to be named by proclamation of the Lieutenant Governor, the Act is amended by adding the following section: (See: 2018, c. 8, Sched. 13, s. 8)

Information on claims and repair history

**101.2**The Chief Executive Officer or an agency designated by the Chief Executive Officer shall provide the persons prescribed by the Authority rules with the information prescribed by the Authority rules about the claims and repair history, including the costs relating to repairs, of a motor vehicle in accordance with such requirements as may be prescribed by the Authority rules. 2018, c. 8, Sched. 13, s. 8.

Note: On a day to be named by proclamation of the Lieutenant Governor, the French version of section 101.2 of the Act is amended. (See: 2022, c. 17, Sched. 2, s. 2)

**Section Amendments with date in force (d/m/y)**

[2016, c. 5, Sched. 14, s. 1](http://www.ontario.ca/laws/statute/S16005" \l "sched14s1) - no effect - see [2018, c. 8, Sched. 13, s. 25](http://www.ontario.ca/laws/statute/S18008" \l "sched13s25) - 08/05/2018

[2018, c. 8, Sched. 13, s. 8](http://www.ontario.ca/laws/statute/S18008" \l "sched13s8) - not in force

[2022, c. 17, Sched. 2, s. 2](http://www.ontario.ca/laws/statute/S22017" \l "sched2s2) - not in force

Note: On a day to be named by proclamation of the Lieutenant Governor, the Act is amended by adding the following section: (See: 2022, c. 17, Sched. 2, s. 3)

Information on automobile insurance fraud

**101.3**(1)  Every insurer shall provide the Chief Executive Officer or an agency designated by the Chief Executive Officer with information prescribed by the Authority rules about automobile insurance fraud at such times and in accordance with such requirements as may be prescribed by the Authority rules. 2022, c. 17, Sched. 2, s. 3.

Same, authority to collect, use and disclose information

(2)  The Chief Executive Officer and any agency designated by the Chief Executive Officer are authorized to directly or indirectly collect, use and disclose personal information about identifiable individuals if the collection, use or disclosure of the information is for the purpose of assessing and detecting automobile insurance fraud under subsection (1). 2022, c. 17, Sched. 2, s. 3.

Definition

(3)  In this section,

“personal information” means personal information within the meaning of the Freedom of Information and Protection of Privacy Act. 2022, c. 17, Sched. 2, s. 3.

**Section Amendments with date in force (d/m/y)**

[2022, c. 17, Sched. 2, s. 3](http://www.ontario.ca/laws/statute/S22017" \l "sched2s3) - not in force

Business statements and capital or asset requirements

Annual and interim statements

**102** (1)  Subject to section 370, every licensed insurer shall,

(a) prepare annually and deliver to the Chief Executive Officer or his or her designate, on or before the prescribed date for the prescribed category of insurer, a statement of the condition of affairs of the insurer for the year that ended, at the election of the company in its by-laws, on the 31st day of October or the 31st day of December next preceding the delivery of the statement; and

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 102 (1) (a) of the Act is amended by striking out “on or before the prescribed date for the prescribed category of insurer” and substituting “on or before the date prescribed by the Authority rules for the category of insurer prescribed by the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 6 (1))

(b) prepare and deliver to the Chief Executive Officer or his or her designate when required by the Chief Executive Officer, for the prescribed category of insurer, an interim statement for the period specified by the Chief Executive Officer containing such information as the Chief Executive Officer considers necessary to assess the insurer’s condition of affairs. R.S.O. 1990, c. I.8, s. 102 (1); 1994, c. 11, s. 337; 1997, c. 19, s. 10 (15, 16); 2004, c. 31, Sched. 20, s. 4; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 102 (1) (b) of the Act is amended by striking out “for the prescribed category of insurer” and substituting “for the category of insurer prescribed by the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 6 (2))

Contents of annual statement

(2)  A statement of the condition of affairs of an insurer under clause (1) (a) shall be in a form approved by the Chief Executive Officer, and shall set out,

(a) the assets, liabilities, revenues and expenses of the insurer for the year;

(b) particulars of the business done by the insurer in Ontario during the year; and

(c) such other information as the Chief Executive Officer considers necessary to assess an insurer’s condition of affairs. R.S.O. 1990, c. I.8, s. 102 (2); 2018, c. 8, Sched. 13, s. 22.

Auditor’s report

(3)  A statement of the condition of affairs of an insurer under clause (1) (a) shall be accompanied by a report of an auditor prepared in the manner required by the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 102 (3); 2018, c. 8, Sched. 13, s. 22.

Modified statement

(4)  The Chief Executive Officer may, in writing, direct an insurer to prepare and file a modified statement respecting the business of the insurer in Ontario only, in lieu of filing the annual statement that the insurer is required to file under clause (1) (a). 1997, c. 28, s. 103; 2018, c. 8, Sched. 13, s. 22.

Who may verify statement

(5)  In the case of a corporation, such statement shall be verified by the president, vice-president or managing director, or other director appointed for the purpose by the board of directors, and by the secretary or manager of the corporation. R.S.O. 1990, c. I.8, s. 102 (5).

Indirect collection of personal information

(6)  The Chief Executive Officer is authorized to obtain from insurers personal information about identifiable individuals where the collection of the information is required to monitor the condition of affairs of the insurer and the information is collected on a statement made under subsection (1). R.S.O. 1990, c. I.8, s. 102 (6); 2018, c. 8, Sched. 13, s. 22.

(7)  Repealed: 2002, c. 18, Sched. H, s. 4 (10).

Required level of capital or assets

(8)  Every insurer licensed under this Act shall maintain capital or assets (in compliance with such requirements as may be prescribed by regulation governing the level of capital or assets to be maintained) in an amount that bears not less than a reasonable relationship to the outstanding liabilities, premiums and loss experience of the insurer. 1999, c. 12, Sched. I, s. 4 (11).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 102 (8) of the Act is amended by striking out “by regulation” and substituting “by Authority rule”. (See: 2017, c. 34, Sched. 21, s. 6 (3))

Same

(8.1)  The amount required by subsection (8) shall be calculated in accordance with such requirements as may be prescribed by regulation, and the calculation shall exclude any investments of the insurer that are not authorized by this Act or that were not authorized by law at the time they were acquired. 1999, c. 12, Sched. I, s. 4 (11).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 102 (8.1) of the Act is amended by striking out “by regulation” and substituting “by Authority rule”. (See: 2017, c. 34, Sched. 21, s. 6 (4))

Exception

(9)  Subsection (8) does not apply to a mutual insurance corporation that is a member of the Fire Mutuals Guarantee Fund or to an insurer licensed to transact only,

(a) the business of life insurance;

(b) the business of accident and sickness insurance; or

(c) the business of life insurance and the business of accident and sickness insurance. 2002, c. 18, Sched. H, s. 4 (11).

Contributions to the Fire Mutuals Guarantee Fund

(10)  The contribution by a member of the Fire Mutuals Guarantee Fund to the Fund shall be treated as if it were an asset of the member for the purposes of the statements required under this section and shall be subject to examination by the Chief Executive Officer in the same manner as the other assets and property of a licensed insurer. 2006, c. 33, Sched. O, s. 3; 2018, c. 8, Sched. 13, s. 22.

Life insurance policies

(11)  No insurer incorporated and licensed under the laws of Ontario to transact life insurance shall issue a policy that does not appear to be self-supporting upon reasonable assumptions as to interest, mortality and expenses. 1997, c. 19, s. 10 (17).

Exemption from filing requirements

(12)  The Chief Executive Officer may, in writing, exempt completely or in part any insurer or any category of insurer from any or all of the filing requirements imposed under this section for the period of time specified in the exemption. 1997, c. 19, s. 10 (17); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 337 - 11/07/1994; 1997, c. 19, s. 10 (15-17) - 10/10/1997; 1997, c. 28, s. 103 - 01/07/1998; 1999, c. 12, Sched. I, s. 4 (11) - 22/12/1999

[2002, c. 18, Sched. H, s. 4 (10-12)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s10) - 26/11/2002

[2004, c. 31, Sched. 20, s. 4](http://www.ontario.ca/laws/statute/S04031" \l "sched20s4) - 16/12/2004

[2006, c. 33, Sched. O, s. 3](http://www.ontario.ca/laws/statute/S06033" \l "schedos3) - 05/05/2008

[2017, c. 34, Sched. 21, s. 6 (1-4)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s6s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Notice of returns

**103** Notice of the requirements for returns under section 101 or 102 is sufficient if it is sent by first class ordinary mail addressed to the insurer at the insurer’s address for service of notice or process as identified in the records of the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 103; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Preparation of financial statements

**104** The financial statements required under this Act shall be prepared in accordance with this Act and the regulations. R.S.O. 1990, c. I.8, s. 104.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 104 of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 7)

**Section Amendments with date in force (d/m/y)**

[2017, c. 34, Sched. 21, s. 7](http://www.ontario.ca/laws/statute/S17034" \l "sched21s7) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Published statements

**105** A statement purporting to show the financial condition of an insurer differing from the financial condition shown by the statement filed with the Chief Executive Officer, or a balance sheet or other statement in form differing from the form approved by the Chief Executive Officer, shall not be published or circulated, and every insurer publishing such a statement is guilty of an offence. R.S.O. 1990, c. I.8, s. 105; 2004, c. 31, Sched. 20, s. 5; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2004, c. 31, Sched. 20, s. 5](http://www.ontario.ca/laws/statute/S04031" \l "sched20s5) - 16/12/2004

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Statements that financial standing guaranteed by government prohibited

**106** Every person who represents orally or in writing that the issue of a licence to an insurer or the printing or publication of an annual statement in the report of the Chief Executive Officer or in any other publication of the Chief Executive Officer or any other circumstance of the supervision or regulation of the business of the insurer by law or the Chief Executive Officer is a warranty or guarantee of the financial standing of the insurer or of its ability to provide for the payment of its contracts at maturity is guilty of an offence. R.S.O. 1990, c. I.8, s. 106; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Real Property

Powers of insurer to hold real property

**107** An insurer incorporated and licensed under the laws of Ontario may hold, manage and otherwise deal with real property, subject to any restrictions on doing so under Parts XVII and XVII.1 or the regulations. 2006, c. 33, Sched. O, s. 4.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 107 of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 8)

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (18-20) - 10/10/1997; 1997, c. 28, s. 104 - 01/07/1998

[2006, c. 33, Sched. O, s. 4](http://www.ontario.ca/laws/statute/S06033" \l "schedos4) - 05/05/2008

[2017, c. 34, Sched. 21, s. 8](http://www.ontario.ca/laws/statute/S17034" \l "sched21s8) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

**108** Repealed: 1997, c. 19, s. 10 (21).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (21) - 10/10/1997

Life Insurance

Variable life insurance contracts based on segregated funds

**109** (1)  Any insurer incorporated and licensed under the laws of Ontario to transact the business of life insurance may,

(a) issue policies for which the reserves vary in amount with the market value of a specified group of assets; and

(b) retain for investment,

(i) policy dividends,

(ii) policy proceeds that become payable on surrender or maturity of the policy not less than five years from the date of its issue if the policyholder so directs, and

(iii) policy proceeds that become payable on the death of the policyholder if the policyholder or beneficiary so directs,

on the basis that the liability of the insurer in respect thereof varies in amount with the market value of a specified group of assets,

and the insurer shall maintain in respect of such policies, dividends and proceeds, as the case may be, one or more separate and distinct funds with separate assets for each such fund. R.S.O. 1990, c. I.8, s. 109 (1).

How fund created

(2)  For the purpose of creating a separate and distinct fund under subsection (1), an insurer may, if duly authorized by by-law,

(a) make a transfer from the shareholders’ fund but the amounts so transferred shall not exceed the surplus in the shareholders’ fund; and

(b) make a transfer of assets from one or more life insurance funds, but,

(i) the maximum amount that may be transferred from any life insurance fund is the amount by which 25 per cent of the surplus in that fund exceeds the aggregate of all prior transfers from that fund to all such separate and distinct funds under this subsection and clause (3) (b) less the aggregate of all prior transfers to that fund pursuant to clause (5) (a), and

(ii) the maximum amount that may be transferred from all life insurance funds is the amount by which 10 per cent of the surplus in those funds or $2,000,000, whichever is the lesser, exceeds the aggregate of all prior transfers from those funds to all such separate and distinct funds pursuant to this subsection and clause (3) (b) less the aggregate of all prior transfers to all life insurance funds pursuant to clause (5) (a). R.S.O. 1990, c. I.8, s. 109 (2).

Transfers to fund

(3)  For the purpose of maintaining a separate and distinct fund under subsection (1), an insurer may from time to time make transfers from a life insurance fund,

(a) to the extent that the assets of the separate and distinct fund are not sufficient to provide for any benefits guaranteed under the terms of the policies for which the separate fund is held; or

(b) in any case other than that mentioned in clause (a), if the insurer provides evidence satisfactory to the Chief Executive Officer that such transfers are necessary for the proper administration of the policies or deposits for which the separate fund is held. R.S.O. 1990, c. I.8, s. 109 (3); 2018, c. 8, Sched. 13, s. 22.

Surplus

(4)  Where for the purposes of subsection (2) the surplus in any fund is required to be determined, the surplus shall be taken as shown in the most recent annual statement filed with the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 109 (4); 2018, c. 8, Sched. 13, s. 22.

Segregation of assets for policies

(5)  Where a separate and distinct fund is maintained under subsection (1), the assets of such fund shall, subject to subsection (3), be available only to meet the liabilities arising under the policies or deposits in respect of which such fund is maintained, except that,

(a) any amount representing the value of a transfer, or any part thereof, to such separate and distinct fund under subsection (2) or clause (3) (b), may, with the approval of the Chief Executive Officer, be transferred back to the fund or funds from which such transfer was made, and, where there is more than one such fund, the amount transferred back to each shall be that proportion of the whole amount that the amount transferred from that fund to the separate and distinct fund was to the total amount so transferred from all the funds; and

(b) any assets, other than assets in respect of a transfer to the separate and distinct fund under subsection (2) or clause (3) (b), remaining in the separate and distinct fund after the discharge of all the insurer’s liabilities in respect of the policies or deposits for which the fund is maintained, may be transferred to such other fund as the directors may determine. R.S.O. 1990, c. I.8, s. 109 (5); 2018, c. 8, Sched. 13, s. 22.

Value of transfers

(6)  For the purposes of clause (2) (b), the value of any assets transferred to or from a separate and distinct fund shall be taken as the value thereof at the time of transfer to that fund and, for all other purposes, the value from time to time of any assets that have been transferred to a separate and distinct fund maintained under subsection (1) shall be the market value of such assets. R.S.O. 1990, c. I.8, s. 109 (6).

(7)  Repealed: 2006, c. 33, Sched. O, s. 5.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 5](http://www.ontario.ca/laws/statute/S06033" \l "schedos5) - 05/05/2008

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Variable life insurance contracts, forms and information folders

**110** (1)  In this section,

“variable insurance contract” means an annuity or life insurance contract for which the reserves or a part thereof vary in amount with the market value of a specified group of assets held in a separate and distinct fund and includes a provision in a life insurance contract under which policy dividends or policy proceeds may be retained for investment in such a fund. R.S.O. 1990, c. I.8, s. 110 (1).

Prohibition

(2)  No insurer shall issue a variable insurance contract or offer to enter into a variable insurance contract that under this Act would be deemed to be made in Ontario until there has been filed with the Chief Executive Officer a specimen form of such variable insurance contract, an information folder pertaining thereto and such other material as may be required under the regulations and a receipt therefor has been obtained from the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 110 (2); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 110 (2) of the Act is amended by striking out “the regulations” and substituting “the Authority rules”. (See: 2021, c. 40, Sched. 14, s. 1 (1))

Form of contract

(3)  The forms of variable insurance contracts and information folders with respect thereto shall comply with the requirements of Part V of this Act and the regulations. R.S.O. 1990, c. I.8, s. 110 (3).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 110 (3) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2021, c. 40, Sched. 14, s. 1 (2))

Form of information folder

(4)  The information folder shall provide brief and plain disclosure of all material facts relating to the variable insurance contract and shall contain a certificate to that effect signed by the chief executive officer and the chief financial officer of the insurer or such other persons as the regulations may prescribe. R.S.O. 1990, c. I.8, s. 110 (4).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 110 (4) of the Act is amended by striking out “the regulations” and substituting “the Authority rules”. (See: 2021, c. 40, Sched. 14, s. 1 (3))

Delivery of information folder

(5)  No application for a variable insurance contract shall be accepted by an insurer until the insurer has delivered to the applicant therefore a copy of the latest information folder relating thereto that is on file with the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 110 (5); 2018, c. 8, Sched. 13, s. 22.

New information folders

(6)  So long as an insurer continues to issue a variable insurance contract in respect of which it has filed an information folder, it shall,

(a) forthwith after the occurrence of any material change in the contract or in any other facts set out in the latest information folder so filed; and

(b) within thirteen months after the date of filing of the latest information folder so filed, or such other period of time as may be provided by the regulations,

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 110 (6) (b) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2021, c. 40, Sched. 14, s. 1 (4))

file with the Chief Executive Officer a new information folder in respect thereof. R.S.O. 1990, c. I.8, s. 110 (6); 2018, c. 8, Sched. 13, s. 22.

Prohibition order

(7)  Where it appears to the Chief Executive Officer that,

(a) an information folder or any other document filed with the Chief Executive Officer by an insurer with respect to a variable insurance contract,

(i) fails to comply in any substantial respect with the requirements of this Act or the regulations,

Note: On a day to be named by proclamation of the Lieutenant Governor, subclause 110 (7) (a) (i) is amended by striking out “or the regulations” at the end and substituting “the regulations, or the Authority rules”. (See: 2021, c. 40, Sched. 14, s. 1 (5))

(ii) contains any promise, estimate, illustration or forecast that is misleading, false or deceptive, or

(iii) conceals or omits to state any material fact necessary in order to make any statement contained therein not misleading in the light of the circumstances in which it was made; or

(b) the financial condition of the insurer or its method of operation in connection with the issuance of its variable insurance contracts will not afford sufficient protection to prospective purchasers of such variable insurance contracts in Ontario,

the Chief Executive Officer may prohibit the insurer from continuing to issue such variable insurance contracts in Ontario. R.S.O. 1990, c. I.8, s. 110 (7); 1997, c. 28, s. 105 (1); 2018, c. 8, Sched. 13, s. 22.

Appeal

(7.1)  The insurer may appeal the decision of the Chief Executive Officer under subsection (7) to the Tribunal. 1997, c. 28, s. 105 (2); 2018, c. 8, Sched. 13, s. 22.

Regulations

(8)  The Lieutenant Governor in Council may make regulations,

(a) prescribing the form and content of variable insurance contracts;

(b) prescribing the form, content, time of filing and delivery of information folders and the persons to whom information folders shall be delivered;

(c) for the furnishing of information by an insurer or an agent thereof to prospective purchasers of variable insurance contracts;

(d) prescribing the documents, reports, statements, agreements and other information required to be filed, furnished or delivered under this section, and the form and content thereof. R.S.O. 1990, c. I.8, s. 110 (8).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 110 (8) of the Act is repealed. (See: 2021, c. 40, Sched. 14, s. 1 (6))

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 105 (1, 2) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2021, c. 40, Sched. 14, s. 1 (1-6)](http://www.ontario.ca/laws/statute/S21040" \l "sched14s1s1) - not in force

Life insurers to separate business accounts

**111** Every insurer licensed to transact life insurance shall keep separate and distinct accounts of participating and non-participating business. R.S.O. 1990, c. I.8, s. 111.

Life insurance, distribution of parts of profits to participating policyholders

**112** (1)  The directors of an insurer incorporated and licensed under the laws of Ontario to transact the business of life insurance as a joint stock insurance company may from time to time set apart such portion of the net profits as they consider safe and proper for distribution as dividends or bonuses to shareholders and holders of participating policies, ascertaining the part thereof that has been derived from participating policies and distinguishing that part from the profits derived from other sources.

Idem

(2)  Despite anything to the contrary in any letters patent of incorporation or contract, the holders of participating policies are entitled to share in that portion of the profits that has been distinguished as having been derived from participating policies (including a share of the profits arising from the sale of securities in the proportion of the mean participating fund to the mean total funds) to the extent of at least 90 per cent thereof in any year.

Interest on unimpaired paid up capital stock

(3)  In fixing or arriving at the amount of divisible profits, there may be included interest on the amount of the unimpaired paid up capital stock and on any other sum or sums from time to time standing to the credit of the shareholders after deducting any amounts expended in the establishment, prosecution or extension of the company’s business or applied to making good any impairment of capital, and such interest may be allowed or credited to the shareholders at the average net rate of interest earned in the preceding year or other period under consideration upon the mean total funds of the company, but the shareholders are to be charged with a fair proportion of all losses incurred upon investments or other losses of a similar character in the proportion of the mean shareholders’ funds to the mean total funds.

Rights of participating policyholders

(4)  This section does not interfere with the rights of the participating policyholders of an insurer referred to in subsection (1) to share in the profits realized from the non-participating branch of its business in any case to which the policyholders are so entitled. R.S.O. 1990, c. I.8, s. 112.

Insurance with Unlicensed Insurers

Insurance with unlicensed insurers

**113** Despite anything in this Act, any person may insure property situated in Ontario against fire with an unlicensed insurer, and any property insured or to be insured under this section may be inspected and any loss incurred in respect thereof adjusted, if such insurance is effected outside Ontario and without any solicitation whatsoever directly or indirectly on the part of the insurer. R.S.O. 1990, c. I.8, s. 113.

**114** Repealed: 1999, c. 12, Sched. I, s. 4 (13).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (13) - 22/12/1999

General

Trafficking in life insurance policies prohibited

**115** Any person, other than an insurer or its duly authorized agent, who advertises or holds himself, herself or itself out as a purchaser of life insurance policies or of benefits thereunder, or who trafficks or trades in life insurance policies for the purpose of procuring the sale, surrender, transfer, assignment, pledge or hypothecation thereof to himself, herself or itself or any other person, is guilty of an offence. R.S.O. 1990, c. I.8, s. 115.

**Section Amendments with date in force (d/m/y)**

[2000, c. 26, Sched. G, s. 1 (1)](http://www.ontario.ca/laws/statute/S00026" \l "schedgs1s1) - See: [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2011

Note: On a day to be named by proclamation of the Lieutenant Governor, the Act is amended by adding the following section: (See: 2014, c. 7, Sched. 14, ss. 1, 8 (1))

Necessity for licence, long-term disability benefits

**115.1**(1)  Except as provided in the regulations, no person shall provide long-term disability benefits in Ontario unless the benefits are payable under a contract of insurance undertaken by a licensed insurer. 2014, c. 7, Sched. 14, s. 1.

Exception

(2)  Subsection (1) does not apply in respect of any benefit provided under a registered pension plan within the meaning of subsection 248 (1) of the *Income Tax Act* (Canada). 2014, c. 7, Sched. 14, s. 1.

Definition

(3)  In this section,

“long-term disability benefits” means benefits under a benefit plan under which payments or benefits are payable to an individual for a period of not less than 52 weeks or until recovery, retirement or death, whichever period is shorter. 2014, c. 7, Sched. 14, s. 1.

**Section Amendments with date in force (d/m/y)**

[2014, c. 7, Sched. 14, s. 1](http://www.ontario.ca/laws/statute/S14007" \l "sched14s1) - not in force

Privileged information

**116** Any information, document, record, statement or thing made or disclosed to the Authority concerning a person licensed or applying for licence under this Act is absolutely privileged and shall not be used as evidence in any action or proceeding in any court brought by or on behalf of such person. R.S.O. 1990, c. I.8, s. 116; 2018, c. 8, Sched. 13, s. 24.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 24](http://www.ontario.ca/laws/statute/S18008" \l "sched13s24) - 08/06/2019

Form of insurance policy

**117** (1)  The Chief Executive Officer may require an insurer to file with him or her a copy of any form of policy or of the form of application for any policy issued or used by the insurer. R.S.O. 1990, c. I.8, s. 117 (1); 2018, c. 8, Sched. 13, s. 22.

Prohibition of certain policies

(2)  If an insurer issues a policy or uses an application that, in the opinion of the Chief Executive Officer, is unfair, fraudulent, or not in the public interest, the Chief Executive Officer may prohibit the insurer from issuing or using the form of policy or application. R.S.O. 1990, c. I.8, s. 117 (2); 2018, c. 8, Sched. 13, s. 22.

Appeal

(2.1)  The insurer may appeal the decision of the Chief Executive Officer under subsection (2) to the Tribunal. 1997, c. 28, s. 106; 2018, c. 8, Sched. 13, s. 22.

Offence

(3)  An insurer that, after being so prohibited, issues any such policy or uses any such application is guilty of an offence. R.S.O. 1990, c. I.8, s. 117 (3).

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 106 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Violation of law, effect of, on claim for indemnity

**118** Unless the contract otherwise provides, a contravention of any criminal or other law in force in Ontario or elsewhere does not, by that fact alone, render unenforceable a claim for indemnity under a contract of insurance except where the contravention is committed by the insured, or by another person with the consent of the insured, with intent to bring about loss or damage, but in the case of a contract of life insurance this section applies only to insurance undertaken as part of the contract whereby the insurer undertakes to pay insurance money or to provide other benefits in the event that the person whose life is insured becomes disabled as a result of bodily injury or disease. R.S.O. 1990, c. I.8, s. 118; 2002, c. 18, Sched. H, s. 4 (13).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (13)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s13) - 30/04/2007

Reporting on applications to register

**119** An insurer incorporated under the laws of Ontario shall notify the Chief Executive Officer fourteen days in advance of making application for registration under Part IX of the Canadian and British Insurance Companies Act (Canada) or any similar enactment or regulation of the Government of Canada. R.S.O. 1990, c. I.8, s. 119; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Agreements with Compensation Association

Authority of Minister

**120** The Minister, with the approval of the Lieutenant Governor in Council, may enter into agreements with a compensation association related to the conduct of a plan to compensate policyholders and eligible claimants of insolvent insurers. R.S.O. 1990, c. I.8, s. 120.

Fees and Regulations

Regulations

**121** (1)  The Lieutenant Governor in Council may make regulations,

1. respecting any matter in respect of which the Authority may make Authority rules under section 121.0.1, with necessary modifications;

2. prescribing entities or classes of entities for the purposes of clause (f) of the definition of “financial institution” in section 1;

2.1 Repealed: 1997, c. 28, s. 107 (1).

3. designating one or more bodies corporate or associations as compensation associations and desig­nating any such body corporate or association as a compensation association for one or more classes of insurers specified by the regulations;

4. prescribing requirements imposed by, or provisions of, this Act, the regulations or an Authority rule for the purposes of exemption orders under subsection 15.1 (1) and prescribing limits and conditions that an exemption order may be subject to for the purposes of subsection 15.1 (2);

5. designating insurers for the purposes of clause 44 (3) (a) and designating classes of insurers for the purposes of clause 44 (3) (e);

6. prescribing ratios, percentages, amounts and calculations for the purposes of subsection 102 (8) and any such regulation may prescribe different ratios, percentages, amounts and calculations for one or more classes of insurance and for insurers whose business is limited to that of reinsurance;

7. exempting any insurer or class of insurers from any regulation made under paragraph 6 subject to such terms and conditions as may be set out in the regulations;

7.0.1 prescribing restrictions on insurers holding, managing or otherwise dealing with real property;

7.1 prescribing an activity or failure to act for the purpose of paragraph 8 of subsection 65.1 (1);

8. prescribing terms, conditions and limitations with respect to the reinsurance of risk;

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection (1) is amended by adding the following paragraphs: (See: 2014, c. 7, Sched. 14, ss. 2, 8 (1))

8.1 exempting any person or class of persons from section 115.1 subject to such terms and conditions, including any limitations or restrictions, as may be set out in the regulations;

8.2 governing transitional matters which, in the opinion of the Lieutenant Governor in Council, are necessary or desirable to facilitate the implementation of section 115.1;

9. establishing benefits for the purposes of Part VI that must be provided under contracts evidenced by motor vehicle liability policies and establishing terms, conditions, provisions, exclusions and limits related to such benefits;

10. requiring insurers to offer optional benefits in excess of the benefits that must be provided under paragraph 9 prescribing the circumstances in which the optional benefits are to be offered and establishing terms, conditions, provisions, exclusions and limits related to such benefits;

10.1 prescribing coverages and endorsements in respect of contracts of automobile insurance that insurers or a class of insurers are required to offer, deeming the benefits provided by the coverages and endorsements not to be statutory accident benefits for the purpose of Part VI, and prescribing the circumstances in which the coverages and endorsements shall be offered;

10.2 prescribing rules for interpreting the regulations made under paragraphs 9 and 10 or any provision of those regulations;

10.3 prescribing functions to be performed by a committee appointed under section 7;

10.4 governing the procedure for determining who is liable to pay statutory accident benefits under section 268, including requiring insurers to resolve disputes about liability through an arbitration process established by the regulations and requiring the interim payment of benefits pending the determination of liability;

11. prescribing categories of insurers for the purpose of subsection 101 (1), requiring insurers to file a return under that subsection by category and prescribing the information that insurers may solicit from insured persons for purposes of such returns;

11.1 prescribing the information to be provided under section 101.1 and any conditions that apply to the provision of the information;

12. prescribing categories of insurers for the purpose of subsection 102 (1);

13. prescribing dates for the purpose of clause 102 (1) (a);

14. governing the preparation of financial statements required under this Act or the regulations;

14.0.0.1 prescribing classes of persons for the purposes of clause 129.1 (1) (d);

14.0.0.2 prescribing requirements with which persons must comply for the purpose of subsection 129.1 (3);

14.0.1 governing the investment and valuation of the assets of the Fire Mutuals Guarantee Fund;

14.0.2 exempting a contract or class of contracts from the application of Part V, any provision or requirement of Part V or any regulation or provision or requirement of a regulation made in respect of Part V, postponing, for any contract or class of contracts, the application of Part V or of any such provision or requirement to a specified date and applying a provision of Part V for a specified period on and after the date it was re-enacted, repealed or amended by Schedule 23 to the Strong Action for Ontario Act (Budget Measures), 2012, as it read immediately before that date, to a contract or class of contracts;

14.0.3 prescribing information for which access is limited under clause 174 (8) (b);

14.0.4 for the purpose of subsection 190 (4), respecting the circumstances under which an insurer may not restrict or exclude in a contract of life insurance the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable and respecting the restriction or exclusion in a contract of such right;

14.0.5 prescribing the rights the insured may exercise under a contract of life insurance in the circumstances described in subsection 197 (2);

14.1 for the purposes of Part VI or any provision of Part VI,

i. defining “automobile”,

ii. prescribing any vehicle or class of vehicles to be automobiles subject to any terms and conditions prescribed in the regulations,

iii. prescribing any vehicle or class of vehicles not to be automobiles, subject to any terms and conditions prescribed in the regulations,

iv. prescribing any service or class of services to be public transit, in the circumstances, if any, prescribed in the regulations and subject to any terms, conditions, provisions, exclusions and limits prescribed in the regulations,

v. prescribing any service or class of services not to be public transit, in the circumstances, if any, prescribed in the regulations and subject to any terms, conditions, provisions, exclusions and limits prescribed in the regulations;

15. prescribing the information to be given to applicants or to insured persons under subsection 229 (1) and the circumstances in which it is to be given;

15.0.1 Repealed: 2020, c. 34, Sched. 7, s. 3 (1).

15.1 for the purpose of section 234, prescribing statutory conditions and the types of contracts of automobile insurance to which the statutory conditions apply;

16. establishing requirements that must be met, in circumstances specified by the regulations, before an insurer declines to issue, terminates or refuses to renew a contract of automobile insurance or refuses to provide or continue any coverage or endorsement in respect of a contract of automobile insurance;

17. prescribing grounds for which an insurer cannot, in circumstances specified by the regulations, decline to issue, terminate or refuse to renew a contract of automobile insurance or refuse to provide or continue any coverage or endorsement in respect of a contract of automobile insurance;

18. prescribing coverages and endorsements for the purposes of section 237;

19. governing the payment of premiums for automobile insurance in instalments and setting maximum rates of interest in relation to instalment payments;

19.1 prescribing types of contracts and circumstances in which section 236 does not apply;

20. exempting any insurer, and exempting any insurer in respect of certain types of contracts of automobile insurance, from section 236;

20.1 prescribing information to be provided under clause 258.3 (1) (c) and the time period within which the information must be provided for the purpose of that clause;

20.2 prescribing procedures and time limits applicable to mediations required by section 258.6;

20.3 prescribing circumstances in which a contract or part of a contract providing insurance against loss of or damage to an automobile and the loss of use thereof must contain a clause described in subsection 261 (1.1);

20.4 prescribing a minimum or maximum sum to be deducted under a clause described in clause 261 (1) (b) or subsection 261 (1.1);

21. prescribing rules for determining the degree of fault in various situations for loss or damage arising directly or indirectly from the use or operation of an automobile;

22. providing for and governing indemnification and subrogation where section 263 applies;

22.0.1 respecting elections under subsection 263 (2.2);

22.1 prescribing classes of contracts for the purpose of subsection 263 (5.1);

22.2 prescribing circumstances in which a contract belonging to a class prescribed under paragraph 22.1 must contain a provision described in subsection 263 (5.2.1);

22.3 prescribing the minimum or maximum amount of a reduction required by a provision described in clause 263 (5.1) (b) or subsection 263 (5.2.1);

23. prescribing any activity or failure to act that constitutes an unfair or deceptive act or practice under the definition of “unfair or deceptive acts or practices” in section 438, and prescribing requirements that, if not complied with, constitute an unfair or deceptive act or practice;

23.1 defining permanent serious impairment of an important physical, mental or psychological function for the purpose of section 267.5;

23.2 respecting the evidence that must be adduced to prove that a person has sustained permanent serious impairment of an important physical, mental or psychological function for the purposes of section 267.5;

23.3 prescribing the method for determining net income loss and net loss of earning capacity for the purpose of paragraphs 2 and 3 of subsection 267.5 (1);

23.4 defining catastrophic impairment for the purpose of subsection 267.5 (4);

23.5 prescribing amounts for the purpose of sub-subparagraph B of subparagraph i of paragraph 3 of subsection 267.5 (7) and sub-subparagraph B of subparagraph ii of paragraph 3 of subsection 267.5 (7);

23.6 prescribing circumstances in which the court shall order that an award for damages be paid periodically under section 267.10;

23.6.1 for the purpose of this Act or any provision of this Act, deeming payments for income loss or loss of earning capacity under an income continuation benefit plan to include payments prescribed by the regulations;

23.6.2 prescribing types of amounts and the manner of determining any type of amount for the purposes of clause 267.12 (2) (c);

23.6.3 prescribing types of amounts and the manner of determining any type of amount for the purposes of clause 267.12 (3) (c);

23.6.4 prescribing, for the purposes of subsection 267.12 (4),

i. circumstances in which subsection 267.12 (1) does not apply,

ii. persons or classes of persons to whom subsection 267.12 (1) does not apply,

iii. motor vehicles or classes of motor vehicles to which subsection 267.12 (1) does not apply,

iv. terms, conditions, provisions, exclusions and limits for the purposes of determining if subsection 267.12 (1) applies in particular circumstances or to a prescribed person, prescribed class of persons, prescribed motor vehicle or prescribed class of motor vehicles;

23.6.5 defining the terms “taxicab”, “livery vehicle” and “limousine for hire” for the purposes of clause 267.12 (4) (c);

23.7 prescribing the information to be provided under section 273.1 and the conditions governing the provision of the information;

24. prescribing classes of persons, classes of automobiles and terms, conditions, provisions, exclusions and limits for the purposes of subsection 275 (1);

25. Repealed: 2014, c. 9, Sched. 3, s. 11 (1).

25.1 governing agreements to settle claims and disputes in respect of statutory accident benefits under Part VI;

25.2 governing the assignment of statutory accident benefits under Part VI, including the application of sections 279 to 282 to persons to whom the benefits are assigned;

26. governing proceedings before the Licence Appeal Tribunal under section 280, including imposing time limits or limitation periods;

26.0.0.1 prescribing anything that, in sections 288.1 to 288.7, is required or permitted to be prescribed or to be done in accordance with the regulations;

Note: On a day to be named by proclamation of the Lieutenant Governor, paragraph 26.0.0.1 of subsection 121 (1) of the Act is amended by striking out “sections 288.1 to 288.7” and substituting “sections 288.1 and 288.2”. (See: 2017, c. 34, Sched. 21, s. 9 (4))

26.0.1 exempting a contract or class of contracts from the application of Part VII, any provision or requirement of Part VII or any regulation or provision or requirement of a regulation made in respect of Part VII, postponing, for any contract or class of contracts, the application of Part VII or any such provision or requirement to a specified date and applying a provision of Part VII for a specified period on and after the date it was re-enacted, repealed or amended by Schedule 23 to the Strong Action for Ontario Act (Budget Measures), 2012, as it read immediately before that date, to a contract or class of contracts;

26.1 prescribing such matters as are required or permitted to be prescribed under sections 380.1 to 386 with respect to reciprocal insurance exchanges;

27. Repealed: 2014, c. 9, Sched. 3, s. 11 (4).

28. extending the provisions of this Act or any of them to a system or class of insurance not particularly mentioned in this Act;

28.0.1 respecting any matter necessary or advisable to carry out effectively the intent and purpose of sections 392.2 to 392.7;

28.1 exempting a person or class of persons from subsection 392.2 (6) or 397 (7) or section 401, subject to such terms and conditions, including any limitations or restrictions, as may be specified in the regulations;

28.2 governing the sale and marketing of prescribed classes of insurance to members of a group, including prescribing and regulating qualifications for membership in groups;

28.3 Repealed: 2014, c. 9, Sched. 3, s. 11 (6).

28.3.1 respecting the application of Part VII to insurance described in clause 291 (3) (c);

28.3.2 prescribing information for which access is limited under clause 293 (8) (b);

28.3.3 for the purpose of subsection 313 (1.2), respecting the circumstances under which an insurer may not restrict or exclude in a contract of accident and sickness insurance the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable and respecting the restriction or exclusion in a contract of such right;

28.3.4 prescribing the rights the insured may exercise under a contract of accident and sickness insurance in the circumstances described in subsection 317.1 (2);

28.4 prescribing persons or classes of persons for the purposes of subsection 398 (3) and prescribing terms and conditions governing persons engaged in an activity set out in subsection 398 (1);

29. governing group insurance contracts or schemes, or any class thereof including prescribing and regulating their terms and conditions, qualifications for membership in groups and regulating the marketing of group insurance contracts or schemes;

30.-32. Repealed: 2006, c. 33, Sched. O, s. 6 (5).

33. governing the advertising of insurance contracts or any class thereof including prescribing and regulating the form and content of advertisements and requiring their filing;

33.1 governing the collection, use and disclosure of personal information by insurers or a class of insurers and, for that purpose, defining personal information;

34. prescribing types of contracts of automobile insurance and types of endorsements to contracts of automobile insurance in respect of which sections 410 to 417 apply;

34.1 prescribing percentages, criteria and elements of risk classification systems for the purposes of subsection 411 (1);

34.2 prescribing circumstances in which the Tribunal is required to hold a hearing on an application under section 410 to which section 411 does not apply;

35. prescribing coverages and categories of automobile insurance that may be provided by insurers and prescribing coverages and categories of automobile insurance that insurers are prohibited from providing;

36. prescribing a risk classification system or elements of a risk classification system that must be used by insurers or a class of insurers in classifying risks for a coverage or category of automobile insurance;

36.1 prescribing elements of a risk classification system that insurers or a class of insurers are prohibited from using in classifying risks for a coverage or category of automobile insurance;

36.2 prescribing, for the purpose of section 413.1, maximum monetary amounts and percentages by which the rate for a class of risks in respect of a coverage or category of automobile insurance may increase or decrease as a result of the application of a regulation made under paragraph 36 or 36.1;

37. prescribing criteria that must be considered in determining whether to give an approval for the purposes of any provision in Part XVII that refers to approval being given, other than subsection 435.1 (2);

37.0.0.1 prescribing criteria that must be considered in determining whether to give an approval for the purposes of any provision in Part XVII.1 that refers to approval being given;

37.0.1 prescribing amounts incurred by the Ministry of Health and Long-Term Care that may be subject to an assessment under section 14.1 and governing assessments under that section;

37.0.2 governing assessments under section 282;

37.1 respecting the relations between insurers, agents or brokers and,

i. entities that undertake the business of financial services,

ii. financial services intermediaries, and

iii. customers of persons and entities referred to in subparagraphs i and ii;

37.2 respecting networking arrangements between insurers and other persons providing products or services to the insurer or its customers;

37.3 prohibiting or restricting networking arrangements;

37.4 governing the conduct of insurers, agents and brokers in networking arrangements;

38. generally for the better administration of this Act. R.S.O. 1990, c. I.8, s. 121 (1); 1993, c. 10, s. 12 (1-13); 1994, c. 11, s. 338; 1996, c. 21, s. 14 (1-8); 1997, c. 19, s. 10 (22-24); 1997, c. 28, s. 107 (1-3); 1999, c. 12, Sched. I, s. 4 (14, 15); 2002, c. 18, Sched. H, s. 4 (14); 2002, c. 22, s. 114; 2004, c. 31, Sched. 20, s. 6; 2005, c. 31, Sched. 12, s. 1; 2006, c. 19, Sched. L, s. 11 (3); 2006, c. 33, Sched. O, s. 6 (1-5); 2011, c. 9, Sched. 21, s. 1; 2012, c. 8, Sched. 23, s. 3 (1); 2013, c. 2, Sched. 8, s. 5 (1); 2014, c. 9, Sched. 3, s. 11 (1-7); 2017, c. 34, Sched. 21, s. 9 (1, 3, 5); 2020, c. 34, Sched. 7, s. 3; 2020, c. 36, Sched. 22, s. 2.

Note: On a day to be named by proclamation of the Lieutenant Governor, paragraphs 3, 5, 6, 7, 8, 11, 11.1, 12, 13, 14, 14.0.1, 14.0.3, 14.0.4, 14.0.5, 15, 17, 18, 19, 19.1, 20, 23, 26.1, 28, 28.2, 28.3.2, 28.3.3, 28.3.4, 29, 33, 33.1, 34, 34.1, 34.2, 35, 36, 36.1, 36.2, 37.1, 37.2, 37.3 and 37.4 of subsection 121 (1) of the Act are repealed. (See: 2017, c. 34, Sched. 21, s. 9 (2))

Regulations re transfer of Commission, Superintendent powers, duties and functions

(2)  The Lieutenant Governor in Council may make regulations,

(a) providing for the transfer of powers conferred on, duties assigned to and functions of the Superintendent under this Act to the Authority or to the Chief Executive Officer;

(b) providing for the transfer of powers conferred on, duties assigned to and functions of the Commission under this Act to the Authority or to the Chief Executive Officer;

(c) deeming references in this Act or the regulations to the Superintendent or the Commission to be references to the Authority or the Chief Executive Officer;

(d) governing transitional matters that may arise due to the transfers described in clauses (a) and (b) or the deeming of references described in clause (c). 2017, c. 34, Sched. 21, s. 9 (6); 2018, c. 17, Sched. 21, s. 2.

Same

(2.0.1)  A regulation made under subsection (2) is subject to such conditions, limitations and restrictions as may be prescribed. 2017, c. 34, Sched. 21, s. 9 (6).

Conflicts

(2.0.2)  If there is a conflict between a regulation made under subsection (2) and any Act or any other regulation, the regulation made under subsection (2) prevails, unless the Act or other regulation specifies that it prevails. 2017, c. 34, Sched. 21, s. 9 (6).

(2.1)  Repealed: 2019, c. 14, Sched. 9, s. 20.

Adoption by reference

(2.2)  A regulation made under subsection (1) may adopt by reference, in whole or in part, with such changes as the Lieutenant Governor in Council considers necessary, any code, standard or guideline, as it reads at the time the regulation is made or as amended from time to time, whether before or after the regulation is made. 1996, c. 21, s. 14 (9).

(3)  Repealed: 1996, c. 21, s. 14 (10).

Same

(4)  The regulations made under paragraphs 9 and 10 of subsection (1),

(a) may establish procedures applicable to benefits;

(b) may prescribe the burden of proof and standard of proof applicable in a proceeding before the Licence Appeal Tribunal under section 280;

(c) may require that a person be examined or assessed,

(i) by an assessment centre designated by a committee appointed under section 7, in accordance with procedures, standards and guidelines established by that committee or by the Minister, or

(ii) by any other person specified by the regulations;

(d), (e) Repealed: 1996, c. 21, s. 14 (12).

Note: Clauses 121 (4) (c), (d) and (e), as they read immediately before November 1, 1996, continue to apply to regulations made under paragraphs 9 and 10 of subsection 121 (1) in respect of benefits arising from the use or operation, after December 31, 1993 and before November 1, 1996, of an automobile. See: 1996, c. 21, s. 14 (14), 52.

(f) may authorize the payment of a benefit directly to a minor for the purpose of subsection 271 (1.4);

(g) may provide for the use of forms prescribed by the regulations or approved by the Chief Executive Officer; and

(h) may designate jurisdictions for the purpose of any provision of this or any other Act that refers to jurisdictions designated in the Statutory Accident Benefits Schedule. 1993, c. 10, s. 12 (14); 1996, c. 21, s. 14 (11-14); 1997, c. 28, s. 107 (4); 2014, c. 9, Sched. 3, s. 11 (8); 2018, c. 8, Sched. 13, s. 22.

Classes, service provider’s licences

(4.1)  For greater certainty, a regulation made under paragraph 26.0.0.1 of subsection (1) may create different classes of service provider’s licences and may establish different requirements, conditions and restrictions for each class. 2013, c. 2, Sched. 8, s. 5 (2).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121 (4.1) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 9 (7))

Regulations, Part II.2

(5)  The Lieutenant Governor in Council may make regulations,

1. prescribing the circumstances in which an individual is affiliated with an insurer for the purposes of Part II.2;

2. governing the establishment and operation of committees of insurers, including setting out requirements respecting the composition, membership, quorum, powers and duties of committees established by the directors of insurers;

3. exempting any insurer or class of insurers from Part II.2 or from any provision of that Part or the regulations made for the purposes of that Part, subject to such conditions as may be set out in the exempting regulations;

4. prescribing anything that is referred to in Part II.2 as being prescribed by the regulations or determined under the regulations. 2006, c. 33, Sched. O, s. 6 (6).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121 (5) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 9 (7))

Regulations, Part XVII

(6)  The Lieutenant Governor in Council may make regulations,

1. with respect to the definition of “commercial loan” in subsection 432 (1),

i. prescribing an amount for the purposes of subclause (a) (i) of the definition,

ii. prescribing international agencies and other entities for the purposes of subclauses (a) (iii) and (b) (ii) of the definition,

iii. prescribing rules for determining amounts for the purposes of subclause (a) (v) and sub-subclauses (a) (vi) (A), (a) (vii) (A) and (a) (viii) (A) of the definition, and

iv. defining “widely distributed” for the purposes of subclauses (b) (iv) and (c) (i) of the definition;

2. prescribing classes of subsidiaries of insurers for the purposes of the definition of “prescribed subsidiary” in subsection 432 (1);

3. prescribing permitted entities and classes of permitted entities in which an insurer may acquire, hold or increase a substantial investment and prescribing any circumstances or conditions that must be satisfied for an entity to be a permitted entity for the purposes of Part XVII;

4. prescribing interests in real property for the purposes of Part XVII;

5. respecting the investment by insurers in permitted entities, including restrictions and limits on investments in permitted entities and rules relating to the form of the investments in permitted entities;

6. prescribing undertakings and information for the purposes of subsections 435.1 (4) and (5);

7. prescribing circumstances in which an insurer or a member of a class of insurers may acquire, hold or increase a substantial investment in an entity or a class of entities;

8. prescribing conditions for the purposes of clauses 435.3 (1) (c) and (d);

9. prescribing circumstances for the purposes of clause 435.3 (4) (a), 435.4 (4) (a) or 435.6 (4) (a);

10. Repealed: 2019, c. 14, Sched. 9, s. 20.

11. prescribing circumstances for the purposes of clause 435.6 (1) (f);

12. prescribing rules for determining the various financial limits referred to in Part XVII;

13. prescribing restrictions or conditions on the making of investments or loans or on acquiring an interest in property for the purposes of section 435.7;

14. prescribing circumstances for the purposes of subsection 435.8 (1);

15. prescribing requirements for the purposes of subsection 435.8 (3);

16. prescribing an amount or rules for determining an amount for the purposes of,

i. Repealed: 2019, c. 14, Sched. 9, s. 20.

ii. subsection 435.9 (2),

iii. section 435.10,

iv. subsection 435.11 (2),

v. subsection 435.12 (2);

17. prescribing rules for determining the value of assets and an insurer’s total assets for the purposes of section 435.14;

18. prescribing rules and circumstances for the purposes of clause 435.14 (3) (c);

19. exempting any insurer or class of insurers from Part XVII or from any provision of that Part or the regulations made for the purposes of that Part, subject to such conditions as may be set out in the exempting regulations;

20. providing that one or more of the financial limits prescribed for the purposes of Part XVII do not apply in respect of an insurer or class of insurers or with respect to an investment or class of investments, or both, and prescribing when the financial limit does not apply and any conditions that must be satisfied for the financial limit not to apply;

21. prescribing criteria that the Chief Executive Officer shall consider in determining whether to give an approval for the purposes of any provision in Part XVII that refers to the approval of the Chief Executive Officer, other than subsection 435.1 (2);

22. prescribing anything that is referred to in Part XVII as being prescribed by the regulations or determined under the regulations. 2006, c. 33, Sched. O, s. 6 (6); 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 20.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121 (6) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 9 (7))

Regulations, Part XVII.1

(7)  The Lieutenant Governor in Council may make regulations,

1. exempting any insurer or class of insurers from Part XVII.1 or from any provision of Part XVII.1 or the regulations made for the purposes of that Part, subject to such conditions as may be set out in the exempting regulations;

2. prescribing holding companies and circumstances for the purposes of clause 437.13 (2) (c);

3. prescribing circumstances in which an insurer may enter into a transaction with a related party and setting out conditions respecting such transactions;

4. prescribing conditions and circumstances under which a transaction entered into by a subsidiary of an insurer will not be deemed to have been entered into by the insurer;

5. prescribing rules and conditions relating to transactions between insurers and related parties;

6. prescribing, for the purposes of paragraph 1 of subsection 437.18 (1),

i. a nominal amount or rules for determining what constitutes a nominal amount, and

ii. what constitutes a transaction that is immaterial to an insurer or rules for determining what constitutes an immaterial transaction;

7. prescribing conditions for the purposes of subparagraph 4 i and rules for the purposes of subparagraph 4 ii of subsection 437.18 (1);

8. prescribing permitted transactions for the purposes of paragraphs 10 and 16 of subsection 437.18 (1);

9. prescribing transactions between an insurer and a related party that are permitted for the purposes of subsection 437.18 (4) despite the fact that they are not on terms and conditions at least as favourable to the insurer as market terms and conditions;

10. prescribing an amount or rules for determining an amount for the purposes of subsection 437.19 (2);

11. prescribing for the purposes of subsection 437.19 (6),

i. types or classes of transactions,

ii. rules for determining the total value of transactions, and

iii. an amount or rules for determining an amount;

12. prescribing for the purposes of subsection 437.19 (7),

i. types or classes of transactions that require approval of the directors of an insurer,

ii. rules for determining the total value of transactions,

iii. an amount or rules for determining an amount, and

iv. what constitutes approval, including prescribing a minimum percentage of directors who must approve;

13. prescribing criteria that the Chief Executive Officer shall consider in determining whether to give an approval for the purposes of any provision in Part XVII.1 that refers to the approval of the Chief Executive Officer;

14. prescribing anything that is referred to in Part XVII.1 as being prescribed by the regulations or determined under the regulations. 2006, c. 33, Sched. O, s. 6 (6); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121 (7) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 9 (7))

Regulations, Part XVIII.1

(7.1)  The Lieutenant Governor in Council may make regulations governing the administrative penalties that may be imposed under sections 441.3 and 441.4 and, without limiting the generality of the foregoing, may make regulations,

(a) prescribing provisions of this Act, the regulations or the Authority rules for the purposes of sections 441.3 and 441.4;

(b) prescribing criteria the Chief Executive Officer is required or permitted to consider when imposing a penalty under section 441.3 or 441.4;

(c) prescribing the amount of a penalty, or the method for calculating the amount of a penalty, and prescribing different penalties or ranges of penalties for different types of contraventions or failures to comply and for different classes of persons;

(d) authorizing the Chief Executive Officer to determine the amount of a penalty, if the amount of the penalty or the method for calculating the amount of the penalty is not prescribed, and prescribing criteria the Chief Executive Officer is required or permitted to consider when determining this;

(e) authorizing a penalty to be imposed for each day or part of a day on which a contravention or failure to comply continues;

(f) authorizing higher penalties (not to exceed the maximum penalty established under section 441.5 or prescribed under clause (j)) for a second or subsequent contravention or failure to comply by a person;

(g) governing the manner of paying the penalties;

(h) requiring that a penalty be paid before a specified deadline or before a deadline specified by the Chief Executive Officer;

(i) authorizing the imposition of late payment fees respecting penalties that are not paid before the deadline, including graduated late payment fees;

(j) prescribing lesser maximum administrative penalties and the requirements established under this Act to which the lesser maximum penalties apply for the purpose of subsection 441.5 (1) or (2). 2012, c. 8, Sched. 23, s. 3 (2); 2018, c. 8, Sched. 13, s. 22; 2021, c. 8, Sched. 5, s. 1.

General or particular

(8)  A regulation made under subsection (5), (6), (7) or (7.1) may be general or particular. 2006, c. 33, Sched. O, s. 6 (6); 2012, c. 8, Sched. 23, s. 3 (3).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121 (8) of the Act is amended by striking out “(5), (6), (7) or”. (See: 2017, c. 34, Sched. 21, s. 9 (8))

Same – classes

(9)  For greater certainty, a regulation made under subsection (5), (6), (7) or (7.1) with respect to a class of insurers may be made with respect to any class as described in the regulation and is not limited to the classes of insurers set out in subsection 42 (1). 2006, c. 33, Sched. O, s. 6 (6); 2012, c. 8, Sched. 23, s. 3 (4).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121 (9) of the Act is amended by striking out “(5), (6), (7) or”. (See: 2017, c. 34, Sched. 21, s. 9 (9))

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 12 (1-14) - 01/01/1994; 1994, c. 11, s. 338 - 11/02/1995; 1996, c. 21, s. 14 (1-14) - 01/11/1996; 1997, c. 19, s. 10 (22-24) - 10/10/1997; 1997, c. 28, s. 107 (1-4) - 01/07/1998; 1999, c. 12, Sched. I, s. 4 (14, 15) - 22/12/1999

[2000, c. 26, Sched. G, s. 1 (2)](http://www.ontario.ca/laws/statute/S00026" \l "schedgs1s2) - See: [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2011

[2002, c. 18, Sched. H, s. 4 (14)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s14) - 30/04/2007; [2002, c. 22, s. 114](http://www.ontario.ca/laws/statute/S02022" \l "s114s1) - 01/10/2003

[2004, c. 31, Sched. 20, s. 6](http://www.ontario.ca/laws/statute/S04031" \l "sched20s6) - 30/04/2007

[2005, c. 31, Sched. 12, s. 1](http://www.ontario.ca/laws/statute/S05031" \l "sched12s1) - 01/03/2006

[2006, c. 19, Sched. L, s. 11 (3)](http://www.ontario.ca/laws/statute/S06019" \l "schedls11s3) - 22/06/2006; [2006, c. 33, Sched. O, s. 6 (1-6)](http://www.ontario.ca/laws/statute/S06033" \l "schedos6s1) - 05/05/2008

[2011, c. 9, Sched. 21, s. 1](http://www.ontario.ca/laws/statute/S11009" \l "sched21s1) - 12/05/2011

[2012, c. 8, Sched. 23, s. 3 (1)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s3s1) - 01/07/2016; [2012, c. 8, Sched. 23, s. 3 (2-4)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s3s2) - 01/01/2013

[2013, c. 2, Sched. 8, s. 5 (1, 2)](http://www.ontario.ca/laws/statute/S13002" \l "sched8s5s1) - 01/06/2014

[2014, c. 7, Sched. 14, s. 2](http://www.ontario.ca/laws/statute/S14007" \l "sched14s2); - not in force; [2014, c. 9, Sched. 3, s. 11 (1-4, 6-8)](http://www.ontario.ca/laws/statute/S14009" \l "sched3s11s1) - 01/04/2016; [2014, c. 9, Sched. 3, s. 11 (5)](http://www.ontario.ca/laws/statute/S14009" \l "sched3s11s5) - 01/01/2015

[2016, c. 5, Sched. 14, s. 2](http://www.ontario.ca/laws/statute/S16005" \l "sched14s2) - no effect - see [2018, c. 8, Sched. 13, s. 25](http://www.ontario.ca/laws/statute/S18008" \l "sched13s25) - 08/05/2018

[2017, c. 34, Sched. 21, s. 9 (1, 5, 6)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s9s1) - 08/06/2019; [2017, c. 34, Sched. 21, s. 9 (3)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s9s3) - 30/04/2018; [2017, c. 34, Sched. 21, s. 9 (2, 4, 7-9)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s9s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices); [2018, c. 17, Sched. 21, s. 2](http://www.ontario.ca/laws/statute/S18017" \l "sched21s2) - 08/06/2019

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

[2020, c. 34, Sched. 7, s. 3 (1-3)](http://www.ontario.ca/laws/statute/S20034" \l "sched7s3s1) - 01/07/2022; [2020, c. 36, Sched. 22, s. 2 (1)](http://www.ontario.ca/laws/statute/S20036" \l "sched22s2s1) - 01/01/2022; [2020, c. 36, Sched. 22, s. 2 (2)](http://www.ontario.ca/laws/statute/S20036" \l "sched22s2s2) - 01/01/2024

[2021, c. 8, Sched. 5, s. 1](http://www.ontario.ca/laws/statute/S21008" \l "sched5s1) - 01/04/2022

Authority rules

**121.0.1**(1)  The Authority may make rules in respect of the following matters:

1. Prescribing terms, conditions and limitations with respect to the reinsurance of risk.

1.1. Prescribing jurisdictions other than Ontario and governing the adoption of international standards of solvency regulation for the purposes of paragraph 1 of subsection 42 (1.1) and paragraph 1 of subsection 42 (1.3).

2. Prescribing limitations and conditions for the purpose of subsection 43 (4).

3. Designating one or more bodies corporate or associations as compensation associations and designating any such body corporate or association as a compensation association for one or more classes of insurers specified by the Authority rules.

4. Designating insurers for the purposes of clause 44 (3) (a) and designating classes of insurers for the purposes of clause 44 (3) (e).

5. Prescribing ratios, percentages, amounts and calculations for the purposes of subsection 102 (8), and any such Authority rule may prescribe different ratios, percentages, amounts and calculations for one or more classes of insurance and for insurers whose business is limited to that of reinsurance.

6. Exempting any insurer or class of insurers from any Authority rule made under paragraph 5, subject to such terms and conditions as may be set out in the Authority rules.

7. Prescribing categories of insurers for the purpose of subsection 101 (1), requiring insurers to file a return under that subsection by category and prescribing the information that insurers may solicit from insured persons for the purposes of such returns.

8. Prescribing the information to be provided under section 101.1 and any conditions that apply to the provision of the information.

8.1 Prescribing persons, information and other requirements for the purposes of section 101.2.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121.0.1 (1) of the Act is amended by adding the following paragraph: (See: 2022, c. 17, Sched. 2, s. 4)

8.2 Prescribing the information to be provided under subsection 101.3 (1) and prescribing requirements for the purposes of that subsection.

9. Prescribing categories of insurers for the purposes of subsection 102 (1).

10. Prescribing dates for the purposes of clause 102 (1) (a).

11. Governing the preparation of financial statements required under this Act, the regulations or the Authority rules.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121.0.1 (1) of the Act is amended by adding the following paragraph: (See: 2021, c. 40, Sched. 14, s. 2)

11.1 Governing the conduct of insurers and agents with respect to the design, marketing, sale, issuance and administration of variable insurance contracts as defined in subsection 110 (1), including the following matters:

i. Prescribing the form and content of variable insurance contracts.

ii. Prescribing the form, content, time of filing and delivery of information folders and the persons to whom information folders shall be delivered.

iii. The furnishing of information by an insurer or an agent thereof to prospective purchasers of variable insurance contracts.

iv. Prescribing the documents, reports, statements, agreements and other information required to be filed, furnished or delivered under section 110, and the form and content thereof.

v. Governing what constitutes an individual variable insurance contract.

12. Prescribing the circumstances in which an individual is affiliated with an insurer for the purposes of Part II.2.

13. Governing the establishment and operation of committees of insurers, including setting out requirements respecting the composition, membership, quorum, powers and duties of committees established by the directors of insurers.

14. Exempting any insurer or class of insurers from Part II.2 or from any provision of that Part or the Authority rules made for the purposes of that Part, subject to such conditions as may be set out in the exempting Authority rules.

15. Governing the investment and valuation of the assets of the Fire Mutuals Guarantee Fund.

16. Prescribing information for which access is limited under clause 174 (8) (b).

16.1 Prescribing requirements respecting the electronic designation of a beneficiary under subsection 190 (1.2).

17. For the purposes of subsection 190 (4), respecting the circumstances under which an insurer may not restrict or exclude in a contract of life insurance the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable and respecting the restriction or exclusion in a contract of such right.

18. Prescribing the rights the insured may exercise under a contract of life insurance in the circumstances described in subsection 197 (2).

18.1 Prescribing, for the purposes of subsection 229 (1), the times for supplying information and the information to be supplied.

19. Prescribing, for the purposes of subsection 236 (6), types of contracts and circumstances.

20. Governing the filing and determination of grounds under section 238 for different coverages and categories of automobile insurance, including in respect of,

i. filing requirements and materials to be furnished,

ii. the provision of information,

iii. prohibitions from using grounds, and

iv. the criteria to be considered in determining whether a ground to terminate is just and reasonable in the circumstances.

21. Governing the concurrent filing of grounds under section 238.1.

22. Prescribing anything that, in sections 288.3 to 288.7, is required or permitted to be prescribed or to be done in accordance with the Authority rules.

23. Governing the sale and marketing of prescribed classes of insurance to members of a group, including prescribing and regulating qualifications for membership in groups.

24. Governing group insurance contracts or schemes, or any class thereof, including prescribing and regulating their terms and conditions, qualifications for membership in groups and regulating the marketing of group insurance contracts or schemes.

25. Governing the advertising of insurance contracts, or any class thereof, including prescribing and regulating the form and content of advertisements and requiring their filing.

26. Prescribing information for which access is limited under clause 293 (8) (b).

26.1 Prescribing requirements respecting the electronic designation of a beneficiary under subsection 313 (1.0.2).

27. For the purpose of subsection 313 (1.2), respecting the circumstances under which an insurer may not restrict or exclude in a contract of accident and sickness insurance the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable and respecting the restriction or exclusion in a contract of such right.

28. Prescribing such matters as are required or permitted to be prescribed under sections 380.1 to 386 with respect to reciprocal insurance exchanges.

29. Prescribing the rights the insured may exercise under a contract of accident and sickness insurance in the circumstances described in subsection 317.1 (2).

30. Prescribing types of contracts of automobile insurance and types of endorsements to contracts of automobile insurance in respect of which sections 410 to 417 apply.

31. Governing applications and approvals in respect of risk classification systems and rates for different coverages and categories of automobile insurance under sections 410 to 417, including in respect of,

i. application requirements and materials to be furnished,

ii. the provision of information, and

iii. the criteria to be considered in determining whether a risk classification system or rate is just and reasonable in the circumstances.

32. Prescribing a risk classification system or elements of a risk classification system that must be used by insurers or a class of insurers in classifying risks for a coverage or category of automobile insurance.

33. Prescribing elements of a risk classification system that insurers or a class of insurers are prohibited from using in classifying risks for a coverage or category of automobile insurance.

34. Prescribing maximum monetary amounts and percentages by which the rate for a class of risks in respect of a coverage or category of automobile insurance may increase or decrease as a result of the application of an Authority rule made under paragraph 32 or 33.

35. With respect to the definition of “commercial loan” in subsection 432 (1),

i. prescribing an amount for the purposes of subclause (a) (i) of the definition,

ii. prescribing international agencies and other entities for the purposes of subclauses (a) (iii) and (b) (ii) of the definition,

iii. prescribing rules for determining amounts for the purposes of subclause (a) (v) and sub-subclauses (a) (vi) (A), (a) (vii) (A) and (a) (viii) (A) of the definition, and

iv. defining “widely distributed” for the purposes of subclauses (b) (iv) and (c) (i) of the definition.

36. Prescribing classes of subsidiaries of insurers for the purposes of the definition of “prescribed subsidiary” in subsection 432 (1).

37. Prescribing permitted entities and classes of permitted entities in which an insurer may acquire, hold or increase a substantial investment and prescribing any circumstances or conditions that must be satisfied for an entity to be a permitted entity for the purposes of Part XVII.

38. Prescribing interests in real property for the purposes of Part XVII.

39. Respecting the investment by insurers in permitted entities, including restrictions and limits on investments in permitted entities and rules relating to the form of the investments in permitted entities.

40. Prescribing undertakings and information for the purposes of subsections 435.1 (4) and (5).

41. Prescribing circumstances in which an insurer or a member of a class of insurers may acquire, hold or increase a substantial investment in an entity or a class of entities.

42. Prescribing conditions for the purposes of clauses 435.3 (1) (c) and (d).

43. Prescribing circumstances for the purposes of clause 435.3 (4) (a), 435.4 (4) (a) or 435.6 (4) (a).

44. Repealed: 2019, c. 14, Sched. 9, s. 20.

45. Prescribing circumstances for the purposes of clause 435.6 (1) (f).

46. Prescribing rules for determining the various financial limits referred to in Part XVII.

47. Prescribing restrictions or conditions on the making of investments or loans or on acquiring an interest in property for the purposes of section 435.7.

48. Prescribing circumstances for the purposes of subsection 435.8 (1).

49. Prescribing requirements for the purposes of subsection 435.8 (3).

50. Prescribing an amount or rules for determining an amount for the purposes of,

i. Repealed: 2019, c. 14, Sched. 9, s. 20.

ii. subsection 435.9 (2),

iii. section 435.10,

iv. subsection 435.11 (2), and

v. subsection 435.12 (2).

51. Prescribing rules for determining the value of assets and an insurer’s total assets for the purposes of section 435.14.

52. Prescribing rules and circumstances for the purposes of clause 435.14 (3) (c).

53. Exempting any insurer or class of insurers from Part XVII or from any provision of that Part or the Authority rules made for the purposes of that Part, subject to such conditions as may be set out in the exempting Authority rules.

54. Providing that one or more of the financial limits prescribed for the purposes of Part XVII do not apply in respect of an insurer or class of insurers or with respect to an investment or class of investments, or both, and prescribing when the financial limit does not apply and any conditions that must be satisfied for the financial limit not to apply.

55. Exempting any insurer or class of insurers from Part XVII.1 or from any provision of that Part or the Authority rules made for the purposes of that Part, subject to such conditions as may be set out in the exempting Authority rules.

56. Prescribing holding companies and circumstances for the purposes of clause 437.13 (2) (c).

57. Prescribing circumstances in which an insurer may enter into a transaction with a related party and setting out conditions respecting such transactions.

58. Prescribing conditions and circumstances under which a transaction entered into by a subsidiary of an insurer will not be deemed to have been entered into by the insurer.

59. Prescribing rules and conditions relating to transactions between insurers and related parties.

60. Prescribing, for the purposes of paragraph 1 of subsection 437.18 (1),

i. a nominal amount or rules for determining what constitutes a nominal amount, and

ii. what constitutes a transaction that is immaterial to an insurer or rules for determining what constitutes an immaterial transaction.

61. Prescribing conditions for the purposes of subparagraph 4 i and rules for the purposes of subparagraph 4 ii of subsection 437.18 (1).

62. Prescribing permitted transactions for the purposes of paragraphs 10 and 16 of subsection 437.18 (1).

63. Prescribing transactions between an insurer and a related party that are permitted for the purposes of subsection 437.18 (4), despite the fact that they are not on terms and conditions at least as favourable to the insurer as market terms and conditions.

64. Prescribing an amount or rules for determining an amount for the purposes of subsection 437.19 (2).

65. Prescribing for the purposes of subsection 437.19 (6),

i. types or classes of transactions,

ii. rules for determining the total value of transactions, and

iii. an amount or rules for determining an amount.

66. Prescribing for the purposes of subsection 437.19 (7),

i. types or classes of transactions that require approval of the directors of an insurer,

ii. rules for determining the total value of transactions,

iii. an amount or rules for determining an amount, and

iv. what constitutes approval, including prescribing a minimum percentage of directors who must approve.

67. Prescribing any activity or failure to act that constitutes an unfair or deceptive act or practice under the definition of “unfair or deceptive acts or practices” in section 438, and prescribing requirements that, if not complied with, constitute an unfair or deceptive act or practice.

68. Respecting the relations between insurers, agents or brokers and,

i. entities that undertake the business of financial services,

ii. financial services intermediaries, and

iii. customers of persons and entities referred to in subparagraphs i and ii.

69. Respecting networking arrangements between insurers and other persons providing products or services to the insurer or its customers.

70. Prohibiting or restricting networking arrangements.

71. Governing the conduct of insurers, agents and brokers in networking arrangements. 2017, c. 34, Sched. 21, s. 10; 2018, c. 8, Sched. 13, s. 9; 2019, c. 7, Sched. 33, s. 3 (2); 2019, c. 14, Sched. 9, s. 20; 2023, c. 8, Sched. 5, s. 1.

Classes, service provider’s licences

(2)  For greater certainty, an Authority rule made under paragraph 22 of subsection (1) may create different classes of service provider’s licences and may establish different requirements, conditions and restrictions for each class. 2017, c. 34, Sched. 21, s. 10.

Rules re agents’ licences

(3)  The Authority may make rules relating to licences authorizing a person to act as an insurance agent in Ontario. 2017, c. 34, Sched. 21, s. 10.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121.0.1 (3) of the Act is amended by striking out “Ontario” at the end and substituting “Ontario, including rules requiring that a person licensed to act as an insurance agent use specified titles”. (See: 2019, c. 7, Sched. 25, s. 19)

Rules re adjusters’ licences

(4)  The Authority may make rules relating to licences authorizing a person to act as an insurance adjuster in Ontario. 2017, c. 34, Sched. 21, s. 10.

Legislation Act, 2006

(5)  Part III (Regulations) of the Legislation Act, 2006 does not apply to the Authority rules. 2017, c. 34, Sched. 21, s. 10.

Regulation prevails

(6)  If there is a conflict or an inconsistency between a regulation made by the Lieutenant Governor in Council under this Act and an Authority rule, the regulation prevails, but in all other respects an Authority rule has the same force and effect as a regulation. 2017, c. 34, Sched. 21, s. 10.

**Section Amendments with date in force (d/m/y)**

[2017, c. 34, Sched. 21, s. 10](http://www.ontario.ca/laws/statute/S17034" \l "sched21s10) - 08/06/2019

[2018, c. 8, Sched. 13, s. 9 (1, 2)](http://www.ontario.ca/laws/statute/S18008" \l "sched13s9s1) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2019, c. 7, Sched. 25, s. 19](http://www.ontario.ca/laws/statute/S19007" \l "sched25s19) - not in force; [2019, c. 7, Sched. 33, s. 3 (1)](http://www.ontario.ca/laws/statute/S19007" \l "sched33s3s1) - 08/06/2019; [2019, c. 7, Sched. 33, s. 3 (2)](http://www.ontario.ca/laws/statute/S19007" \l "sched33s3s2) - 08/06/2019; [2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

[2021, c. 40, Sched. 14, s. 2](http://www.ontario.ca/laws/statute/S21040" \l "sched14s2) - not in force

[2022, c. 17, Sched. 2, s. 4](http://www.ontario.ca/laws/statute/S22017" \l "sched2s4) - not in force

[2023, c. 8, Sched. 5, s. 1](http://www.ontario.ca/laws/statute/S23008" \l "sched5s1) - 18/05/2023

**121.1**  Repealed: [2020, c. 36, Sched. 14, s. 8 (2)](http://www.ontario.ca/laws/statute/S20036" \l "sched14s8s2).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (25) - 10/10/1997

[2015, c. 20, Sched. 17, s. 1](http://www.ontario.ca/laws/statute/S15020" \l "sched17s1) - no effect - see [2020, c. 36, Sched. 14, s. 3](http://www.ontario.ca/laws/statute/S20036" \l "sched14s3) - 08/12/2020

[2020, c. 36, Sched. 14, s. 8 (2)](http://www.ontario.ca/laws/statute/S20036" \l "sched14s8s2) - 08/12/2020

Forms

**121.2**  (1)  The Chief Executive Officer may approve forms for any purpose of this Act and the forms may provide for such information to be furnished as the Chief Executive Officer may require. 1997, c. 19, s. 10 (25); 1997, c. 28, c. 108 (2); 2018, c. 8, Sched. 13, s. 22.

Electronic forms

(2)  The Chief Executive Officer may approve electronic forms for any purposes under this Act. 1997, c. 19, s. 10 (25); 1997, c. 28, s. 108 (2); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (25) - 10/10/1997; 1997, c. 28, c. 108 (2) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

PART II.1  
ACTUARY OF THE INSURER

Definition

**121.3**In this Part,

“insurer” means an insurer incorporated and licensed under the laws of Ontario. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

Appointment of actuary

**121.4**(1)  The directors of an insurer shall appoint an actuary of the insurer. 2002, c. 18, Sched. H, s. 4 (15).

(2)  Repealed: 2019, c. 14, Sched. 9, s. 20.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

Notice of appointment

**121.5**An insurer shall notify the Chief Executive Officer in writing of the appointment forthwith after the appointment of the actuary of the insurer. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

When officers not to be actuary

**121.6**(1)  Neither the chief executive officer, the chief operating officer nor a person performing similar functions for an insurer shall be appointed as or hold the position of actuary of the insurer without the Chief Executive Officer’s written authorization. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 23.

Duration of authorization

(2)  An authorization under subsection (1) expires on the earlier of the day specified in the authorization and the day that is six months after the authorization is issued. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s23) - 08/06/2019

Chief financial officer

**121.7**(1)  Neither the chief financial officer of an insurer nor a person performing similar functions for an insurer shall be appointed as or hold the position of actuary of the insurer unless,

(a) the Chief Executive Officer receives a written statement from the audit committee of the insurer indicating that it is satisfied that the duties of both positions will be adequately performed and that the actuarial duties will be performed in an independent manner; and

(b) the Chief Executive Officer authorizes the appointment or the holding of the position with or without conditions. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

Same

(2)  The conditions may limit the period of time that the officer or person may be the actuary of the insurer. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Revocation of appointment

**121.8**(1)  The directors of an insurer may revoke the appointment of the actuary of the insurer. 2002, c. 18, Sched. H, s. 4 (15).

Notice of revocation

(2)  An insurer shall give the Chief Executive Officer written notice of the revocation of an appointment forthwith after the revocation. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Ceasing to hold office

**121.9**(1)  A person shall cease to be the actuary of the insurer when,

(a) the person resigns as actuary of the insurer;

(b) the person ceases to be an actuary; or

(c) the directors of the insurer revoke the appointment. 2002, c. 18, Sched. H, s. 4 (15).

Effective date of resignation

(2)  The resignation of an actuary of the insurer takes effect on the later of the day that the insurer receives written notice of the resignation and the day specified in that notice. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

Filling vacancy

**121.10**If the office of actuary of the insurer becomes vacant, the directors of the insurer shall immediately appoint a new actuary of the insurer and notify the Chief Executive Officer of the vacancy and the new appointment. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Statement of actuary

**121.11**If an actuary of the insurer resigns or his or her appointment is revoked, the actuary shall submit a written statement to the directors of the insurer and the Chief Executive Officer stating the circumstances and reasons why the actuary resigned or why, in the actuary’s opinion, the appointment was revoked. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Duty of replacement actuary

**121.12**If an actuary of the insurer resigns or the appointment of the actuary of the insurer is revoked, no person shall accept an appointment or consent to be appointed as the actuary of the insurer unless,

(a) the person has received the statement referred to in section 121.11; or

(b) the person has asked the former actuary for a copy of that statement and has not received a copy of it within 15 days after asking for it. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

Actuary’s valuation

**121.13**(1)  An actuary of the insurer shall value,

(a) the actuarial and other policy liabilities of the insurer as at the end of a year covered by the annual statement required under subsection 102 (1); and

(b) any other matters the Chief Executive Officer directs. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

Same

(2)  The actuary’s valuation shall be in accordance with generally accepted actuarial practice with such changes as may be determined by the Chief Executive Officer and any additional directions that may be made by the Chief Executive Officer. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

Same

(3)  The insurer shall submit the actuary’s valuation report to the Chief Executive Officer with the statements required under subsection 102 (1). 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Chief Executive Officer may appoint actuary

**121.14**(1)  The Chief Executive Officer may appoint an actuary to,

(a) conduct a review of the valuation of the actuary of the insurer completed under section 121.13; or

(b) conduct an independent valuation of matters referred to in section 121.13. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

Expenses payable by insurer

(2)  The expenses incurred in carrying out a review or a valuation under subsection (1) are payable by the insurer on being approved in writing by the Chief Executive Officer. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Right to information

**121.15**(1)  The actuary of the insurer may request information, explanations or access to any records of the insurer as are necessary to perform his or her duties. 2002, c. 18, Sched. H, s. 4 (15).

Same

(2)  The present or former directors, officers, employees or representatives of an insurer shall permit access to records and provide information or explanations requested by the actuary of the insurer, to the extent they are reasonably able to do so. 2002, c. 18, Sched. H, s. 4 (15).

No civil liability

(3)  A person who acts in good faith under subsection (2) shall not be liable in any civil proceeding arising from that action. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

Actuary’s report

**121.16**(1)  An actuary of the insurer shall submit a report in a form approved by the Chief Executive Officer to shareholders and policyholders of the insurer on the valuation made under section 121.13 and on any other matter required by the Chief Executive Officer, at least 21 days before the date of the annual meeting. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

Same

(2)  The report shall include a statement by the actuary of the insurer as to whether, in the actuary’s opinion, the annual statement required under subsection 102 (1) presents fairly the results of the valuation made under section 121.13. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Report to directors

**121.17**(1)  An actuary of the insurer shall meet with the directors of the insurer or, if the directors so choose, with the audit committee of the insurer at least once during each fiscal year. 2002, c. 18, Sched. H, s. 4 (15).

Same

(2)  At the meeting referred to in subsection (1), the actuary of the insurer shall report, in accordance with generally accepted actuarial practice and any direction made by the Chief Executive Officer, on the financial position of the insurer and, if specified in a direction of the Chief Executive Officer, the expected future financial condition of the insurer. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Report to officers

**121.18**(1)  An actuary of the insurer shall report in writing to the chief executive officer and chief financial officer of the insurer any matters that have come to the actuary’s attention in the course of carrying out the actuary’s duties if, in the actuary’s opinion, they have material adverse effects on the financial condition of the insurer and those matters require rectification. 2002, c. 18, Sched. H, s. 4 (15).

Submission of report

(2)  An actuary of the insurer shall also provide a copy of the report referred to in subsection (1) to the directors of the insurer immediately after making it. 2002, c. 18, Sched. H, s. 4 (15).

Failure to take action

(3)  If, in the opinion of the actuary of the insurer, suitable action is not being taken to rectify the matters referred to in subsection (1), the actuary shall immediately send a copy of the report to the Chief Executive Officer and advise the directors of the insurer that he or she has done so. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Qualified privilege

**121.19**(1)  An oral or written statement or report made under this Act by an actuary or former actuary of the insurer has qualified privilege. 2002, c. 18, Sched. H, s. 4 (15).

Same

(2)  An actuary or former actuary of the insurer who in good faith makes an oral or written statement or report under section 121.11 or 121.18 is not liable in any civil proceeding seeking indemnification for damages attributable to the actuary or former actuary of the insurer having made the statement or report. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

Non-application of this Part

**121.20**This Part does not apply to a mutual insurance corporation that is a member of the Fire Mutuals Guarantee Fund. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

Non-application of s. 121.17

**121.21**Section 121.17 does not apply to reciprocal insurance exchanges. 2002, c. 18, Sched. H, s. 4 (15).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

Exemptions

**121.22**On written application by an insurer, the Chief Executive Officer may in special circumstances approve the exemption of the insurer from section 121.13 or 121.17, or both, on such terms and conditions as may be specified in the approval. 2002, c. 18, Sched. H, s. 4 (15); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (15)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s15) - 26/11/2002

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Part II.2  
Directors of an Insurer

Affiliated individuals

Definitions

**121.23**  (1)  In this Part,

“insurer” means an insurer that is incorporated and licensed under the laws of Ontario; (“assureur”)

“person” includes an entity; (“personne”)

“reporting issuer” means an insurer that is a reporting issuer under the Securities Act. (“émetteur assujetti”) 2006, c. 33, Sched. O, s. 7.

Affiliated individual

(2)  An individual is affiliated with an insurer for the purposes of this Part in the circumstances prescribed by the regulations. 2006, c. 33, Sched. O, s. 7.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 121.23 (2) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 11)

Affiliate

(3)  An entity is an affiliate of an insurer for the purposes of this Part if it is an affiliate of the insurer for the purposes of Part XVII. 2006, c. 33, Sched. O, s. 7.

Chief Executive Officer may determine individual is affiliated

(4)  Despite subsection (2), the Chief Executive Officer may determine that an individual is affiliated with an insurer for the purposes of this Part if, in the opinion of the Chief Executive Officer, the individual has such a significant or sufficient commercial, business or financial relationship with the insurer or an affiliate of the insurer that the relationship can be construed as being material to the individual and can reasonably be expected to affect the exercise of the individual’s best judgment. 2006, c. 33, Sched. O, s. 7; 2018, c. 8, Sched. 13, s. 22.

Appeal

(5)  The individual or the insurer may appeal a decision of the Chief Executive Officer to the Tribunal. 2006, c. 33, Sched. O, s. 7; 2018, c. 8, Sched. 13, s. 22.

Duration of determination

(6)  A determination by the Chief Executive Officer under subsection (4),

(a) becomes effective on the day of the next annual meeting of the shareholders and policyholders unless a notice in writing by the Chief Executive Officer revoking the determination is received by the insurer before that day; and

(b) ceases to be in effect on the day of the next annual meeting of the shareholders and policyholders after a notice in writing by the Chief Executive Officer revoking the determination is received by the insurer. 2006, c. 33, Sched. O, s. 7; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 7](http://www.ontario.ca/laws/statute/S06033" \l "schedos7) - 05/05/2008

[2017, c. 34, Sched. 21, s. 11](http://www.ontario.ca/laws/statute/S17034" \l "sched21s11) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Directors’ duties

**121.24**  (1)  Subject to this Act and the regulations, the directors of an insurer shall,

(a) establish an audit committee;

(b) establish a conduct review committee;

(c) establish such other committees as may be required by the regulations;

(d) establish procedures to resolve conflicts of interest, including procedures for the identification of potential conflict situations, and establish or designate a committee of the directors to monitor the application of the procedures and the results of their application. 2006, c. 33, Sched. O, s. 7.

Committees

(2)  In establishing a committee, the directors shall comply with any requirements prescribed by the regulations relating to the composition, membership, quorum, powers and duties of the committee. 2006, c. 33, Sched. O, s. 7.

Quorum of executive committee

(3)  Despite subsection 70 (3) of the Corporations Act, a quorum of the members of the executive committee must include at least one member of the executive committee who is not affiliated with the insurer. 2006, c. 33, Sched. O, s. 7.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 121.24 of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 12)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 7](http://www.ontario.ca/laws/statute/S06033" \l "schedos7) - 05/05/2008

[2017, c. 34, Sched. 21, s. 12](http://www.ontario.ca/laws/statute/S17034" \l "sched21s12) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

PART III  
INSURANCE CONTRACTS IN ONTARIO

Application of Part

**122** Except where otherwise provided and where not inconsistent with other provisions of this Act, this Part applies to every contract of insurance made in Ontario, other than contracts of,

(a) accident and sickness insurance;

(b) life insurance; and

(c) marine insurance. R.S.O. 1990, c. I.8, s. 122; 2002, c. 18, Sched. H, s. 4 (16).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (16)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s16) - 30/04/2007

Contracts deemed made in Ontario

**123** Where the subject-matter of a contract of insurance is property in Ontario or an insurable interest of a person resident in Ontario, the contract of insurance, if signed, countersigned, issued or delivered in Ontario or committed to the post office or to any carrier, messenger or agent to be delivered or handed over to the insured or the insured’s assign or agent in Ontario shall be deemed to evidence a contract made therein, and the contract shall be construed according to the law thereof, and all money payable under the contract shall be paid at the office of the chief officer or agent in Ontario of the insurer in lawful money of Canada. R.S.O. 1990, c. I.8, s. 123.

Requirement for all terms to be set out in policy; relevance of proposal, etc.

Terms, etc., of contracts invalid unless set out in full

**124** (1)  All the terms and conditions of the contract of insurance shall be set out in full in the policy or by writing securely attached to it when issued, and, unless so set out, no term of the contract or condition, stipulation, warranty or proviso modifying or impairing its effect is valid or admissible in evidence to the prejudice of the insured or beneficiary. R.S.O. 1990, c. I.8, s. 124 (1).

Exception

(2)  Subsection (1) does not apply to an alteration or modification of the contract agreed upon in writing by the insurer and the insured after the issue of the policy. R.S.O. 1990, c. I.8, s. 124 (2).

Contents of renewal receipt

(3)  Whether the contract does or does not provide for its renewal, but it is renewed by a renewal receipt, it is a sufficient compliance with subsection (1) if the terms and conditions of the contract are set out as provided by that subsection and the renewal receipt refers to the contract by its number or date. R.S.O. 1990, c. I.8, s. 124 (3).

What regard to be given to proposal

(4)  The proposal or application of the insured shall not as against the insured be deemed a part of or be considered with the contract of insurance except in so far as the court determines that it contains a material misrepresentation by which the insurer was induced to enter into the contract. R.S.O. 1990, c. I.8, s. 124 (4).

Contract not to be invalidated by erroneous statement in application unless material

(5)  No contract of insurance shall contain or have endorsed upon it, or be made subject to, any term, condition, stipulation, warranty or proviso providing that such contract shall be avoided by reason of any statement in the application therefor, or inducing the entering into of the contract by the insurer, unless such term, condition, stipulation, warranty or proviso is and is expressed to be limited to cases in which such statement is material to the contract, and no contract shall be avoided by reason of the inaccuracy of any such statement unless it is material to the contract. R.S.O. 1990, c. I.8, s. 124 (5).

Materiality, how decided

(6)  The question of materiality in a contract of insurance is a question of fact for the jury, or for the court if there is no jury, and no admission, term, condition, stipulation, warranty or proviso to the contrary contained in the application or proposal for insurance, or in the instrument of contract, or in any agreement or document relating thereto, has any force or validity. R.S.O. 1990, c. I.8, s. 124 (6).

Application

(7)  This section does not apply to,

(a) contracts of automobile insurance; or

(b) contracts of insurance to which Part IV applies. 2002, c. 18, Sched. H, s. 4 (17).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (17)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s17) - 30/04/2007

Copy of proposal to be furnished to insured

**125** An insurer shall upon request furnish to the insured a true copy of the insured’s application or proposal for insurance. R.S.O. 1990, c. I.8, s. 125.

No contract shall be inconsistent with Act

**126** (1)  No insurer shall make a contract of insurance inconsistent with this Act. R.S.O. 1990, c. I.8, s. 126 (1).

Rights of insured, beneficiary, etc.

(2)  A contract is not rendered void or voidable as against an insured, or a beneficiary or other person to whom insurance money is payable under the contract, by reason of a failure of the insurer to comply with a provision of this Act. 2012, c. 8, Sched. 23, s. 4.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 4](http://www.ontario.ca/laws/statute/S12008" \l "sched23s4) - 01/07/2016

Contents of policy

**127** (1)  Every policy shall contain the name of the insurer, the name of the insured, the name of the person or persons to whom the insurance money is payable, the amount, or the method of determining the amount, of the premium for the insurance, the subject-matter of the insurance, the indemnity for which the insurer may become liable, the event on the happening of which the liability is to accrue, the date upon which the insurance takes effect and the date it terminates or the method by which the latter is fixed or to be fixed. R.S.O. 1990, c. I.8, s. 127 (1).

Application of section

(2)  This section does not apply to contracts of surety insurance. R.S.O. 1990, c. I.8, s. 127 (2); 2002, c. 18, Sched. H, s. 4 (18).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (18)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s18) - 30/04/2007

Contracts providing for appraisals

**128** (1)  This section applies to a contract containing a condition, statutory or otherwise, providing for an appraisal to determine specified matters in the event of a disagreement between the insured and the insurer. R.S.O. 1990, c. I.8, s. 128 (1).

Appraisers, appointment

(2)  The insured and the insurer shall each appoint an appraiser, and the two appraisers so appointed shall appoint an umpire. R.S.O. 1990, c. I.8, s. 128 (2).

Appraisers, duties

(3)  The appraisers shall determine the matters in disagreement and, if they fail to agree, they shall submit their differences to the umpire, and the finding in writing of any two determines the matters. R.S.O. 1990, c. I.8, s. 128 (3).

Costs

(4)  Each party to the appraisal shall pay the appraiser appointed by the party and shall bear equally the expense of the appraisal and the umpire. R.S.O. 1990, c. I.8, s. 128 (4).

Appointment by judge

(5)  Where,

(a) a party fails to appoint an appraiser within seven clear days after being served with written notice to do so;

(b) the appraisers fail to agree upon an umpire within fifteen days after their appointment; or

(c) an appraiser or umpire refuses to act or is incapable of acting or dies,

a judge of the Superior Court of Justice may appoint an appraiser or umpire, as the case may be, upon the application of the insured or of the insurer. R.S.O. 1990, c. I.8, s. 128 (5); 2006, c. 19, Sched. C, s. 1 (1).

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006

Relief from forfeiture

**129** Where there has been imperfect compliance with a statutory condition as to the proof of loss to be given by the insured or other matter or thing required to be done or omitted by the insured with respect to the loss and a consequent forfeiture or avoidance of the insurance in whole or in part and the court considers it inequitable that the insurance should be forfeited or avoided on that ground, the court may relieve against the forfeiture or avoidance on such terms as it considers just. R.S.O. 1990, c. I.8, s. 129.

Recovery by innocent persons

**129.1**(1)  If a contract contains a term or condition excluding coverage for loss or damage to property caused by a criminal or intentional act or omission of an insured or any other person, the exclusion applies only to the claim of a person,

(a) whose act or omission caused the loss or damage;

(b) who abetted or colluded in the act or omission;

(c) who,

(i) consented to the act or omission, and

(ii) knew or ought to have known that the act or omission would cause the loss or damage; or

(d) who is in a class prescribed by the regulations. 2017, c. 34, Sched. 21, s. 13.

Recovery limited to proportionate interest

(2)  Nothing in subsection (1) allows a person whose property is insured under the contract to recover more than the person’s proportionate interest in the lost or damaged property. 2017, c. 34, Sched. 21, s. 13.

Compliance with prescribed requirements

(3)  A person whose coverage under a contract would be excluded but for subsection (1) must comply with the requirements prescribed by the regulations. 2017, c. 34, Sched. 21, s. 13.

**Section Amendments with date in force (d/m/y)**

[2017, c. 34, Sched. 21, s. 13](http://www.ontario.ca/laws/statute/S17034" \l "sched21s13) - 30/04/2018

How policy payable

**130** Insurance money is payable in Ontario in lawful money of Canada. R.S.O. 1990, c. I.8, s. 130.

Waiver and estoppel

**131** (1)  The obligation of an insured to comply with a requirement under a contract is excused to the extent that,

(a) the insurer has given notice in writing that the insured’s compliance with the requirement is excused in whole or in part, subject to the terms specified in the notice, if any; or

(b) the insurer’s conduct reasonably causes the insured to believe that the insured’s compliance with the requirement is excused in whole or in part, and the insured acts on that belief to the insured’s detriment. 2012, c. 8, Sched. 23, s. 5.

Idem

(2)  Neither the insurer nor the insured shall be deemed to have waived any term or condition of a contract by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs or to the investigation or adjustment of any claim under the contract. R.S.O. 1990, c. I.8, s. 131 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 5](http://www.ontario.ca/laws/statute/S12008" \l "sched23s5) - 01/07/2016

Right of claimant against insurer where execution against insured returned unsatisfied

**132** (1)  Where a person incurs a liability for injury or damage to the person or property of another, and is insured against such liability, and fails to satisfy a judgment awarding damages against the person in respect of the person’s liability, and an execution against the person in respect thereof is returned unsatisfied, the person entitled to the damages may recover by action against the insurer the amount of the judgment up to the face value of the policy, but subject to the same equities as the insurer would have if the judgment had been satisfied.

Exception

(2)  This section does not apply to motor vehicle liability policies. R.S.O. 1990, c. I.8, s. 132.

Court actions for recovery of insurance money, special rules

Consolidation of actions

**133** (1)  Where several actions are brought for the recovery of money payable under a contract or contracts of insurance, the court may consolidate or otherwise deal therewith so that there is but one action for and in respect of all the claims made in such actions.

Where minors are entitled to insurance money

(2)  Where an action is brought to recover the share of one or more minors, all the other minors entitled, or the trustees, executors or guardians entitled to receive payment of the shares of such other minors, shall be made parties to the action, and the rights of all the minors shall be determined in one action.

Apportionment of sums directed to be paid

(3)  In all actions where several persons are interested in the insurance money, the court or judge may apportion among the persons entitled any sum directed to be paid, and may give all necessary directions and relief.

When payee is domiciled or resident abroad

(4)  Where the person entitled to receive money due and payable under a contract of insurance, except insurance of the person, is domiciled or resides in a foreign jurisdiction and payment, valid according to the law of such jurisdiction, is made to such person, such payment is valid and effectual for all purposes. R.S.O. 1990, c. I.8, s. 133.

Non-payment of premium

Effect of delivery of policy

**134** (1)  Where the policy has been delivered, the contract is as binding on the insurer as if the premium had been paid, although it has not in fact been paid, and although delivered by an officer or agent of the insurer who had not authority to deliver it. R.S.O. 1990, c. I.8, s. 134 (1).

Right of insurer in respect of unpaid premium

(2)  The insurer may sue for the unpaid premium and may deduct the amount thereof from the amount for which the insurer is liable under the contract of insurance. R.S.O. 1990, c. I.8, s. 134 (2).

Where note or cheque for premium not honoured

(3)  Where a cheque, bill of exchange or promissory note is given, whether originally or by way of renewal, for the whole or part of any premium and the cheque, bill of exchange or promissory note is not honoured according to its tenor, the insurer may terminate the contract forthwith by giving written notice by registered mail, personal delivery, or prepaid courier if there is a record by the person who has delivered it that the notice has been sent. R.S.O. 1990, c. I.8, s. 134 (3); 2019, c. 7, Sched. 33, s. 4.

**Section Amendments with date in force (d/m/y)**

[2019, c. 7, Sched. 33, s. 4](http://www.ontario.ca/laws/statute/S19007" \l "sched33s4) - 01/01/2022

Insurer to furnish forms for proof of loss

**135** (1)  An insurer, immediately upon receipt of a request, and in any event not later than sixty days after receipt of notice of loss, shall furnish to the insured or person to whom the insurance money is payable forms upon which to make the proof of loss required under the contract.

Offence

(2)  An insurer who neglects or refuses to comply with subsection (1) is guilty of an offence, and in addition section 136 is not available to the insurer as a defence to an action brought, after such neglect or refusal, for the recovery of money alleged to be payable under the contract of insurance.

Furnishing of forms not an admission

(3)  The furnishing by an insurer of forms to make proof of loss shall not be taken to constitute an admission by the insurer that a valid contract is in force or that the loss in question falls within the insurance provided by the contract. R.S.O. 1990, c. I.8, s. 135.

When action may be brought under contract

**136** No action shall be brought for the recovery of money payable under a contract of insurance until the expiration of sixty days after proof, in accordance with the provisions of the contract,

(a) of the loss; or

(b) of the happening of the event upon which the insurance money is to become payable,

or of such shorter period as is fixed by the contract of insurance. R.S.O. 1990, c. I.8, s. 136.

Insurance as Collateral Security

Mortgagee not to receive commission from insurer

**137** (1)  A mortgagee shall not accept or be entitled to receive either directly or through an agent or employee, and no officer or employee of such mortgagee shall accept or receive, any commission or other remuneration or benefit in consideration of effecting a contract of insurance or renewal thereof under which contract loss, if any, is payable to the mortgagee as mortgagee.

Payment of commission prohibited

(2)  No insurer or agent or broker shall pay, allow or give any commission or other remuneration or benefit to a mortgagee or to any person in the mortgagee’s employ or on the mortgagee’s behalf in consideration of effecting a contract of insurance or renewal thereof under which contract loss, if any, is payable to the mortgagee as mortgagee.

Offence

(3)  Any insurer or other person who contravenes this section is guilty of an offence. R.S.O. 1990, c. I.8, s. 137.

Right to refund of premium on termination of contract

**138** (1)  Where an insured assigns the right to refund of premium that may accrue by reason of the cancellation or termination of a contract of insurance under the terms thereof and notice of the assignment is given by the assignee to the insurer, the insurer shall pay any such refund to the assignee despite any condition in the contract, whether prescribed under this Act or not, requiring the refund to be paid to the insured or to accompany any notice of cancellation or termination to the insured.

Idem

(2)  Where the condition in the contract dealing with cancellation or termination by the insurer provides that the refund shall accompany the notice of cancellation or termination, the insurer shall include in the notice a statement that in lieu of payment of the refund in accordance with the condition the refund is being paid to the assignee under this section. R.S.O. 1990, c. I.8, s. 138.

Contracts of Guarantee Insurance

Contracts of title insurance

**139** (1)  Every contract of title insurance shall be in writing, and, in addition to the other requirements prescribed by this Act, shall expressly limit the liability of the insurer to a sum stated in the contract.

Questions as to validity of title

(2)  If a question arises as to the validity of the title insured, or as to the liability of the insurer, the insurer or the insured or any person entitled to proceed in right of either may by application have such question determined as provided in the Vendors and Purchasers Act in the case of vendors and purchasers. R.S.O. 1990, c. I.8, s. 139.

General

No racial or religious discrimination permissible

**140** Any licensed insurer that discriminates unfairly between risks in Ontario because of the race or religion of the insured is guilty of an offence. R.S.O. 1990, c. I.8, s. 140.

Payment into court

**141** (1)  Where an insurer cannot obtain a sufficient discharge for insurance money for which it admits liability, the insurer may apply to the court without notice for an order for the payment thereof into court, and the court may order the payment into court to be made upon such terms as to costs and otherwise as the court may direct, and may provide to what fund or name the amount shall be credited.

Discharge to insurer

(2)  The receipt of the registrar or other proper officer of the court is sufficient discharge to the insurer for the insurance money so paid into court, and the insurance money shall be dealt with according to the orders of the court. R.S.O. 1990, c. I.8, s. 141.

PART IV  
FIRE INSURANCE

**142** Repealed: 2019, c. 14, Sched. 9, s. 20.

**Section Amendments with date in force (d/m/y)**

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

Application of Part

**143** (1)  This Part applies to insurance against loss of or damage to property arising from the peril of fire in any contract made in Ontario except,

(a) insurance within the class of aircraft insurance;

(a.1) insurance within the class of automobile insurance;

(a.2) insurance within the class of boiler and machinery insurance;

(a.3) insurance (other than marine insurance) against loss of or damage to property,

(i) while in transit or during delay incidental to transit, or

(ii) where, in the opinion of the Chief Executive Officer, the risk is substantially a transit risk;

(a.4) insurance within the class of marine insurance;

(a.5) insurance against loss of or damage to plate, sheet or window glass, whether in place or in transit;

(a.6) insurance against loss of or damage to property through the breakage or leakage of sprinkler equipment or other fire protection system, or of pumps, water pipes or plumbing and its fixtures;

(a.7) insurance against loss or damage through theft, wrongful conversion, burglary, house-breaking, robbery or forgery;

(b) where the subject-matter of the insurance is rents, charges or loss of profits;

(c) where the peril of fire is an incidental peril to the coverage provided; or

(d) where the subject-matter of the insurance is property that is insured by an insurer or group of insurers primarily as a nuclear risk under a policy covering against loss of or damage to the property resulting from nuclear reaction or nuclear radiation and from other perils. R.S.O. 1990, c. I.8, s. 143 (1); 2002, c. 18, Sched. H, s. 4 (19); 2018, c. 8, Sched. 13, s. 22.

(2)  Repealed: 2015, c. 20, Sched. 17, s. 2.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (19)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s19) - 30/04/2007

[2015, c. 20, Sched. 17, s. 2](http://www.ontario.ca/laws/statute/S15020" \l "sched17s2) - 04/06/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Extent of coverage by contract

**144** (1)  Subject to subsection (4) of this section and to clause 151 (a), in any contract to which this Part applies the contract shall be deemed to cover the insured property,

(a) against fire (whether resulting from explosion or otherwise) not occasioned by or happening through,

(i) in the case of goods, their undergoing any process involving the application of heat,

(ii) riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;

(b) against lightning, but excluding destruction or loss to electrical devices or appliances caused by lightning or other electrical currents unless fire originates outside the article itself and only for such destruction or damage as occurs from such fire;

(c) against explosion (not occasioned by or happening through any of the perils specified in subclause (a) (ii)) of natural, coal or manufactured gas in a building not forming part of a gas works, whether fire ensues therefrom or not. R.S.O. 1990, c. I.8, s. 144 (1).

Radioactive contamination

(2)  Unless a contract to which this Part applies otherwise specifically provides, it does not cover the insured property against loss or damage caused by contamination by radio-active material directly or indirectly resulting from fire, lightning or explosion within the meaning of subsection (1). R.S.O. 1990, c. I.8, s. 144 (2).

Coverage where property removed

(3)  Where property insured under a contract covering it at a specified location is necessarily removed to prevent loss or damage or further loss or damage thereto, that part of the insurance under the contract that exceeds the amount of the insurer’s liability for any loss incurred covers, for seven days only or for the unexpired term of the contract if less than seven days, the property removed and any property remaining in the original location in the proportions that the value of the property in each of the respective locations bears to the value of the property in them all. R.S.O. 1990, c. I.8, s. 144 (3).

Extended insurance

(4)  Nothing in subsection (1) precludes an insurer giving more extended insurance against the perils mentioned therein, but in that case this Part does not apply to the extended insurance. R.S.O. 1990, c. I.8, s. 144 (4).

Power to extend meaning of “lightning” in livestock contracts

(5)  An insurer licensed to carry on property insurance may include in its insurance contracts a clause or endorsement providing that, in the case of livestock insured against death or injury caused by fire or lightning, the word “lightning” is deemed to include other electrical currents. R.S.O. 1990, c. I.8, s. 144 (5); 2002, c. 18, Sched. H, s. 4 (20).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (20)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s20) - 30/04/2007

Renewal of contract

**145** A contract may be renewed by the delivery of a renewal receipt identifying the policy by number, date or otherwise. R.S.O. 1990, c. I.8, s. 145; 1999, c. 12, Sched. I, s. 4 (16).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (16) - 22/12/1999

Form of contract

**146** After an application for insurance is made, if it is in writing, any policy sent to the insured shall be deemed to be intended to be in accordance with the terms of the application, unless the insurer points out in writing the particulars wherein it differs from the application, in which case the insured may, within two weeks from the receipt of the notification, reject the policy. R.S.O. 1990, c. I.8, s. 146.

Mortgagees and other payees

**147** (1)  Where the loss, if any, under a contract has, with the consent of the insurer, been made payable to a person other than the insured, the insurer shall not cancel or alter the policy to the prejudice of that person without notice to that person. R.S.O. 1990, c. I.8, s. 147 (1).

Form of notice

(2)  Subject to subsection (3), the length of and manner of giving the notice under subsection (1) is the same as notice of cancellation to the insured under the statutory conditions in the contract. R.S.O. 1990, c. I.8, s. 147 (2); 1997, c. 19, s. 10 (26).

Alternate notice

(3)  If the loss under a contract has, with the consent of the insurer, been made payable to a person other than the insured, the insurer and the person may enter into a written agreement to provide for alternate notice. 1997, c. 19, s. 10 (27).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (26, 27) - 10/10/1997

Statutory conditions

**148** (1)  The conditions set forth in this section shall be deemed to be part of every contract in force in Ontario and shall be printed in English or French in every policy with the heading “Statutory Conditions” or “Conditions légales”, as may be appropriate, and no variation or omission of or addition to any statutory condition is binding on the insured.

Definition

(2)  In this section,

“policy” does not include interim receipts or binders.

STATUTORY CONDITIONS

Misrepresentation

**1.**  If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of Others

**2.**  Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the insured, unless the interest of the insured therein is stated in the contract.

Change of Interest

**3.**  The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or change of title by succession, by operation of law, or by death.

Material Change

**4.**  Any change material to the risk and within the control and knowledge of the insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent, and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such payment the contract is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

Termination

**5.**  (1)  This contract may be terminated,

(a) by the insurer giving to the insured fifteen days notice of termination by registered mail or five days written notice of termination personally delivered or delivered by prepaid courier if there is a record by the person who delivered it that the notice has been sent;

(b) by the insured at any time on request.

(2)  Where this contract is terminated by the insurer,

(a) the insurer shall refund the excess of premium actually paid by the insured over the proportionate premium for the expired time, but, in no event, shall the proportionate premium for the expired time be deemed to be less than any minimum retained premium specified; and

(b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

(3)  Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

(4)  The refund may be made by money, postal or express company money order or cheque payable at par.

(5)  The fifteen days mentioned in clause (1) (a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed. The five days mentioned in clause (1) (a) of this condition commences to run on the day following the day there is a record by the person who delivered it that the notice has been sent.

Requirements After Loss

**6.**  (1)  Upon the occurrence of any loss of or damage to the insured property, the insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,

(a) forthwith give notice thereof in writing to the insurer;

(b) deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration,

(i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,

(ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,

(iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,

(iv) showing the amount of other insurances and the names of other insurers,

(v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,

(vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,

(vii) showing the place where the property insured was at the time of loss;

(c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;

(d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

(2)  The evidence furnished under clauses (1) (c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

Fraud

**7.**  Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

Who may give notice and proof

**8.**  Notice of loss may be given and proof of loss may be made by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

Salvage

**9.**  (1)  The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

(2)  The insurer shall contribute proportionately towards any reasonable and proper expenses in connection with steps taken by the insured and required under subcondition (1) of this condition according to the respective interests of the parties.

Entry, Control, Abandonment

**10.**  After loss or damage to insured property, the insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisement or particular estimate of the loss or damage, but the insurer is not entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

Appraisal

**11.**  In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

When Loss Payable

**12.**  The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

Replacement

**13.**  (1)  The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.

(2)  In that event the insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

Action

**14.**  Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs.

Notice

**15.**(1)  Written notice may be given to the insurer in the following ways:

1. It may be personally delivered at the chief agency or head office of the insurer in the Province.

2. It may be sent by registered mail to the chief agency or head office of the insurer in the Province.

3. It may be delivered by electronic means.

(2)  Written notice may be given to the insured named in the contract in the following ways:

1. It may be personally delivered.

2. It may be delivered by prepaid courier to the latest address of the insured on the records of the insurer if there is a record by the person who has delivered it that the notice has been sent.

3. It may be sent by registered mail to the latest address of the insured on the records of the insurer.

4. It may be delivered by electronic means if the insured consents to delivery by electronic means.

(3)  In this condition, the expression “registered” means registered in or outside Canada.

R.S.O. 1990, c. I.8, s. 148; 2016, c. 5, Sched. 14, s. 3; 2019, c. 7, Sched. 33, s. 5 (1); 2020, c. 36, Sched. 22, s. 3; 2021, c. 40, Sched. 14, s. 3.

**Section Amendments with date in force (d/m/y)**

[2016, c. 5, Sched. 14, s. 3](http://www.ontario.ca/laws/statute/S16005" \l "sched14s3) - 19/04/2016

[2019, c. 7, Sched. 33, s. 5 (1)](http://www.ontario.ca/laws/statute/S19007" \l "sched33s5s1) - 01/01/2022; [2019, c. 7, Sched. 33, s. 5 (2)](http://www.ontario.ca/laws/statute/S19007" \l "sched33s5s2) - no effect - see [2020, c. 36, Sched. 22, s. 9 (1)](http://www.ontario.ca/laws/statute/S20036" \l "sched22s9s1) - 08/12/2020

[2020, c. 36, Sched. 22, s. 3](http://www.ontario.ca/laws/statute/S20036" \l "sched22s3) - 01/01/2022

[2021, c. 40, Sched. 14, s. 3](http://www.ontario.ca/laws/statute/S21040" \l "sched14s3) - 01/01/2022

Limitation of liability clause

**149** A contract containing,

(a) a deductible clause;

(b) a co-insurance, average or similar clause; or

(c) a clause limiting recovery by the insured to a specified percentage of the value of any property insured at the time of loss, whether or not that clause is conditional or unconditional,

shall have printed or stamped upon its face in red ink or bold type the words “The policy contains a clause that may limit the amount payable”, or the French equivalent failing which the clause is not binding upon the insured. R.S.O. 1990, c. I.8, s. 149; 1997, c. 19, s. 10 (28).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (28) - 10/10/1997

Rateable contribution

**150** (1)  Where on the happening of any loss or damage to property insured there is in force more than one contract covering the same interest, each of the insurers under the respective contracts is liable to the insured for its rateable proportion of the loss, unless it is otherwise expressly agreed in writing between the insurers.

Effect of policy may not be postponed

(2)  For the purpose of subsection (1), a contract shall be deemed to be in force despite any term thereof that the policy will not cover, come into force, attach or become insurance with respect to the property until after full or partial payment of any loss under any other policy.

Certain restrictions valid

(3)  Nothing in subsection (1) affects the validity of any divisions of the sum insured into separate items, or any limits of insurance on specified property, or any clause referred to in section 149 or any contract condition limiting or prohibiting the having or placing of other insurance.

Ascertainment of rateable proportions

(4)  Nothing in subsection (1) affects the operation of any deductible clause and,

(a) where one contract contains a deductible, the proportion of the insurer under that contract shall be first ascertained without regard to the clause and then the clause shall be applied only to affect the amount of recovery under that contract; and

(b) where more than one contract contains a deductible, the proportions of the insurers under those contracts shall be first ascertained without regard to the deductible clauses and then the highest deductible shall be pro rated among the insurers with deductibles and these pro rated amounts shall affect the amount of recovery under those contracts.

Idem

(5)  Nothing in subsection (4) shall be construed to have the effect of increasing the proportional contribution of an insurer under a contract that is not subject to a deductible clause.

Insurance on identified articles

(6)  Despite subsection (1), insurance on identified articles is a first loss insurance as against all other insurance. R.S.O. 1990, c. I.8, s. 150.

Special stipulations

**151** Where a contract,

(a) excludes any loss that would otherwise fall within the coverage prescribed by section 144; or

(b) contains any stipulation, condition or warranty that is or may be material to the risk including, but not restricted to, a provision in respect to the use, condition, location or maintenance of the insured property,

the exclusion, stipulation, condition or warranty is not binding upon the insured, if it is held to be unjust or unreasonable by the court before which a question relating thereto is tried. R.S.O. 1990, c. I.8, s. 151.

Subrogation

**152** (1)  The insurer, upon making a payment or assuming liability therefor under a contract to which this Part applies, is subrogated to all rights of recovery of the insured against any person, and may bring action in the name of the insured to enforce such rights. R.S.O. 1990, c. I.8, s. 152 (1); 2002, c. 18, Sched. H, s. 4 (21).

Where amount recovered is not sufficient to indemnify

(2)  Where the net amount recovered, after deducting the costs of recovery, is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the insurer and the insured in the proportions in which the loss or damage has been borne by them respectively. R.S.O. 1990, c. I.8, s. 152 (2).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (21)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s21) - 30/04/2007

Fire Mutuals Guarantee Fund

General reinsurance agreement

**153** An insurer that is a member of the Fire Mutuals Guarantee Fund shall enter into and remain a party to a general reinsurance agreement with a mutual insurance corporation incorporated under subsection 148 (3) of the Corporations Act. 1999, c. 12, Sched. I, s. 4 (17).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (17) - 22/12/1999

**154-168** Repealed: 1999, c. 12, Sched. I, s. 4 (17).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (17) - 22/12/1999

Fire Mutuals Guarantee Fund

**169** (1)  The agreement establishing the Fire Mutuals Guarantee Fund is continued and may be amended with the approval of the Chief Executive Officer. 1999, c. 12, Sched. I, s. 4 (18); 2018, c. 8, Sched. 13, s. 22.

Members

(2)  The following persons may be members of the Fund, with the approval of the Chief Executive Officer:

1. Mutual insurance corporations including those that are incorporated under subsection 148 (3) of the Corporations Act.

2. Joint stock insurance companies, all the shares of which are owned by one or more mutual insurance corporations that are members of the Fund. 1999, c. 12, Sched. I, s. 4 (18); 2018, c. 8, Sched. 13, s. 22.

Purposes

(3)  The Fund has the following purposes, and such additional purposes as may be set out in the agreement:

1. To pay the insurance claims and repay the unearned premiums of policyholders who are members of the Fund, if a member is unable to meet its obligations.

2. To pay the insurance claims of third parties against policyholders who are members of the Fund, if a member is unable to meet its obligations. 1999, c. 12, Sched. I, s. 4 (18).

Same

(3.1)  With the approval of the Chief Executive Officer, the assets of the Fund may be used for the purposes of the Fund. 1999, c. 12, Sched. I, s. 4 (18); 2018, c. 8, Sched. 13, s. 22.

Powers

(3.2)  If the Fund is authorized to do so by the agreement, the Fund may,

(a) assess its members in respect of any payments that the Fund has authorized in respect of a member who is unable to meet its obligations; and

(b) until the assessments are paid, borrow money or establish lines of credit for the purposes of making payments in respect of the member who is unable to meet its obligations. 1999, c. 12, Sched. I, s. 4 (18).

Administration

(3.3)  The assets of the Fund shall be held in trust by a trust corporation registered under the Loan and Trust Corporations Act. 1999, c. 12, Sched. I, s. 4 (18).

Assets of Fund

(4)  The assets of the Fund shall,

(a) be maintained at no less than a book value of $1,000,000 including the value of any assessments made to restore the book value of $1,000,000, or such further amount as may be specified from time to time by the Chief Executive Officer;

(b) be maintained or increased by assessments on parties to the agreement on the basis set out in the agreement referred to in subsection (1);

(c) Repealed: 2006, c. 33, Sched. O, s. 8 (1).

(d) be invested and valued in accordance with the regulations. R.S.O. 1990, c. I.8, s. 169 (4); 1999, c. 12, Sched. I, s. 4 (19); 2006, c. 33, Sched. O, s. 8; 2018, c. 8, Sched. 13, s. 22.

Relief from assessment

(5)  No assessment referred to in clause (3.2) (a) or (4) (b) shall be paid by an insurer if its effect would be to reduce the surplus of that insurer below the minimum amount specified by the Chief Executive Officer, and such a waiver of an assessment shall not be cause for the insurer’s expulsion from the Fund. R.S.O. 1990, c. I.8, s. 169 (5); 1999, c. 12, Sched. I, s. 4 (20); 2018, c. 8, Sched. 13, s. 22.

Interest of Chief Executive Officer in Fund

(6)  The Chief Executive Officer shall be deemed to have an interest in the Fund as representative of all persons who may be claimants against insurers that are parties to the agreement and the trustees shall from time to time furnish the Chief Executive Officer with such information and accounts with respect to the Fund as the Chief Executive Officer may require. R.S.O. 1990, c. I.8, s. 169 (6); 2018, c. 8, Sched. 13, s. 22.

Cessation of membership

(7)  The Chief Executive Officer may permit an insurer to cease to be a member of the Fund and may impose such terms and conditions respecting the cessation as the Chief Executive Officer considers appropriate. 1999, c. 12, Sched. I, s. 4 (21); 2018, c. 8, Sched. 13, s. 22.

Withdrawal of approval

(7.1)  The Chief Executive Officer may withdraw his or her approval under subsection (2) when an insurer is in default of payment of its assessment under the agreement. 1999, c. 12, Sched. I, s. 4 (21); 2018, c. 8, Sched. 13, s. 22.

(8)  Repealed: 2019, c. 14, Sched. 9, s. 20.

Application of Act

(9)  All parties to the agreement and their officers and directors shall be deemed to be persons engaged in the business of insurance for the purposes of this Act and the regulations and any contravention of the trust agreement constitutes an offence. R.S.O. 1990, c. I.8, s. 169 (9).

Passing of accounts

(10)  An account filed with the Chief Executive Officer under subsection (6), except so far as mistake or fraud is shown, is binding and conclusive upon all interested persons as to all matters shown in the account and the trustees’ administration thereof, unless the Chief Executive Officer, within six months of the date upon which the account is filed with him or her, requires in writing that such account be filed and passed before a judge of the Superior Court of Justice. R.S.O. 1990, c. I.8, s. 169 (10); 2006, c. 19, Sched. C, s. 1 (1); 2018, c. 8, Sched. 13, s. 22.

Idem

(11)  The provisions of the Estates Act and the rules made thereunder and of the Trustee Act with respect to the passing of accounts of the trustees apply, with necessary modifications, to the passing of accounts under subsection (10). R.S.O. 1990, c. I.8, s. 169 (11).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (18-21) - 22/12/1999

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006; [2006, c. 33, Sched. O, s. 8](http://www.ontario.ca/laws/statute/S06033" \l "schedos8s1) - 05/05/2008

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

**170** Repealed: 1999, c. 12, Sched. I, s. 4 (22).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (22) - 22/12/1999

PART V  
LIFE INSURANCE

Definitions

Definitions, Part V

**171** (1)  In this Part,

“application” means an application for insurance or for the reinstatement of insurance; (“proposition”)

“beneficiary” means a person, other than the insured or the insured’s personal representative, to whom or for whose benefit insurance money is made payable in a contract or by a declaration; (“bénéficiaire”)

“blanket insurance” means group insurance that covers loss,

(a) arising from specific hazards incidental to or defined by reference to a particular activity or activities, and

(b) occurring during a limited or specified period not exceeding 30 days in duration; (“assurance globale”)

“contract” means a contract of life insurance; (“contrat”)

“court” means the Superior Court of Justice or a judge thereof; (“tribunal”)

“creditor’s group insurance” means insurance effected by a creditor whereby the lives of a number of the creditor’s debtors are insured severally under a single contract; (“assurance collective de créancier”)

“debtor insured” means a debtor whose life is insured under a contract of creditor’s group insurance; (“débiteur assuré”)

“declaration”, except in sections 207 to 210, means an instrument signed by the insured,

(a) with respect to which an endorsement is made on the policy,

(b) that identifies the contract, or

(c) that describes the insurance or insurance fund or a part thereof,

in which the insured,

(d) designates, or alters or revokes the designation of, the insured, the insured’s personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable, or

(e) makes, alters or revokes an appointment under subsection 193 (1) or a nomination referred to in section 199; (“déclaration”)

“exempt policy” has the same meaning as in the Income Tax Regulations (Canada); (“police exonérée”)

“family insurance” means insurance whereby the lives of the insured and one or more persons related to the insured by blood, marriage, conjugal relationship outside marriage or adoption are insured under a single contract between an insurer and the insured; (“assurance familiale”)

“group insurance” means insurance, other than creditor’s group insurance and family insurance, whereby the lives of a number of persons are insured severally under a single contract between an insurer and an employer or other person; (“assurance collective”)

“group life insured” means a person (the “primary person”) whose life is insured under a contract of group insurance but does not include a person whose life is insured under the contract as a person dependent upon, or related to, the primary person; (“personne assurée par une assurance-vie collective”)

“instrument” includes a will; (“acte”)

“insurance” means life insurance; (“assurance”)

“insured”,

(a) in the case of group insurance, means, in the provisions of this Part relating to the designation of beneficiaries or personal representatives as recipients of insurance money and their rights and status, the group life insured, and

(b) in all other cases, means the person who makes a contract with an insurer; (“assuré”)

“side account” means an account associated with or part of a contract of life insurance that is intended to hold funds in excess of the maximum amount permitted to be held in an exempt policy; (“compte auxiliaire”)

“will” includes a codicil. (“testament”) R.S.O. 1990, c. I.8, s. 171; 2006, c. 19, Sched. C, s. 1 (1); 2012, c. 8, Sched. 23, s. 6 (1-7); 2020, c. 36, Sched. 22, s. 4.

Annuity deemed life insurance

(2)  For the purposes of this Part, an undertaking entered into by an insurer to provide an annuity, or what would be an annuity except that the periodic payments may be unequal in amount, shall be deemed to be and always to have been life insurance whether the annuity is for,

(a) a term certain;

(a.1) a term dependent either solely or partly on a human life; or

(b) a term dependent solely or partly on the happening of an event not related to a human life. 2002, c. 18, Sched. H, s. 4 (22); 2012, c. 8, Sched. 23, s. 6 (8).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (22)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s22) - 30/04/2007

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006

[2012, c. 8, Sched. 23, s. 6 (1-8)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s6s1) - 01/07/2016

[2020, c. 36, Sched. 22, s. 4](http://www.ontario.ca/laws/statute/S20036" \l "sched22s4) - 15/03/2021

Application of Part

Application of Part

**172** (1)  Despite any agreement, condition or stipulation to the contrary, but subject to a regulation made under paragraph 14.0.2 of subsection 121 (1), this Part applies to a contract made in Ontario on or after the 1st day of July, 1962, and, subject to subsections (2) and (3), applies to a contract made in Ontario before that day. R.S.O. 1990, c. I.8, s. 172 (1); 2012, c. 8, Sched. 23, s. 7.

Beneficiary for value

(2)  The rights and interests of a beneficiary for value under a contract that was in force immediately before the 1st day of July, 1962 are those provided in Part V of The Insurance Act, being chapter 190 of the Revised Statutes of Ontario, 1960, as it existed immediately before that day. R.S.O. 1990, c. I.8, s. 172 (2).

Preferred beneficiary

(3)  Where the person who would have been entitled to the payment of insurance money, if the money had become payable immediately before the 1st day of July, 1962, was a preferred beneficiary within the meaning of Part V of The Insurance Act, being chapter 190 of the Revised Statutes of Ontario, 1960, as it existed immediately before that day, the insured may not, except in accordance with that Part,

(a) alter or revoke the designation of a beneficiary; or

(b) assign, exercise rights under or in respect of, surrender or otherwise deal with the contract,

but this subsection does not apply after a time at which the insurance money, if it were then payable, would be payable wholly to a person other than a preferred beneficiary within the meaning of that Part. R.S.O. 1990, c. I.8, s. 172 (3).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 7](http://www.ontario.ca/laws/statute/S12008" \l "sched23ssp7) - 01/07/2016

Group insurance

**173** In the case of a contract of group insurance made with an insurer authorized to transact insurance in Ontario at the time the contract was made, this Part applies in determining,

(a) the rights and status of beneficiaries and personal representatives as recipients of insurance money if the group life insured was resident in Ontario at the time he or she became insured; and

(b) the rights and obligations of the group life insured if he or she was resident in Ontario at the time he or she became insured. R.S.O. 1990, c. I.8, s. 173; 2012, c. 8, Sched. 23, s. 8.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 8](http://www.ontario.ca/laws/statute/S12008" \l "sched23ssp8) - 01/07/2016

Application of ss. 126 and 131

**173.1**Sections 126 and 131 apply to a contract of life insurance. 2012, c. 8, Sched. 23, s. 9.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 9](http://www.ontario.ca/laws/statute/S12008" \l "sched23s9) - 01/07/2016

Issuance of Policy and Contents Thereof

Insurer to issue policy, furnish documents

**174** (1)  An insurer entering into a contract shall,

(a) issue a policy; and

(b) furnish to the insured the policy and a copy of the insured’s application. 2012, c. 8, Sched. 23, s. 10 (1).

Documents forming contract

(2)  Subject to subsection (3), the provisions in,

(a) the application;

(b) the policy;

(c) any document attached to the policy when issued; and

(d) any amendment to the contract agreed upon in writing after the policy is issued,

constitute the entire contract. R.S.O. 1990, c. I.8, s. 174 (2).

Contract of fraternal society

(3)  In the case of a contract made by a fraternal society, the policy, the Act or instrument of incorporation of the society, its constitution, by-laws and rules, and the amendments made from time to time to any of them, the application for the contract and the medical statement of the applicant constitute the entire contract. R.S.O. 1990, c. I.8, s. 174 (3).

Copy of contract, etc.

(4)  Except in the case of a contract of group insurance or of creditor’s group insurance, an insurer, on request, shall furnish to the insured or a claimant under the contract a copy of,

(a) the entire contract as set out in subsection (2) or (3), as applicable; and

(b) any written statement or other record provided to the insurer as evidence of insurability under the contract. 2012, c. 8, Sched. 23, s. 10 (2).

Copy of application, policy, etc. — group insurance

(5)  In the case of a contract of group insurance, an insurer,

(a) on request, shall furnish to a group life insured or claimant under the contract a copy of,

(i) the group life insured’s application, and

(ii) any written statement or other record, not otherwise part of the application, provided to the insurer as evidence of the insurability of the group life insured under the contract;

(b) on request and reasonable notice, shall permit a group life insured or claimant under the contract to examine, and shall furnish to that person, a copy of the policy of group insurance. 2012, c. 8, Sched. 23, s. 10 (2).

Same — creditor’s group insurance

(6)  In the case of a contract of creditor’s group insurance, an insurer,

(a) on request, shall furnish to a debtor insured or claimant under the contract a copy of,

(i) the debtor insured’s application, and

(ii) any written statement or other record, not otherwise part of the application, provided to the insurer as evidence of the insurability of the debtor insured under the contract;

(b) on request and reasonable notice, shall permit a debtor insured or claimant under the contract to examine, and shall furnish to that person, a copy of the policy of creditor’s group insurance. 2012, c. 8, Sched. 23, s. 10 (2).

Reasonable fee

(7)  An insurer may charge a reasonable fee to cover its expenses in furnishing copies of documents under subsection (4), (5) or (6), other than the first copy furnished to each person. 2012, c. 8, Sched. 23, s. 10 (2).

Access to information restricted

(8)  Access to the documents described in clauses (5) (b) and (6) (b) does not extend,

(a) to information contained in those documents that would reveal personal information as defined in the Personal Information Protection and Electronic Documents Act (Canada) or personal health information as defined in the Personal Health Information Protection Act, 2004 about a person without that person’s consent, other than information about,

(i) the group life insured or debtor insured in respect of whom the claim is made, or

(ii) the person who requests the information; or

(b) to information prescribed by the regulations. 2012, c. 8, Sched. 23, s. 10 (2).

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 174 (8) (b) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 14)

Claimant’s access to documents restricted

(9)  A claimant’s access to documents under subsections (4) to (6) extends only to information that is relevant to,

(a) a claim under the contract; or

(b) a denial of such a claim. 2012, c. 8, Sched. 23, s. 10 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 10 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s10s1) - 01/07/2016

[2017, c. 34, Sched. 21, s. 14](http://www.ontario.ca/laws/statute/S17034" \l "sched21s14) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Contents of policy

**175** (1)  This section does not apply to,

(a) a contract of group insurance;

(b) a contract of creditor’s group insurance; or

(c) a contract made by a fraternal society. R.S.O. 1990, c. I.8, s. 175 (1).

Same

(2)  An insurer shall include the following information in the policy:

1. The name or a sufficient description of the insured and of the person whose life is insured.

2. The amount, or the method of determining the amount, of the insurance money payable, and the conditions under which it becomes payable.

3. The amount, or the method of determining the amount, of the premium and the period of grace, if any, within which it may be paid.

4. Whether the contract provides for participation in a distribution of surplus or profits that may be declared by the insurer.

5. The conditions upon which the contract may be reinstated if it lapses.

6. The options, if any,

(a) of surrendering the contract for cash;

(b) of obtaining a loan or an advance payment of the insurance money; and

(c) of obtaining paid-up or extended insurance.

7. The following statement:

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the *Limitations Act, 2002*.

R.S.O. 1990, c. I.8, s. 175 (2); 2013, c. 2, Sched. 8, s. 6.

Notice re restriction on designations

(3)  If a policy contains a provision removing or restricting the right of the insured to designate persons to whom or for whose benefit insurance money is to be payable, the front page of the policy must include the following statement in conspicuous bold type:

This policy contains a provision removing or restricting the right of the insured to designate persons to whom or for whose benefit insurance money is to be payable.

2012, c. 8, Sched. 23, s. 11.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 11](http://www.ontario.ca/laws/statute/S12008" \l "sched23s11) - 01/07/2016

[2013, c. 2, Sched. 8, s. 6 (1, 2)](http://www.ontario.ca/laws/statute/S13002" \l "sched8s6s1) - 01/07/2016

Contents of group policy

**176** In the case of a contract of group insurance or of creditor’s group insurance, an insurer shall include the following information in the policy:

1. The name or a sufficient description of the insured.

2. The method of determining the persons whose lives are insured.

3. The amount, or the method of determining the amount, of the insurance money payable, and the conditions under which it becomes payable.

4. The period of grace, if any, within which the premium may be paid.

5. Whether the contract provides for participation in a distribution of surplus or profits that may be declared by the insurer.

6. In the case of a contract of group insurance, any provision removing or restricting the right of a group life insured to designate persons to whom or for whose benefit insurance money is to be payable.

7. In the case of a contract of group insurance that replaces another contract of group insurance on some or all of the group life insured under the replaced contract, whether a designation of a group life insured, a group life insured’s personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable under the replaced contract applies to the replacement contract.

8. The following statement:

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Limitations Act, 2002.

R.S.O. 1990, c. I.8, s. 176; 2012, c. 8, Sched. 23, s. 12; 2013, c. 2, Sched. 8, s. 7.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 12](http://www.ontario.ca/laws/statute/S12008" \l "sched23s12) - 01/07/2016

[2013, c. 2, Sched. 8, s. 7](http://www.ontario.ca/laws/statute/S13002" \l "sched8s7) - 01/07/2016

Contents of group certificate

**177** (1)  In the case of a contract of group insurance or of creditor’s group insurance, an insurer shall issue, for delivery by the insured to each group life insured or debtor insured, a certificate or other document which shall include the following information:

1. The name of the insurer and a sufficient identification of the contract.

2. The amount, or the method of determining the amount, of insurance on,

i. the group life insured and on any person whose life is insured under the contract as a person dependent upon or related to the group life insured, or

ii. the debtor insured.

3. The circumstances in which the insurance terminates and the rights, if any, upon such termination, of,

i. the group life insured and of any person whose life is insured under the contract as a person dependent upon or related to the group life insured, or

ii. the debtor insured.

4. In the case of a contract of group insurance that contains a provision removing or restricting the right of the group life insured to designate persons to whom or for whose benefit insurance money is to be payable,

i. the method of determining the persons to whom or for whose benefit the insurance money is or may be payable, and

ii. the following statement in conspicuous bold type:

This policy contains a provision removing or restricting the right of the group life insured to designate persons to whom or for whose benefit insurance money is to be payable.

5. In the case of a contract of group insurance that replaces another contract of group insurance on some or all of the group life insured under the replaced contract, whether a designation of a group life insured, a group life insured’s personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable under the replaced contract applies to the replacement contract.

6. The rights of the group life insured, debtor insured or a claimant under the contract to obtain copies of documents under subsection 174 (5) or (6).

7. The following statement:

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Limitations Act, 2002.

2012, c. 8, Sched. 23, s. 13; 2013, c. 2, Sched. 8, s. 8.

Exception — blanket insurance

(2)  This section does not apply to a contract of blanket insurance. 2012, c. 8, Sched. 23, s. 13.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 13](http://www.ontario.ca/laws/statute/S12008" \l "sched23s13) - 01/07/2016

[2013, c. 2, Sched. 8, s. 8](http://www.ontario.ca/laws/statute/S13002" \l "sched8s8) - 01/07/2016

Conditions Governing Formation of Contract

Insurable interest required

**178** (1)  Subject to subsection (2), where at the time a contract would otherwise take effect the insured has no insurable interest, the contract is void. R.S.O. 1990, c. I.8, s. 178 (1).

Exceptions

(2)  A contract is not void for lack of insurable interest,

(a) if it is a contract of group insurance; or

(b) if the person whose life is insured has consented in writing to the insurance being placed on his or her life. R.S.O. 1990, c. I.8, s. 178 (2).

Consent of minor

(3)  Where the person whose life is insured is under the age of sixteen years, consent to insurance being placed on the person’s life may be given by one of his or her parents or by a person standing in the role of parent to him or her. R.S.O. 1990, c. I.8, s. 178 (3); 2021, c. 4, Sched. 11, s. 19.

**Section Amendments with date in force (d/m/y)**

[2021, c. 4, Sched. 11, s. 19](http://www.ontario.ca/laws/statute/S21004" \l "sched11s19) - 19/04/2021

Insurable interest, defined

**179** Without restricting the meaning of “insurable interest”, a person, in this section called the “primary person”, has an insurable interest,

(a) in the case of a primary person who is a natural person, in his or her own life and in the lives of,

(i) the primary person’s child or grandchild,

(ii) the primary person’s spouse,

(iii) a person on whom the primary person is wholly or partly dependent for, or from whom the primary person is receiving, support or education,

(iv) the primary person’s employee, and

(v) a person in the duration of whose life the primary person has a pecuniary interest; and

(b) in the case of a primary person that is not a natural person, in the lives of,

(i) a director, officer or employee of the primary person, and

(ii) a person in the duration of whose life the primary person has a pecuniary interest. 2012, c. 8, Sched. 23, s. 14.

**Section Amendments with date in force (d/m/y)**

1999, c. 6, s. 31 (2) - 01/03/2000

[2005, c. 5, s. 35 (3)](http://www.ontario.ca/laws/statute/S05005" \l "s35s3) - 09/03/2005

[2012, c. 8, Sched. 23, s. 14](http://www.ontario.ca/laws/statute/S12008" \l "sched23s14) - 01/07/2016

Termination of contract by court

Application to court

**179.1**(1)  A person may make an application to the court if,

(a) the person’s life is insured under a contract;

(b) the person is not the insured under the contract; and

(c) the person reasonably believes that the person’s life or health might be endangered by the insurance on his or her life continuing under that contract. 2012, c. 8, Sched. 23, s. 15.

Court order

(2)  Upon an application being made under subsection (1), the court may make any order it considers just in the circumstances, including,

(a) an order that the insurance on that person’s life under the contract be terminated in accordance with the terms of the contract other than any terms respecting notice of termination; and

(b) an order that the amount of insurance under the contract on that person’s life be reduced. 2012, c. 8, Sched. 23, s. 15.

Notice

(3)  An application under subsection (1) must be made on at least 30 days notice to the insured, the beneficiary, the insurer and any other person the court considers to have an interest in the contract. 2012, c. 8, Sched. 23, s. 15.

Same

(4)  Despite subsection (3), if the court considers it just to do so, it may dispense with the notice to a person other than,

(a) the insurer; or

(b) if the contract is a contract of group insurance or of creditor’s group insurance, the insured. 2020, c. 34, Sched. 7, s. 4.

Who is bound by order

(5)  An order made under subsection (2) binds any person having an interest in the contract. 2012, c. 8, Sched. 23, s. 15.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 15](http://www.ontario.ca/laws/statute/S12008" \l "sched23s15) - 01/07/2016

[2020, c. 34, Sched. 7, s. 4](http://www.ontario.ca/laws/statute/S20034" \l "sched7s4) - 08/12/2020

Contract taking effect

**180** (1)  Subject to any provision to the contrary in the application or the policy, a contract does not take effect unless,

(a) the policy is delivered to an insured, the insured’s assign or agent, or to a beneficiary;

(b) payment of the initial premium is made to the insurer or its authorized agent; and

(c) no change has taken place in the insurability of the life to be insured between the time the application was completed and the time the policy was delivered. R.S.O. 1990, c. I.8, s. 180 (1); 2013, c. 2, Sched. 8, s. 9.

Delivery to agent

(2)  Where a policy is issued on the terms applied for and is delivered to an agent of the insurer for unconditional delivery to a person referred to in clause (1) (a), it shall be deemed, but not to the prejudice of the insured, to have been delivered to the insured. R.S.O. 1990, c. I.8, s. 180 (2).

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 9](http://www.ontario.ca/laws/statute/S13002" \l "sched8s9) - 01/07/2016

Default in paying premium

**181** (1)  Where a cheque or other bill of exchange, or a promissory note or other written promise to pay, is given for the whole or part of a premium and the cheque, bill of exchange or promissory note is not honoured according to its tenor, the premium or part thereof shall be deemed not to have been paid. R.S.O. 1990, c. I.8, s. 181 (1); 2012, c. 8, Sched. 23, s. 16.

Payment by registered letter

(2)  Where a remittance for or on account of a premium is sent in a registered letter to an insurer and is received by it, the remittance shall be deemed to have been received at the time of the registration of the letter. R.S.O. 1990, c. I.8, s. 181 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 16](http://www.ontario.ca/laws/statute/S12008" \l "sched23s16) - 01/07/2016

Payment of premium

Who may pay premium

**182** (1)  Except in the case of group insurance or of creditor’s group insurance, an assignee of a contract, a beneficiary or a person acting on behalf of one of them or on behalf of the insured may pay any premium that the insured is entitled to pay. 2012, c. 8, Sched. 23, s. 17 (1).

Period of grace

(2)  Where a premium, other than the initial premium, is not paid at the time it is due, the premium may be paid within a period of grace of,

(a) thirty days; or

(b) the number of days, if any, specified in the contract for payment of an overdue premium,

whichever is the longer period. R.S.O. 1990, c. I.8, s. 182 (2); 2020, c. 34, Sched. 7, s. 5.

Contract in force during grace period

(3)  Where the happening of the event upon which the insurance money becomes payable occurs during the period of grace and before the overdue premium is paid, the contract shall be deemed to be in effect as if the premium had been paid at the time it was due and, except in the case of group insurance or of creditor’s group insurance, the amount of the premium may be deducted from the insurance money. 2012, c. 8, Sched. 23, s. 17 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 17 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s17s1) - 01/07/2016

[2020, c. 34, Sched. 7, s. 5](http://www.ontario.ca/laws/statute/S20034" \l "sched7s5) - 08/12/2020

Duty to disclose

**183** (1)  An applicant for insurance and a person whose life is to be insured shall each disclose to the insurer in the application, on a medical examination, if any, and in any written statements or answers furnished as evidence of insurability, every fact within the person’s knowledge that is material to the insurance and is not so disclosed by the other. R.S.O. 1990, c. I.8, s. 183 (1).

Failure to disclose

(2)  Subject to section 184 and subsection (3) of this section, a failure to disclose, or a misrepresentation of, such a fact renders the contract voidable by the insurer. R.S.O. 1990, c. I.8, s. 183 (2); 2012, c. 8, Sched. 23, s. 18 (1).

Failure to disclose, application for change, etc., in contract

(3)  A failure to disclose, or a misrepresentation of, a fact referred to in subsection (1) relating to evidence of insurability with respect to the following kinds of applications renders the contract voidable by the insurer, but only in relation to the addition, increase or change applied for:

1. For additional coverage under a contract.

2. For an increase in insurance under a contract.

3. For any other change to insurance after the policy is issued. 2012, c. 8, Sched. 23, s. 18 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 18 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s18s1) - 01/07/2016

Exceptions

**184** (1)  This section does not apply to,

(a) a misstatement of age of a person whose life is insured; or

(b) insurance undertaken by an insurer as part of a contract of life insurance whereby the insurer undertakes to pay insurance money or to provide other benefits in the event that the person whose life is insured becomes disabled as a result of bodily injury or disease. 2002, c. 18, Sched. H, s. 4 (23); 2012, c. 8, Sched. 23, s. 19 (1).

Incontestability, general

(2)  Subject to subsection (3), where a contract, or an addition, increase or change referred to in subsection 183 (3) has been in effect for two years during the lifetime of the person whose life is insured, a failure to disclose or a misrepresentation of a fact required to be disclosed by section 183 does not, in the absence of fraud, render the contract voidable. R.S.O. 1990, c. I.8, s. 184 (2); 2012, c. 8, Sched. 23, s. 19 (2).

Incontestability in group insurance, creditor’s group insurance

(3)  In the case of a contract of group insurance or of creditor’s group insurance, a failure to disclose, or a misrepresentation of, such a fact in respect of a person whose life is insured under the contract does not render the contract voidable, but,

(a) if the failure to disclose or misrepresentation relates to evidence of insurability specifically requested by the insurer at the time of application for the insurance in respect of the person, the insurance in respect of that person is voidable by the insurer; and

(b) if the failure to disclose or misrepresentation relates to evidence of insurability specifically requested by the insurer at the time of application for an addition, increase or change referred to in subsection 183 (3) in respect of the person, the addition, increase or change in respect of that person is voidable by the insurer,

unless the insurance, addition, increase or change has been in effect for two years during the lifetime of that person, in which case the insurance, addition, increase or change is not, in the absence of fraud, voidable. 2012, c. 8, Sched. 23, s. 19 (3).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (23)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s23) - 30/04/2007

[2012, c. 8, Sched. 23, s. 19 (1-3)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s19s1) - 01/07/2016

Non-disclosure by insurer

**185** Where an insurer fails to disclose or misrepresents a fact material to the insurance, the contract is voidable by the insured, but, in the absence of fraud, the contract is not by reason of such failure or misrepresentation voidable after the contract has been in effect for two years. R.S.O. 1990, c. I.8, s. 185.

Insurable age

**186** (1)  This section does not apply to a contract of group insurance or of creditor’s group insurance.

Misstatement of age

(2)  Subject to subsection (3), where the age of a person whose life is insured is misstated to the insurer, the insurance money provided by the contract shall be increased or decreased to the amount that would have been provided for the same premium at the correct age.

Limitation of insurable age

(3)  Where a contract limits the insurable age and the correct age of the person whose life is insured at the date of the application exceeds the age so limited, the contract is, during the lifetime of that person but not later than five years from the date the contract takes effect, voidable by the insurer within sixty days after it discovers the error. R.S.O. 1990, c. I.8, s. 186.

Misstatement of age in group insurance

**187** In the case of a contract of group insurance or of creditor’s group insurance, a misstatement to the insurer of the age of a person whose life is insured does not of itself render the contract voidable, and the provisions, if any, of the contract with respect to age or misstatement of age apply. R.S.O. 1990, c. I.8, s. 187.

Effect of suicide

**188** (1)  Where a contract contains an undertaking, express or implied, that insurance money will be paid if a person whose life is insured commits suicide, the undertaking is lawful and enforceable.

Suicide and reinstatement

(2)  Where a contract provides that in case a person whose life is insured commits suicide within a certain period of time the contract is void or the amount payable under it is reduced, if the contract lapses and is subsequently reinstated on one or more occasions, the period of time commences to run from the date of the latest reinstatement. R.S.O. 1990, c. I.8, s. 188.

Reinstatement

**189** (1)  This section does not apply to a contract of group insurance or of creditor’s group insurance or to a contract made by a fraternal society. R.S.O. 1990, c. I.8, s. 189 (1); 2012, c. 8, Sched. 23, s. 20 (1).

Reinstatement on payment of premium after grace period

(1.1)  Where a contract lapses at the end of a period of grace because a premium due at the beginning of the period of grace was not paid, the contract may be reinstated by payment of the overdue premium within a further period of 30 days after the end of the period of grace, but only if the person whose life was insured under the contract is alive at the time payment is made. 2012, c. 8, Sched. 23, s. 20 (2).

Reinstatement following up to 2 years lapse

(2)  Where a contract lapses and is not reinstated under subsection (1.1), the insurer shall reinstate it if, within two years of the date the contract lapsed, the insured,

(a) applies for the reinstatement;

(b) pays to the insurer all overdue premiums and other indebtedness under the contract together with interest not exceeding the prejudgment interest rate determined under subsection 127 (2) of the Courts of Justice Act; and

(c) produces evidence satisfactory to the insurer of the good health and insurability of the person whose life was insured. 2012, c. 8, Sched. 23, s. 20 (3).

Exceptions

(3)  Subsections (1.1) and (2) do not apply where the cash surrender value has been paid or an option of taking paid-up or extended insurance has been exercised. R.S.O. 1990, c. I.8, s. 189 (3); 2012, c. 8, Sched. 23, s. 20 (4).

Application of other sections

(4)  Sections 183 and 184 apply with necessary modifications to reinstatement of a contract. R.S.O. 1990, c. I.8, s. 189 (4).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 20 (1-4)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s20s1) - 01/07/2016

Termination and replacement of group contract

Insurer remains liable under contract

**189.1**(1)  Where a contract of group insurance, or a benefit provision in a contract of group insurance, under which the insurer undertakes to pay insurance money or provide other benefits if a group life insured becomes disabled as a result of bodily injury or disease is terminated, the insurer continues, as though the contract or benefit provision had remained in full force and effect, to be liable to pay insurance money or provide benefits in respect of a group life insured for liability arising from bodily injury or disease that occurred before the termination of the contract or benefit provision. 2012, c. 8, Sched. 23, s. 21; 2014, c. 7, Sched. 14, s. 3.

Exception

(2)  Despite subsection (1), an insurer does not remain liable under a contract or benefit provision described in that subsection to pay insurance money or provide a benefit for the recurrence of a disability after both of the following occur:

1. The termination of the contract or benefit provision.

2. A continuous period of six months, or any longer period provided in the contract, during which the group life insured was not disabled. 2012, c. 8, Sched. 23, s. 21.

Time limit on insurer’s liability

(3)  An insurer that is liable under subsection (1) to pay insurance money or provide a benefit as a result of the disability of a group life insured is not liable to pay the insurance money or provide the benefit for any period longer than the portion remaining, at the date the disability began, of the maximum period provided under the contract for the payment of insurance money or the provision of other benefits in respect of a disability of the group life insured. 2012, c. 8, Sched. 23, s. 21.

Continued coverage under replacement contract

(4)  Where a contract of group insurance, in this section called the “replacement contract”, is entered into within 31 days after the termination of another contract of group insurance, in this section called the “other contract”, and that replacement contract insures some or all of the same group life insured as the other contract,

(a) the replacement contract shall be deemed to provide that any person who was insured under the other contract at the time of its termination is insured under the replacement contract from and after the termination of the other contract if,

(i) the insurance on that person under the other contract terminated by reason only of the termination of the other contract, and

(ii) the person is a member of a class eligible for insurance under the replacement contract; and

(b) no person who was insured under the other contract at the time of its termination may be excluded from eligibility under the replacement contract by reason only of not being actively at work on the effective date of the replacement contract, and despite subsection (1), if the replacement contract provides that insurance money or other benefits to be paid or provided under subsection (1) by the insurer of the other contract are to be paid instead under the replacement contract, the insurer of the other contract is not liable to pay that insurance money or provide those benefits. 2012, c. 8, Sched. 23, s. 21.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 21](http://www.ontario.ca/laws/statute/S12008" \l "sched23s21) - 01/07/2016

[2014, c. 7, Sched. 14, s. 3](http://www.ontario.ca/laws/statute/S14007" \l "sched14s3) - 01/07/2016

Designation of Beneficiaries

Designation of beneficiary

**190** (1)  Subject to subsection (4), an insured may in a contract or by a declaration designate the insured, the insured’s personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable. 2012, c. 8, Sched. 23, s. 22 (1).

Electronic declaration

(1.1)  Despite anything to the contrary in the Succession Law Reform Act, a declaration under this section may be provided electronically. 2019, c. 7, Sched. 33, s. 6.

Same, Authority rule requirements

(1.2)  An electronic declaration under this section must comply with such requirements as may be prescribed by the Authority rules. 2019, c. 7, Sched. 33, s. 6.

Change in designation

(2)  Subject to section 191, the insured may from time to time alter or revoke the designation by a declaration. R.S.O. 1990, c. I.8, s. 190 (2).

Meaning of “heirs”, etc.

(3)  A designation in favour of the “heirs”, “next of kin” or “estate” of the insured, or the use of words of like import in a designation, shall be deemed to be a designation of the personal representative of the insured. R.S.O. 1990, c. I.8, s. 190 (3).

Restriction on designations

(4)  Subject to the Authority rules, an insurer may restrict or exclude in a contract the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable. 2012, c. 8, Sched. 23, s. 22 (2); 2017, c. 34, Sched. 21, s. 15.

Designation may apply to replacement contract

(5)  A contract of group insurance replacing another contract of group insurance on some or all of the group life insured under the replaced contract may provide that a designation applicable to the replaced contract of a group life insured, a group life insured’s personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable shall be deemed to apply to the replacement contract. 2012, c. 8, Sched. 23, s. 22 (2).

Same

(6)  Where a contract of group insurance replacing another contract of group insurance provides that a designation referred to in subsection (5) shall be deemed to apply to the replacement contract,

(a) each certificate in respect of the replacement contract must indicate that the designation under the replaced contract has been carried forward and that the group life insured should review the existing designation to ensure it reflects the group life insured’s current intentions; and

(b) as between the insurer under the replacement contract and a claimant under that contract, that insurer is liable to the claimant for any errors or omissions by the previous insurer in respect of the recording of the designation carried forward under the replacement contract. 2012, c. 8, Sched. 23, s. 22 (2).

Settlement option

(7)  Where a beneficiary becomes entitled to insurance money and all or part of that insurance money remains with the insurer under a settlement option provided for in the contract or permitted by the insurer, that portion of the insurance money remaining with the insurer shall be deemed to be insurance money held under a contract on the life of the beneficiary and, subject to the provisions of the settlement option, the beneficiary has the rights and interests of an insured with respect to the insurance money. 2012, c. 8, Sched. 23, s. 22 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 22 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s22s1) - 01/07/2016

[2017, c. 34, Sched. 21, s. 15](http://www.ontario.ca/laws/statute/S17034" \l "sched21s15) - 08/06/2019

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2019, c. 7, Sched. 33, s. 6](http://www.ontario.ca/laws/statute/S19007" \l "sched33s6) - 08/06/2019

Designation of beneficiary irrevocably

**191** (1)  An insured may in a contract, or by a declaration other than a declaration that is part of a will, filed with the insurer at its head or principal office in Canada during the lifetime of the person whose life is insured, designate a beneficiary irrevocably, and in that event the insured, while the beneficiary is living, may not alter or revoke the designation without the consent of the beneficiary and the insurance money is not subject to the control of the insured, is not subject to the claims of the insured’s creditor and does not form part of the insured’s estate. R.S.O. 1990, c. I.8, s. 191 (1); 2013, c. 2, Sched. 8, s. 10.

Attempted designation

(2)  Where the insured purports to designate a beneficiary irrevocably in a will or in a declaration that is not filed as provided in subsection (1), the designation has the same effect as if the insured had not purported to make it irrevocable. R.S.O. 1990, c. I.8, s. 191 (2).

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 10](http://www.ontario.ca/laws/statute/S13002" \l "sched8s10) - 01/07/2016

Designation in will, etc.

Designation in invalid will

**192** (1)  A designation in an instrument purporting to be a will is not ineffective by reason only of the fact that the instrument is invalid as a will or that the designation is invalid as a bequest under the will.

Priorities

(2)  Despite the Succession Law Reform Act, a designation in a will is of no effect against a designation made later than the making of the will.

Revocation

(3)  Where a designation is contained in a will, if subsequently the will is revoked by operation of law or otherwise, the designation is thereby revoked.

Idem

(4)  Where a designation is contained in an instrument that purports to be a will, if subsequently the instrument if valid as a will would be revoked by operation of law or otherwise, the designation is thereby revoked. R.S.O. 1990, c. I.8, s. 192.

Trustee for beneficiary

**193** (1)  An insured may in a contract or by a declaration appoint a trustee for a beneficiary and may alter or revoke the appointment by a declaration.

Payment to trustee

(2)  A payment made by an insurer to a trustee for a beneficiary discharges the insurer to the extent of the payment. R.S.O. 1990, c. I.8, s. 193.

Beneficiary’s share of insurance money

Beneficiary predeceasing life insured

**194** (1)  Where a beneficiary predeceases the person whose life is insured, and no disposition of the share of the deceased beneficiary in the insurance money is provided in the contract or by a declaration, the share is payable,

(a) to the surviving beneficiary; or

(b) if there is more than one surviving beneficiary, to the surviving beneficiaries in equal shares; or

(c) if there is no surviving beneficiary, to the insured or the insured’s personal representative. R.S.O. 1990, c. I.8, s. 194 (1).

Several beneficiaries

(2)  Where two or more beneficiaries are designated otherwise than alternatively, but no division of the insurance money is made, the insurance money is payable to them in equal shares. R.S.O. 1990, c. I.8, s. 194 (2).

Disclaimer by beneficiary

(3)  A beneficiary may disclaim the beneficiary’s right to insurance money by filing notice in writing with the insurer at its head or principal office in Canada. 2012, c. 8, Sched. 23, s. 23.

Same

(4)  A notice of disclaimer filed under subsection (3) is irrevocable. 2012, c. 8, Sched. 23, s. 23.

Same

(5)  Subsection (1) applies in the case of a disclaiming beneficiary or in the case of a beneficiary determined by a court to be disentitled to insurance money as if the disclaiming or disentitled beneficiary died before the person whose life is insured. 2012, c. 8, Sched. 23, s. 23.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 23](http://www.ontario.ca/laws/statute/S12008" \l "sched23s23) - 01/07/2016

Right to sue

**195** A beneficiary may enforce for the beneficiary’s own benefit, and a trustee appointed pursuant to section 193 may enforce as trustee, the payment of insurance money made payable to him, her or it in the contract or by a declaration and in accordance with the provisions thereof, but the insurer may set up any defence that it could have set up against the insured or the insured’s personal representative. R.S.O. 1990, c. I.8, s. 195.

Insurance money free from other claims, etc.

Claims by creditors

**196** (1)  Where a beneficiary is designated, the insurance money, from the time of the happening of the event upon which the insurance money becomes payable, is not part of the estate of the insured and is not subject to the claims of the creditors of the insured. R.S.O. 1990, c. I.8, s. 196 (1).

Contract exempt from seizure

(2)  While a designation in favour of a spouse, child, grandchild or parent of a person whose life is insured, or any of them, is in effect, the rights and interests of the insured in the insurance money and in the contract are exempt from execution or seizure. R.S.O. 1990, c. I.8, s. 196 (2); 1999, c. 6, s. 31 (3); 2005, c. 5, s. 35 (4); 2021, c. 4, Sched. 11, s. 19.

**Section Amendments with date in force (d/m/y)**

1999, c. 6, s. 31 (3) - 01/03/2000

[2005, c. 5, s. 35 (4)](http://www.ontario.ca/laws/statute/S05005" \l "s35s4) - 09/03/2005

[2021, c. 4, Sched. 11, s. 19](http://www.ontario.ca/laws/statute/S21004" \l "sched11s19) - 19/04/2021

Dealings with Contract During Lifetime of Insured

Insured dealing with contract

**197** (1)  Where a beneficiary,

(a) is not designated irrevocably; or

(b) is designated irrevocably but has attained the age of eighteen years and consents,

the insured may assign, exercise rights under or in respect of, surrender or otherwise deal with the contract as provided therein or in this Part or as may be agreed upon with the insurer. R.S.O. 1990, c. I.8, s. 197.

Where there is irrevocable designation of beneficiary, who does not consent

(2)  Despite subsection 191 (1), where a beneficiary is designated irrevocably and has not consented as described in clause (l) (b), the insured may exercise any rights in respect of the contract that are prescribed by Authority rule. 2012, c. 8, Sched. 23, s. 24; 2016, c. 37, Sched. 10, s. 1; 2017, c. 34, Sched. 21, s. 16.

Same

(3)  Subject to the terms of a consent under clause (l) (b) or an order of the court under subsection (4), where there is an irrevocable designation of a beneficiary under a contract, a person acquiring an interest in the contract takes that interest subject to the rights of that beneficiary. 2012, c. 8, Sched. 23, s. 24.

Application to court

(4)  When a beneficiary who is designated irrevocably is unable to provide consent under clause (1) (b) because of legal incapacity, an insured may apply to the court for an order permitting the insured to deal with the contract without that consent. 2012, c. 8, Sched. 23, s. 24.

Same

(5)  The court may grant an order under subsection (4) on any notice and terms it considers just. 2012, c. 8, Sched. 23, s. 24.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 24](http://www.ontario.ca/laws/statute/S12008" \l "sched23s24) - 01/07/2016

[2016, c. 37, Sched. 10, s. 1](http://www.ontario.ca/laws/statute/S16037" \l "sched10s1) - 08/12/2016

[2017, c. 34, Sched. 21, s. 16](http://www.ontario.ca/laws/statute/S17034" \l "sched21s16) - 08/06/2019

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Insured entitled to dividends

**198** (1)  Despite the designation of a beneficiary irrevocably, the insured is entitled while living to the dividends or bonuses declared on a contract, unless the contract otherwise provides.

Insurer may use dividends

(2)  Unless the insured otherwise directs, the insurer may apply the dividends or bonuses declared on the contract for the purpose of keeping the contract in force. R.S.O. 1990, c. I.8, s. 198.

Transfer of ownership

**199** (1)  Despite the Succession Law Reform Act, where in a contract or declaration it is provided that a person named in the contract or declaration has, on the death of the insured, the rights and interests of the insured in the contract,

(a) the rights and interests of the insured in the contract do not, on the death of the insured, form part of the insured’s estate; and

(b) on the death of the insured, the person named in the contract or declaration has the rights and interests given to the insured by the contract and by this Part and shall be deemed to be the insured. 2012, c. 8, Sched. 23, s. 25.

Successive owners

(2)  Where the contract or declaration provides that two or more persons named in the contract or declaration shall, on the death of the insured, have successively, on the death of each of them, the rights and interests of the insured in the contract, this section applies successively, with necessary modifications, to each of such persons and to his or her rights and interests in the contract. 2012, c. 8, Sched. 23, s. 25.

Saving

(3)  Despite any nomination made pursuant to this section, the insured may, before his or her death,

(a) assign, exercise rights under or in respect of, surrender or otherwise deal with the contract as if the nomination had not been made; and

(b) subject to the terms of the contract, alter or revoke the nomination by declaration. 2012, c. 8, Sched. 23, s. 25.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 25](http://www.ontario.ca/laws/statute/S12008" \l "sched23s25) - 01/07/2016

Effect of assignment

Interest of assignee

**200** (1)  Where an assignee of a contract gives notice in writing of the assignment to the insurer at its head or principal office in Canada, the assignee has priority of interest as against,

(a) any assignee other than one who gave notice earlier in like manner; and

(b) a beneficiary other than one designated irrevocably as provided in section 191 prior to the time the assignee gave notice to the insurer of the assignment in the manner prescribed in this subsection. R.S.O. 1990, c. I.8, s. 200 (1).

Effect on beneficiary’s rights

(2)  Where a contract is assigned as security, the rights of a beneficiary under the contract are affected only to the extent necessary to give effect to the rights and interests of the assignee. R.S.O. 1990, c. I.8, s. 200 (2).

Assignee deemed to be insured

(3)  Where a contract is assigned unconditionally and otherwise than as security, the assignee has all the rights and interests given to the insured by the contract and by this Part and shall be deemed to be the insured. R.S.O. 1990, c. I.8, s. 200 (3).

Effect on designation of beneficiary, transfer of ownership

(3.1)  Unless the document by which the contract is assigned specifies otherwise, an assignment described in subsection (3) made on or after the date this section comes into force revokes,

(a) a designation of a beneficiary made before or after that date and not made irrevocably; and

(b) a nomination referred to in section 199 made before or after that date. 2012, c. 8, Sched. 23, s. 26 (1).

Prohibition against assignment

(4)  A contract may provide that the rights or interests of the insured or, in the case of a contract of group insurance or of creditor’s group insurance, of the group life insured or debtor insured, as the case may be, are not assignable. 2012, c. 8, Sched. 23, s. 26 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 26 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s26s1) - 01/07/2016

Group life insured, enforcing rights

**201** A group life insured may in his or her own name enforce a right given to him or her under a contract, subject to any defence available to the insurer against him or her or against the insured. R.S.O. 1990, c. I.8, s. 201.

Enforcement of right re creditor’s group insurance

**201.1**(1)  A debtor insured or a debtor who is jointly liable for the debt with the debtor insured may enforce in his or her own name the creditor’s rights in respect of a claim arising in relation to the debtor insured, subject to any defence available to the insurer against the creditor or debtor insured. 2012, c. 8, Sched. 23, s. 27.

Insurer to pay creditor

(2)  Subject to subsection (3), where an insurer pays insurance money in respect of a claim under subsection (1), the insurer shall pay the insurance money to the creditor. 2012, c. 8, Sched. 23, s. 27.

Insurer may pay excess above debt to debtor insured

(3)  Where the debtor insured provides evidence satisfactory to the insurer that the insurance money exceeds the debt then owing to the creditor, the insurer may pay the excess directly to that debtor insured. 2012, c. 8, Sched. 23, s. 27.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 27](http://www.ontario.ca/laws/statute/S12008" \l "sched23s27) - 01/07/2016

Limits on amounts held, tax exempt

**201.2**(1)  The maximum amount of funds held in a side account associated with an exempt policy shall not exceed the sum of,

(a) the funds required to pay future costs of insurance, related premium taxes and administrative fees or charges; and

(b) any additional funds that could, in the future, be eligible to be held in the exempt policy. 2020, c. 36, Sched. 22, s. 5.

Exception

(2)  If, on the day this section comes into force, a side account holds an amount of funds in excess of the maximum amount permitted under subsection (1), the following rules apply:

1. No amount is required to be refunded in respect of the funds held in excess.

2. No additional funds may be added to the account until the amount of funds held in the side account is below the maximum amount permitted under subsection (1).

3. Once the amount of funds held in the side account is below the maximum amount permitted under subsection (1), that limit applies in respect of the side account. 2020, c. 36, Sched. 22, s. 5.

Limits on amounts held, not tax exempt

(3)  Themaximum amount of funds held in any account or side account associated with a life insurance contract that does not include an exempt policy shall not exceed the funds required to pay future costs of insurance, related premium taxes and administrative fees or charges. 2020, c. 36, Sched. 22, s. 5.

Permitted amounts held, ceases to be tax exempt

(4)  The maximum amount of funds held in a side account associated with a life insurance contract that ceases to include an exempt policy shall not exceed the sum of,

(a) the funds required to pay future costs of insurance, related premium taxes and administrative fees or charges; and

(b) any additional funds that, on the day before the policy ceased to be an exempt policy, could have, in the future, been eligible to be held in the exempt policy if the policy had not ceased to be exempt. 2020, c. 36, Sched. 22, s. 5.

Determination of amounts

(5)  The amounts described in clauses (1) (a) and (b), subsection (3) and clauses (4) (a) and (b) may be determined, from time to time, by the insurer on an actuarial basis based on the expected remaining lifetime of the persons insured under the contract. 2020, c. 36, Sched. 22, s. 5.

Non-application to annuities and variable contracts

(6)  This section does not apply to any annuity deemed to be life insurance under this Act or any variable insurance contract within the meaning of section 110. 2020, c. 36, Sched. 22, s. 5.

**Section Amendments with date in force (d/m/y)**

[2020, c. 36, Sched. 22, s. 5](http://www.ontario.ca/laws/statute/S20036" \l "sched22s5) - 15/03/2021

Minors

Capacity of minors

**202** Except in respect of his or her rights as beneficiary, a minor who has attained the age of sixteen years has the capacity of a person of the age of eighteen years,

(a) to make an enforceable contract; and

(b) in respect of a contract. R.S.O. 1990, c. I.8, s. 202.

Proceedings under Contract

Proof of claim

**203** (1)  Where an insurer receives sufficient evidence of,

(a) the happening of the event upon which insurance money becomes payable;

(b) the age of the person whose life is insured;

(c) the right of the claimant to receive payment; and

(d) the name and age of the beneficiary, if there is a beneficiary,

it shall, within thirty days after receiving the evidence, pay the insurance money to the person entitled thereto. R.S.O. 1990, c. I.8, s. 203.

Order under Declarations of Death Act, 2002

(2)  Despite sections 208 and 209, an order made under the Declarations of Death Act, 2002 that declares that an individual has died is sufficient evidence of death for the purpose of clause (1) (a) if the insurer had notice of the application. 2002, c. 14, Sched., s. 10.

Exception

(3)  Subsection (2) does not apply if the order is limited, under subsection 2 (6) of the Declarations of Death Act, 2002, to specified purposes other than the payment of insurance money. 2002, c. 14, Sched., s. 10.

**Section Amendments with date in force (d/m/y)**

[2002, c. 14, Sched., s. 10](http://www.ontario.ca/laws/statute/S02014" \l "scheds10) - 19/11/2002

Payment of insurance money

Place of payment

**204** (1)  Subject to subsections (3), (4) and (5), insurance money is payable in Ontario. R.S.O. 1990, c. I.8, s. 204 (1); 2012, c. 8, Sched. 23, s. 28 (1).

Dollars

(2)  Unless a contract otherwise provides, a reference therein to dollars means Canadian dollars. R.S.O. 1990, c. I.8, s. 204 (2).

Payment outside Ontario

(3)  Where a person entitled to receive insurance money is not domiciled in Ontario, the insurer may pay the insurance money to that person or to any other person who is entitled to receive it on that person’s behalf by the law of the domicile of the payee. R.S.O. 1990, c. I.8, s. 204 (3).

Exception for group insurance

(4)  In the case of a contract of group insurance, insurance money is payable in the province or territory of Canada in which the group life insured was resident at the time he or she became insured. R.S.O. 1990, c. I.8, s. 204 (4).

Deceased not resident in Ontario at time of death

(5)  Whereinsurance money is payable under a contract to a deceased person who was not resident in Ontario at the date of the person’s death or to that person’s personal representative, the insurer may pay the insurance money to the deceased person’s personal representative as appointed under the law of the jurisdiction in which the person was resident at the date of the person’s death, and the payment discharges the insurer to the extent of the amount of the payment. 2012, c. 8, Sched. 23, s. 28 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 28 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s28s1) - 01/07/2016

Action in Ontario

**205** Despite where a contract was made, an action on it may be brought in a court by a resident of Ontario if the insurer was authorized to transact insurance in Ontario at the time the contract was made or at the time the action is brought. R.S.O. 1990, c. I.8, s. 205.

**206** Repealed: 2002, c. 24, Sched. B, s. 39 (1).

**Section Amendments with date in force (d/m/y)**

[2002, c. 24, Sched. B, s. 39 (1)](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s1) - 01/01/2004

Documents affecting right to insurance money

**207** (1)  Until an insurer receives at its head or principal office in Canada an instrument or an order of a court affecting the right to receive insurance money, or a notarial copy, or a copy verified by statutory declaration, of any such instrument or order, it may make payment of the insurance money and shall be as fully discharged to the extent of the amount paid as if there were no such instrument or order.

Saving

(2)  Subsection (1) does not affect the rights or interests of any person other than the insurer. R.S.O. 1990, c. I.8, s. 207.

Declaration as to sufficiency of proof

**208** Where an insurer admits the validity of the insurance but does not admit the sufficiency of the evidence required by section 203 and there is no other question in issue except a question under section 209, the insurer or the claimant may, before or after action is brought and upon at least thirty days notice, apply to the court for a declaration as to the sufficiency of the evidence furnished, and the court may make the declaration or may direct what further evidence shall be furnished and on the furnishing thereof may make the declaration or, in special circumstances, may dispense with further evidence. R.S.O. 1990, c. I.8, s. 208.

Declaration as to presumption of death

**209** Where a claimant alleges that the person whose life is insured should be presumed to be dead by reason of his or her not having been heard of for seven years and there is no other question in issue except a question under section 208, the insurer or the claimant may, before or after action is brought and upon at least thirty days notice, apply to the court for a declaration as to presumption of the death and the court may make the declaration. R.S.O. 1990, c. I.8, s. 209.

Court orders, application under s. 208 or 209

**210** (1)  Upon making a declaration under section 208 or 209, the court may make such order respecting the payment of the insurance money and respecting costs as it deems just and, subject to section 212, a declaration or direction or order made under this subsection is binding upon the applicant and upon all persons to whom notice of the application has been given.

Payment under order

(2)  A payment made under an order made under subsection (1) discharges the insurer to the extent of the amount paid. R.S.O. 1990, c. I.8, s. 210.

Stay of proceedings

**211** Unless the court otherwise orders, an application made under section 208 or 209 operates as a stay of any pending action with respect to the insurance money. R.S.O. 1990, c. I.8, s. 211.

Appeal, ss. 208 to 210

**212** An appeal lies to the Divisional Court from any declaration, direction or order made under section 208, section 209 or subsection 210 (1). R.S.O. 1990, c. I.8, s. 212.

Court orders, insufficient evidence, etc.

**213** Where the court finds that the evidence furnished under section 203 is not sufficient or that a presumption of death is not established, it may order that the matters in issue be decided in an action brought or to be brought, or may make such other order as it considers just respecting further evidence to be furnished by the claimant, publication of advertisements, further inquiry or any other matter or respecting costs. R.S.O. 1990, c. I.8, s. 213.

Payment into court

**214** (1)  Where an insurer admits liability for insurance money and it appears to the insurer that,

(a) there are adverse claimants;

(b) the whereabouts of a person entitled is unknown;

(c) there is no person capable of giving and authorized to give a valid discharge therefor, who is willing to do so;

(d) there is no person entitled to the insurance money; or

(e) the person to whom the insurance money is payable would be disentitled on public policy or other grounds,

the insurer may, at any time after thirty days from the date of the happening of the event upon which the insurance money becomes payable, apply to the court without notice for an order for payment of the money into court, and the court may upon such notice, if any, as it thinks necessary make an order accordingly. R.S.O. 1990, c. I.8, s. 214; 2012, c. 8, Sched. 23, s. 29 (1).

(2)  Repealed: 2013, c. 2, Sched. 8, s. 11.

Insurer discharged by payment under order

(3)  A payment made by an insurer under an order made under subsection (1) discharges the insurer to the extent of the amount of the payment. 2012, c. 8, Sched. 23, s. 29 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 29 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s29s1) - 01/07/2016

[2013, c. 2, Sched. 8, s. 11](http://www.ontario.ca/laws/statute/S13002" \l "sched8s11) - 01/07/2016

Simultaneous deaths

**215** Unless a contract or a declaration otherwise provides, where the person whose life is insured and a beneficiary die at the same time or in circumstances rendering it uncertain which of them survived the other, the insurance money is payable as if the beneficiary had predeceased the person whose life is insured. R.S.O. 1990, c. I.8, s. 215; 2012, c. 8, Sched. 23, s. 30.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 30](http://www.ontario.ca/laws/statute/S12008" \l "sched23s30) - 01/07/2016

Insurance money payable in instalments

**216** (1)  Subject to subsections (2) and (3), where insurance money is payable in instalments and a contract, or an instrument signed by the insured and delivered to the insurer, provides that a beneficiary has not the right to commute the instalments or to alienate or assign the beneficiary’s interest therein, the insurer shall not, unless the insured subsequently directs otherwise in writing, commute the instalments or pay them to any person other than the beneficiary, and the instalments are not, in the hands of the insurer, subject to any legal process except an action to recover the value of necessaries supplied to the beneficiary or the beneficiary’s children who are minors.

Commutation by beneficiary

(2)  A court may, upon the application of a beneficiary and upon at least ten days notice, declare that in view of special circumstances,

(a) the insurer may, with the consent of the beneficiary, commute instalments of insurance money; or

(b) the beneficiary may alienate or assign the beneficiary’s interest in the insurance money.

Commutation after death of beneficiary

(3)  After the death of the beneficiary, his or her personal representative may, with the consent of the insurer, commute any instalments of insurance money payable to the beneficiary.

Definition

(4)  In this section,

“instalments” includes insurance money held by the insurer under section 217. R.S.O. 1990, c. I.8, s. 216.

Insurer holding insurance money

**217** (1)  An insurer may hold insurance money,

(a) subject to the order of an insured or a beneficiary; or

(b) upon trusts or other agreements for the benefit of the insured or the beneficiary,

as provided in the contract, by an agreement in writing to which it is a party, or by a declaration, with interest at a rate agreed upon therein or, where no rate is agreed upon, at the rate declared from time to time by the insurer in respect of insurance money so held by it.

Exception

(2)  The insurer is not bound to hold insurance money as provided in subsection (1) under the terms of a declaration to which it has not agreed in writing. R.S.O. 1990, c. I.8, s. 217.

Court may order payment

**218** Where an insurer does not within thirty days after receipt of the evidence required by section 203 pay the insurance money to some person competent to receive it or into court, the court may, upon application of any person, order that the insurance money or any part thereof be paid into court, or may make such other order as to the distribution of the money as it deems just, and payment made in accordance with the order discharges the insurer to the extent of the amount paid. R.S.O. 1990, c. I.8, s. 218.

Costs, s. 214 or 218

**219** The court may fix without assessment the costs incurred in connection with an application or order made under section 214 or 218, and may order them to be paid out of the insurance money or by the insurer or the applicant or otherwise as it considers just. R.S.O. 1990, c. I.8, s. 219.

Minors

**220** (1)  If an insurer admits liability for insurance money payable to a minor, and there is no person capable of giving and authorized to give a valid discharge for the insurance money who is willing to do so, the insurer shall, within 30 days after receiving the evidence referred to in section 203, pay the money and any applicable interest into court to the credit of the minor. 2012, c. 8, Sched. 23, s. 31.

(2)  Repealed: 2012, c. 8, Sched. 23, s. 31.

Procedure

(3)  No order is necessary for payment into court under subsection (1), but the accountant or other proper officer shall receive the money upon the insurer filing with him or her an affidavit showing the amount payable and the name, date of birth and residence of the minor, and, upon such payment being made, the insurer shall forthwith notify the Children’s Lawyer and deliver to him or her a copy of the affidavit. R.S.O. 1990, c. I.8, s. 220 (3); 1994, c. 27, s. 43 (2).

Authorized payments

(4)  An insurer may, despite subsection (1), pay insurance money and applicable interest payable to a minor to,

(a) the guardian of the property of the minor, appointed under section 47 of the Children’s Law Reform Act; or

(b) a person referred to in subsection 51 (1) of the Children’s Law Reform Act, if the payment does not exceed the amount set out in that subsection. 1993, c. 10, s. 13 (2).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 13 (1, 2) - 01/01/1994; 1994, c. 27, s. 43 (2) - 03/04/1995

[2012, c. 8, Sched. 23, s. 31](http://www.ontario.ca/laws/statute/S12008" \l "sched23s31) - 01/07/2016

Beneficiary under legal incapacity

**221** Despite section 220, where it appears to an insurer that a representative of a beneficiary who is a minor or is otherwise under a legal incapacity may accept payments on behalf of the beneficiary under the law of the jurisdiction in which the beneficiary resides, the insurer may make payment to the representative, and the payment discharges the insurer to the extent of the amount paid. 2012, c. 8, Sched. 23, s. 32.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 32](http://www.ontario.ca/laws/statute/S12008" \l "sched23s32) - 01/07/2016

Miscellaneous Provisions

Presumption against agency

**222** An officer, agent or employee of an insurer, or a person soliciting insurance, whether or not an agent of the insurer, shall not be considered to be the agent of the insured, person whose life is insured, group life insured or debtor insured, to that person’s prejudice, in respect of any question arising out of a contract. 2012, c. 8, Sched. 23, s. 32.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 32](http://www.ontario.ca/laws/statute/S12008" \l "sched23s32) - 01/07/2016

Insurer giving information

**223** An insurer does not incur any liability for any default, error or omission in giving or withholding information as to any notice or instrument that it has received and that affects the insurance money. R.S.O. 1990, c. I.8, s. 223.

PART VI  
AUTOMOBILE INSURANCE

Interpretation, Part VI

**224** (1)  In this Part,

“automobile” includes,

(a) a motor vehicle required under any Act to be insured under a motor vehicle liability policy, and

(b) a vehicle prescribed by regulation to be an automobile; (“automobile”)

“contract” means a contract of automobile insurance that,

(a) is undertaken by an insurer that is licensed to undertake automobile insurance in Ontario, or

(b) is evidenced by a policy issued in another province or territory of Canada, the United States of America or a jurisdiction designated in the Statutory Accident Benefits Schedule by an insurer that has filed an undertaking under section 226.1; (“contrat”)

“excluded driver” means a person named as an excluded driver in an endorsement under section 249; (“conducteur exclu”)

“fault determination rules” means the rules prescribed under paragraph 21 of subsection 121 (1); (“règles de détermination de la responsabilité”)

“health care” includes all goods and services for which payment is provided by the medical, rehabilitation and attendant care benefits provided for in the Statutory Accident Benefits Schedule; (“soins de santé”)

“insured” means a person insured by a contract whether named or not and includes every person who is entitled to statutory accident benefits under the contract whether or not described therein as an insured person; (“assuré”)

“listed expenses” means, in connection with statutory accident benefits, the amounts payable that, under section 288.1, are listed expenses; (“frais désignés”)

“occupant”, in respect of an automobile, means,

(a) the driver,

(b) a passenger, whether being carried in or on the automobile,

(c) a person getting into or on or getting out of or off the automobile; (“personne transportée”)

“public transit” means,

(a) any service for which a fare is charged for transporting the public by automobiles operated by or on behalf of a municipality or a local board as defined in the Municipal Affairs Act, or under an agreement between a municipality and a person, firm or corporation, but does not include special transportation facilities for persons with disabilities or transportation by special purpose facilities such as school buses or ambulances, and

(b) any service prescribed by regulation to be public transit, in the circumstances and subject to the terms, conditions, provisions, exclusions and limits prescribed by the regulation,

but does not include any service prescribed by regulation not to be public transit, in the circumstances and subject to the terms, conditions, provisions, exclusions and limits prescribed by the regulation; (“transport en commun”)

“public transit vehicle” means an automobile while being used for public transit; (“véhicule de transport en commun”)

“service provider’s licence” means a licence issued under section 288.5; (“permis de fournisseur de services”)

“spouse” means either of two persons who,

(a) are married to each other,

(b) have together entered into a marriage that is voidable or void, in good faith on the part of the person asserting a right under this Act, or

(c) have lived together in a conjugal relationship outside marriage,

(i) continuously for a period of not less than three years, or

(ii) in a relationship of some permanence, if they are the parents of a child; (“conjoint”)

“statutory accident benefits” means the benefits set out in the regulations made under paragraphs 9 and 10 of subsection 121 (1); (“indemnités d’accident légales”)

“Statutory Accident Benefits Schedule” means the regulations made under paragraphs 9 and 10 of subsection 121 (1). (“Annexe sur les indemnités d’accident légales”) R.S.O. 1990, c. I.8, s. 224 (1); 1993, c. 10, s. 1; 1996, c. 21, s. 15; 1999, c. 6, s. 31 (4); 2002, c. 22, s. 115; 2005, c. 5, s. 35 (5-8); 2011, c. 9, Sched. 21, s. 2; 2013, c. 2, Sched. 8, s. 12; 2016, c. 23, s. 55 (1).

(2)-(5)  Repealed: 2020, c. 34, Sched. 7, s. 6 (1).

Additional benefits

(6)  An insurer, with the approval of the Chief Executive Officer, may offer optional benefits in excess of the benefits that must be provided under the Statutory Accident Benefits Schedule. R.S.O. 1990, c. I.8, s. 224 (6); 1993, c. 10, s. 1; 1997, c. 28, s. 109; 2018, c. 8, Sched. 13, s. 22.

Idem

(7)  Optional benefits offered under subsection (6) shall be deemed to be statutory accident benefits and the Statutory Accident Benefits Schedule applies to them with necessary modifications. R.S.O. 1990, c. I.8, s. 224 (7); 1993, c. 10, s. 1.

Transition

(8)  The following provisions, as they read immediately before the day section 8 of Schedule 7 to the Better for People, Smarter for Business Act, 2020 came into force, continue to apply to proceedings commenced before that day:

1. Section 266.

2. Section 267.

3. Section 267.1.

4. Subsection 267.5 (1). 2020, c. 34, Sched. 7, s. 6 (2).

Same

(9)  Sections 266 to 267.1, as they read immediately before the day section 8 of Schedule 7 to the Better for People, Smarter for Business Act, 2020 came into force, continue to apply to new proceedings for loss or damage from bodily injury or death arising from the use or operation, before November 1, 1996, of an automobile in Canada, the United States of America or a jurisdiction designated in the Statutory Accident Benefits Schedule, during the applicable periods as provided for in those sections. 2020, c. 34, Sched. 7, s. 6 (2).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994; 1996, c. 21, s. 15 - 01/11/1996; 1997, c. 28, s. 109 - 01/07/1998; 1999, c. 6, s. 31 (4) - 01/03/2000

[2002, c. 22, s. 115](http://www.ontario.ca/laws/statute/S02022" \l "s115) - 01/10/2003

[2005, c. 5, s. 35 (5-8)](http://www.ontario.ca/laws/statute/S05005" \l "s35s5) - 09/03/2005

[2011, c. 9, Sched. 21, s. 2](http://www.ontario.ca/laws/statute/S11009" \l "sched21s2) - 12/05/2011

[2013, c. 2, Sched. 8, s. 12](http://www.ontario.ca/laws/statute/S13002" \l "sched8s12) - 01/06/2014

[2016, c. 23, s. 55 (1)](http://www.ontario.ca/laws/statute/S16023" \l "s55s1) - 01/01/2017

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2020, c. 34, Sched. 7, s. 6 (1, 2)](http://www.ontario.ca/laws/statute/S20034" \l "sched7s6s1) - 01/07/2022

Exception re insured

**225** Except as provided in the Statutory Accident Benefits Schedule, the insured under a contract shall be deemed not to include any person who sustains loss or damage while any automobile insured under the contract is being used or operated by an excluded driver. R.S.O. 1990, c. I.8, s. 225; 1993, c. 10, s. 1.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994

Application of Part

**226** (1)  This Part does not apply to contracts insuring only against,

(a) loss of or damage to an automobile while in or on described premises;

(b) loss of or damage to property carried in or upon an automobile; or

(c) liability for loss of or damage to property carried in or upon an automobile.

Idem

(2)  This Part does not apply to a contract providing insurance in respect of an automobile not required to be registered under the Highway Traffic Act unless it is insured under a contract evidenced by a form of policy approved under this Part.

Idem

(3)  This Part does not apply to a contract insuring solely the interest of a person who has a lien upon, or has as security legal title to, an automobile and who does not have possession of the automobile. R.S.O. 1990, c. I.8, s. 226.

Out-of-province insurers

**226.1**  An insurer that issues motor vehicle liability policies in another province or territory of Canada, the United States of America or a jurisdiction designated in the Statutory Accident Benefits Schedule may file an undertaking with the Chief Executive Officer, in the form provided by the Chief Executive Officer, providing that the insurer’s motor vehicle liability policies will provide at least the coverage described in sections 251, 265 and 268 when the insured automobiles are operated in Ontario. 1996, c. 21, s. 16; 1997, c. 28, s. 110; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 16 - 01/11/1996; 1997, c. 28, s. 110 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Approval of Forms

Approval of forms

**227** (1)  An insurer shall not use a form of any of the following documents in respect of automobile insurance unless the form has been approved by the Chief Executive Officer:

1. An application for insurance.

2. A policy, endorsement or renewal.

3. A claims form.

4. A continuation certificate. 1996, c. 21, s. 17; 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Application for insurance

(1.1)  Paragraph 1 of subsection (1) does not apply if, in accordance with the regulations, the insurer uses a form of application for insurance that is prescribed by the regulations. 1996, c. 21, s. 17.

Approval of policies in special cases

(2)  Where, in the opinion of the Chief Executive Officer, any provision of this Part, including any statutory condition, is wholly or partly inappropriate to the requirements of a contract or is inapplicable by reason of the requirements of any Act, he or she may approve a form of policy, or part thereof, or endorsement evidencing a contract sufficient or appropriate to insure the risks required or proposed to be insured, and the contract evidenced by the policy or endorsement in the form so approved is effective and binding according to its terms even if those terms are inconsistent with, vary, omit or add to any provision or condition of this Part. R.S.O. 1990, c. I.8, s. 227 (2); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Approval of extensions

(3)  The Chief Executive Officer may, if he or she considers it to be in the public interest, approve a form of motor vehicle liability policy or endorsement thereto that extends the insurance beyond that prescribed in this Part. R.S.O. 1990, c. I.8, s. 227 (3); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Conditions of approval of extension

(4)  The Chief Executive Officer, in granting an approval under subsection (3), may require the insurer to charge an additional premium for the extension and to state that fact in the policy or in any endorsement. R.S.O. 1990, c. I.8, s. 227 (4); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Standard policies

(5)  The Chief Executive Officer may approve the form of standard policies containing insuring agreements and provisions in conformity with this Part for use by insurers in general. 1993, c. 10, s. 14; 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Publication

(6)  If the Chief Executive Officer approves a form of standard policy, the Chief Executive Officer shall cause a copy of the form to be published on the website of the Authority, but it is not necessary to publish endorsement forms approved for use with the standard policy. 1993, c. 10, s. 14; 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 8.

Revocation of approval

(7)  The Chief Executive Officer may revoke an approval given under this section, and, upon notification of the revocation in writing, no insurer shall thereafter use or deliver a form that contravenes the notification. R.S.O. 1990, c. I.8, s. 227 (7); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Reason for decision

(8)  The Chief Executive Officer shall, on request of any interested insurer, specify in writing his or her reasons for granting, refusing or revoking an approval of a form. R.S.O. 1990, c. I.8, s. 227 (8); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 14 - 01/01/1994; 1996, c. 21, s. 17 - 01/11/1996; 1997, c. 28, s. 111 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 8](http://www.ontario.ca/laws/statute/S19014" \l "sched9s8) - 31/07/2020

Application form

**228** Where so required by the regulations, no insurer shall use a form of application other than a prescribed form. R.S.O. 1990, c. I.8, s. 228.

Other Information

Information for applicants, etc.

**229** (1)  An insurer or broker shall supply at such times as may be prescribed by the Authority rules such information as may be prescribed by the Authority rules to applicants for automobile insurance and to named insureds under contracts. R.S.O. 1990, c. I.8, s. 229 (1); 1993, c. 10, s. 15 (1); 2017, c. 34, Sched. 21, s. 17.

Information deemed to be part of application

(2)  Information supplied under subsection (1) by an insurer or by a broker on behalf of an insurer to an applicant for automobile insurance shall be deemed to be a part of the application. R.S.O. 1990, c. I.8, s. 229 (2); 1993, c. 10, s. 15 (2).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 15 (1, 2) - 01/01/1994

[2017, c. 34, Sched. 21, s. 17](http://www.ontario.ca/laws/statute/S17034" \l "sched21s17) - 08/06/2019

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Information from brokers

**230** (1)  A broker shall provide to an applicant for insurance the names of all the insurers with whom the broker has an agency contract relating to automobile insurance and all information obtained by the broker relating to quotations on automobile insurance for the applicant. 1996, c. 21, s. 18.

Information from agents

(2)  An agent shall inform an applicant for automobile insurance of the insurer or the insurers within an affiliated group of insurers that the agent represents. 2002, c. 22, s. 116.

Request for written information

(3)  The broker or agent shall provide the information referred to in subsection (1) or (2) in writing if the applicant so requests. 2002, c. 22, s. 116.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 18 - 01/11/1996

[2002, c. 22, s. 116](http://www.ontario.ca/laws/statute/S02022" \l "s116) - 01/10/2003

Application and Policy

Persons forbidden to act as agent

**231** No person carrying on the business of financing the sale or purchase of automobiles and no automobile dealer, insurance agent or broker and no officer or employee of such a person, dealer, agent or broker shall act as the agent of an applicant for the purpose of signing an application for automobile insurance. R.S.O. 1990, c. I.8, s. 231.

Policy, formal requirements

Copy of application in policy

**232** (1)  A copy of the written application, signed by the insured or the insured’s agent, or, if no signed application is made, a copy of the purported application, or a copy of such part of the application or purported application as is material to the contract, shall be embodied in, endorsed upon or attached to the policy when issued by the insurer. R.S.O. 1990, c. I.8, s. 232 (1).

Policy issued where no signed application

(2)  If no signed written application is received by the insurer prior to the issue of the policy, the insurer shall deliver or mail to the insured named in the policy, or to the agent for delivery or mailing to the insured, a form of application to be completed and signed by the insured and returned to the insurer. R.S.O. 1990, c. I.8, s. 232 (2).

Insured entitled to copy

(3)  Subject to subsection (5), the insurer shall deliver or mail to the insured named in the policy, or to the agent for delivery or mailing to the insured, the policy or a true copy thereof and every endorsement or other amendment to the contract. R.S.O. 1990, c. I.8, s. 232 (3).

Form of policy

(4)  Where a written application signed by the insured or the insured’s agent is made for a contract, the policy evidencing the contract shall be deemed to be in accordance with the application unless the insurer points out in writing to the insured named in the policy in what respect the policy differs from the application, and, in that event, the insured shall be deemed to have accepted the policy unless within one week from the receipt of the notification the insured informs the insurer in writing that the insured rejects the policy. R.S.O. 1990, c. I.8, s. 232 (4).

Certificate of policy

(5)  If an insurer adopts a standard policy approved under subsection 227 (5), it may, instead of issuing the policy, issue a certificate in a form approved by the Chief Executive Officer. 1993, c. 10, s. 16 (1); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Effect of certificate

(5.1)  A certificate issued under subsection (5) is of the same force and effect as if it were the standard policy, subject to the limits and coverages shown by the insurer on the certificate and any endorsements issued with or subsequent to the certificate. 1993, c. 10, s. 16 (1).

Copy of policy

(5.2)  At the request of an insured to whom a certificate has been issued under subsection (5), the insurer shall provide a copy of the standard policy approved by the Chief Executive Officer. 1993, c. 10, s. 16 (1); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Application

(6)  Where a certificate is issued under subsection (5), subsection (8) of this section and subsections 261 (2) and 263 (5.3) apply with necessary modifications. R.S.O. 1990, c. I.8, s. 232 (6); 1993, c. 10, s. 16 (2).

Proof of terms of policy

(7)  Where an insurer issues a certificate under subsection (5), proof of the terms of the policy may be given by production of a copy of the form of standard policy approved by the Chief Executive Officer accessed from the website of the Authority. 2019, c. 14, Sched. 9, s. 9.

Endorsement on forms

(8)  Upon every application form and policy, there shall be printed or stamped in conspicuous type a copy of subsection 233 (1). R.S.O. 1990, c. I.8, s. 232 (8).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 16 (1-3) - 01/01/1994; 1997, c. 28, s. 111 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 9](http://www.ontario.ca/laws/statute/S19014" \l "sched9s9) - 31/07/2020

**232.1**  Repealed: 2020, c. 34, Sched. 7, s. 7.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 19 - 01/11/1996

[2020, c. 34, Sched. 7, s. 7](http://www.ontario.ca/laws/statute/S20034" \l "sched7s7) - 01/07/2022

Misrepresentation or violation of conditions renders claim invalid

**233** (1)  Where,

(a) an applicant for a contract,

(i) gives false particulars of the described automobile to be insured to the prejudice of the insurer, or

(ii) knowingly misrepresents or fails to disclose in the application any fact required to be stated therein;

(b) the insured contravenes a term of the contract or commits a fraud; or

(c) the insured wilfully makes a false statement in respect of a claim under the contract,

a claim by the insured is invalid and the right of the insured to recover indemnity is forfeited. R.S.O. 1990, c. I.8, s. 233 (1).

Statutory accident benefits protected

(2)  Subsection (1) does not invalidate such statutory accident benefits as are set out in the Statutory Accident Benefits Schedule. R.S.O. 1990, c. I.8, s. 233 (2); 1993, c. 10, s. 1.

Use of application as defence

(3)  No statement of the applicant shall be used in defence of a claim under the contract unless it is contained in the signed written application therefor or, where no signed written application is made, in the purported application, or part thereof, that is embodied in, endorsed upon or attached to the policy.

Idem

(4)  No statement contained in a purported copy of the application, or part thereof, other than a statement describing the risk and the extent of the insurance, shall be used in defence of a claim under the contract unless the insurer proves that the applicant made the statement attributed to the applicant in the purported application, or part thereof. R.S.O. 1990, c. I.8, s. 233 (3, 4).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994

Statutory conditions

**234** (1)  The conditions prescribed by the regulations made under paragraph 15.1 of subsection 121 (1) are statutory conditions and shall be deemed to be part of every contract to which they apply and shall be printed in English or French in every policy to which they apply with the heading “Statutory Conditions” or “Conditions légales”, as may be appropriate.

Variation

(2)  No variation or omission of or addition to a statutory condition is binding on the insured.

Exceptions

(3)  Except as otherwise provided in the contract, the statutory conditions referred to in subsection (1) do not apply to the insurance required by section 265 or 268.

Definition

(4)  In subsection (1),

“policy” does not include an interim receipt or binder. 1993, c. 10, s. 17.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 17 - 01/01/1994

Notice of termination

**235** An insurer may, by registered mail, personal delivery, prepaid courier or electronic means, give to an insured a notice of termination of a contract in accordance with the statutory conditions referred to in subsection 234 (1). 2020, c. 36, Sched. 22, s. 6.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 18 - 01/01/1994

[2020, c. 36, Sched. 22, s. 6](http://www.ontario.ca/laws/statute/S20036" \l "sched22s6) - 01/01/2022

Notice of expiry or variation

**236** (1)  If an insurer does not intend to renew a contract or if an insurer proposes to renew a contract on varied terms, the insurer shall,

(a) give the named insured not less than thirty days notice in writing of the insurer’s intention or proposal; or

(b) give the broker, if any, through whom the contract was placed forty-five days notice in writing of the insurer’s intention or proposal. R.S.O. 1990, c. I.8, s. 236 (1).

Idem

(2)  Subject to subsection (4), a broker to whom an insurer has given notice under clause (1) (b) shall give the named insured under the contract not less than thirty days notice in writing of the insurer’s intention or proposal. R.S.O. 1990, c. I.8, s. 236 (2).

Reasons

(3)  Notices given under subsections (1) and (2) shall set out the reasons for the insurer’s intention or proposal. R.S.O. 1990, c. I.8, s. 236 (3).

Exception

(4)  Where, before a broker is required to have given notice to a named insured under subsection (2), the broker places with another insurer a replacement contract containing substantially similar terms as the expiring contract, the broker is exempted from giving notice under subsection (2). R.S.O. 1990, c. I.8, s. 236 (4).

Effect of failure to comply

(5)  A contract of insurance is in force until there is compliance with subsections (1), (2) and (3). R.S.O. 1990, c. I.8, s. 236 (5).

Exception

(6)  This section does not apply to prescribed types of contracts in prescribed circumstances. 2002, c. 22, s. 117.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 236 (6) of the Act is repealed and the following substituted: (See: 2017, c. 34, Sched. 21, s. 18)

Exception

(6)  This section does not apply to types of contracts prescribed by the Authority rules in the circumstances prescribed by the Authority rules. 2017, c. 34, Sched. 21, s. 18.

**Section Amendments with date in force (d/m/y)**

[2002, c. 22, s. 117](http://www.ontario.ca/laws/statute/S02022" \l "s117) - 01/10/2003

[2017, c. 34, Sched. 21, s. 18](http://www.ontario.ca/laws/statute/S17034" \l "sched21s18) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Limitation on termination

**237** (1)  If so required by the regulations and unless the insurer has complied therewith, an insurer shall not decline to issue or terminate or refuse to renew a contract in respect of such coverages and endorsements as may be set out in the regulations or decline to issue, terminate or refuse to renew any contract or refuse to provide or continue any coverage or endorsement on any ground set out in the regulations. R.S.O. 1990, c. I.8, s. 237 (1).

Information

(2)  The Chief Executive Officer may require insurers, agents and brokers to provide such information, material and evidence as the Chief Executive Officer considers necessary to determine compliance with subsection (1). R.S.O. 1990, c. I.8, s. 237 (2); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Exemption

(3)  An insurer may apply to the Chief Executive Officer for an exemption from subsection (1). R.S.O. 1990, c. I.8, s. 237 (3); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Idem

(4)  An application for an exemption from compliance with subsection (1) shall be in a form approved by the Chief Executive Officer and shall be filed together with such information, materials and evidence as the Chief Executive Officer considers necessary. R.S.O. 1990, c. I.8, s. 237 (4); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Idem

(5)  The Chief Executive Officer may exempt an insurer in whole or in part from compliance with subsection (1) if, in the opinion of the Chief Executive Officer, compliance with the regulations would impair the solvency of the insurer or would cause the insurer to be in contravention of this Act or the regulations. R.S.O. 1990, c. I.8, s. 237 (5); 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Non-application

(6)  Subsection (1) does not apply in respect of a contract if any payment in respect of premiums payable under the contract or under any ancillary agreement is overdue or if,

(a) the insured has given false particulars of the described automobile to the prejudice of the insurer;

(b) the insured has knowingly misrepresented or failed to disclose in an application for insurance any fact required to be stated therein. R.S.O. 1990, c. I.8, s. 237 (6).

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 111 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Grounds to terminate

**238** (1)  An insurer shall not decline to issue, terminate or refuse to renew a contract or refuse to provide or continue a coverage or endorsement, except on a ground filed with the Chief Executive Officer under this section. 1993, c. 10, s. 19; 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Filing of grounds

(2)  An insurer shall file with the Chief Executive Officer the grounds on which the insurer intends to decline to issue, terminate or refuse to renew a contract or refuse to provide or continue a coverage or endorsement. 1993, c. 10, s. 19; 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Material to be furnished

(3)  The grounds shall be filed in a form approved by the Chief Executive Officer and shall be filed together with such information, material and evidence as the Chief Executive Officer may specify. 1993, c. 10, s. 19; 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Request for additional information

(3.1)  The Chief Executive Officer may require that the insurer provide such additional information, material and evidence as the Chief Executive Officer may specify in order to make a decision with respect to a filed ground. 2010, c. 26, Sched. 9, s. 1 (1); 2018, c. 8, Sched. 13, s. 22.

Prohibition from using ground

(4)  The Chief Executive Officer shall notify the insurer orally or otherwise that the insurer is prohibited from using one or more of the grounds filed under subsection (2) if the Chief Executive Officer is of the opinion that the ground,

(a) is subjective;

(b) is arbitrary;

(c) bears little or no relationship to the risk to be borne by the insurer in respect of an insured; or

(d) is contrary to public policy. 2010, c. 26, Sched. 9, s. 1 (2); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (4) of the Act is repealed and the following substituted: (See: 2017, c. 34, Sched. 21, s. 19 (1))

Prohibition from using ground

(4)  The Superintendent shall notify the insurer orally or otherwise that the insurer is prohibited from using one or more of the grounds filed under subsection (2) if the Superintendent is of the opinion that the ground is not just and reasonable, having considered the criteria set out in the Authority rules. 2017, c. 34, Sched. 21, s. 19 (1).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (4) of the Act, as re-enacted by section 19 of Schedule 21 to the Stronger, Fairer Ontario Act (Budget Measures), 2017, is amended by striking out “Superintendent” wherever it appears and substituting in each case “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 10)

When insurer may use ground

(4.1)  Unless the Chief Executive Officer notifies the insurer that the insurer is prohibited from using a ground, the insurer may use the ground 30 days after the later of,

(a) the day the insurer files the ground under subsection (2); or

(b) the day the additional information, material or evidence requested is provided, if the Chief Executive Officer requires the insurer to provide additional information, material or evidence under subsection (3.1). 2010, c. 26, Sched. 9, s. 1 (2); 2018, c. 8, Sched. 13, s. 22.

Notice

(5)  If the Chief Executive Officer notifies an insurer orally that the insurer is prohibited from using a ground, the Chief Executive Officer shall promptly mail a written notice to the insurer confirming that fact. 1993, c. 10, s. 19; 1997, c. 28, s. 111; 2018, c. 8, Sched. 13, s. 22.

Appeal to Tribunal

(6)  If the Chief Executive Officer notifies an insurer that the insurer is prohibited from using a ground, the insurer may within 15 days appeal the decision to the Tribunal. 1997, c. 28, s. 112; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (6) of the Act is repealed and the following substituted: (See: 2017, c. 34, Sched. 21, s. 19 (2))

Decision final

(6)  A decision of the Superintendent is final for all purposes. 2017, c. 34, Sched. 21, s. 19 (2).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (6) of the Act, as re-enacted by section 19 of Schedule 21 to the Stronger, Fairer Ontario Act (Budget Measures), 2017, is amended by striking out “Superintendent” and substituting “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 10)

Prohibition by Tribunal

(7)  After the hearing, the Tribunal shall prohibit the insurer from using the ground if the Tribunal finds that the ground comes within any of clauses (4) (a), (b), (c) and (d). 1997, c. 28, s. 112.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (7) of the Act is repealed and the following substituted: (See: 2017, c. 34, Sched. 21, s. 19 (2))

Definition

(7)  In this section,

“insurer” includes the Facility Association. 2017, c. 34, Sched. 21, s. 19 (2).

Reconsideration

(8)  The Chief Executive Officer may, at any time, give notice in writing to an insurer that,

(a) he or she is of the opinion that a ground that has been filed under this section or the manner in which it is applied comes within any of clauses (4) (a), (b), (c) and (d); and

(b) he or she intends to prohibit the use of the ground or to prohibit the use of the ground in a specified manner. 1997, c. 28, s. 112; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (8) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 19 (2))

Request for hearing

(9)  Within 15 days after receiving the notice, the insurer may request in writing that the Tribunal hold a hearing before the Chief Executive Officer takes any action described in the notice. 1997, c. 28, s. 112; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (9) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 19 (2))

Hearing

(10)  If, within the time period allowed, the insurer requests a hearing, the Tribunal shall hold a hearing. 1997, c. 28, s. 112.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (10) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 19 (2))

No request for hearing

(11)  If, within the time period allowed, the insurer does not request a hearing, the Chief Executive Officer may take any action described in the notice. 1997, c. 28, s. 112; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (11) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 19 (2))

Powers of Tribunal

(12)  At a hearing, if the Tribunal finds that the ground or the manner in which it applies comes within any of clauses (4) (a), (b), (c) and (d), the Tribunal shall prohibit the insurer from using the ground or from using it in a specified manner. 1997, c. 28, s. 112.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (12) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 19 (2))

Information to provide

(13)  The Chief Executive Officer or the Tribunal may require insurers, agents and brokers to provide the information, material and evidence that the Chief Executive Officer or Tribunal, as the case requires, considers necessary for the purposes of this section. 1997, c. 28, s. 112; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 238 (13) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 19 (2))

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 19 - 01/01/1994; 1997, c. 28, ss. 111, 112 - 01/07/1998

[2010, c. 26, Sched. 9, s. 1 (1, 2)](http://www.ontario.ca/laws/statute/S10026" \l "sched9s1s1) - 08/12/2010

[2017, c. 34, Sched. 21, s. 19 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s19s1) - not in force

[2018, c. 8, Sched. 13, s. 10](http://www.ontario.ca/laws/statute/S18008" \l "sched13s10) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Affiliated automobile insurers, concurrent filing

**238.1**(1)  The Chief Executive Officer may require that affiliated insurers who write automobile insurance in Ontario file their grounds under section 238 concurrently. 2010, c. 26, Sched. 9, s. 2; 2018, c. 8, Sched. 13, s. 22.

Insurer’s application, consideration of affiliate’s grounds

(2)  The Chief Executive Officer may consider the grounds filed by the affiliates of an insurer when deciding on the grounds filed by the insurer. 2010, c. 26, Sched. 9, s. 2; 2018, c. 8, Sched. 13, s. 22.

Interpretation

(3)  For the purpose of this section, an insurer is considered to be affiliated with another insurer if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same person. 2010, c. 26, Sched. 9, s. 2.

**Section Amendments with date in force (d/m/y)**

[2010, c. 26, Sched. 9, s. 2](http://www.ontario.ca/laws/statute/S10026" \l "sched9s2) - 08/12/2010

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Motor Vehicle Liability Policies

Policy coverage

Coverage of owner’s policy, specific automobile

**239** (1)  Subject to section 240, every contract evidenced by an owner’s policy insures the person named therein, and every other person who with the named person’s consent drives, or is an occupant of, an automobile owned by the insured named in the contract and within the description or definition thereof in the contract, against liability imposed by law upon the insured named in the contract or that other person for loss or damage,

(a) arising from the ownership or directly or indirectly from the use or operation of any such automobile; and

(b) resulting from bodily injury to or the death of any person and damage to property. R.S.O. 1990, c. I.8, s. 239 (1).

Saving, statutory accident benefits

(2)  A lack of consent does not invalidate such statutory accident benefits as are set out in the Statutory Accident Benefits Schedule. R.S.O. 1990, c. I.8, s. 239 (2); 1993, c. 10, s. 1.

Coverage of owner’s policy, other automobiles

(3)  Where the contract evidenced by an owner’s policy also provides insurance against liability in respect of an automobile not owned by the insured named in the contract, an insurer may stipulate in the contract that the insurance is restricted to such persons as are specified in the contract. R.S.O. 1990, c. I.8, s. 239 (3).

Death of person named in owner’s policy

(4)  Where the insured named in an owner’s policy dies, the following persons shall be deemed to be the insured under the policy:

1. The spouse of the deceased insured.

2. In respect of the described automobile, a newly-acquired automobile that was acquired by the deceased insured prior to his or her death and a temporary substitute automobile, all as defined by the policy,

i. any person having proper temporary custody thereof until grant of probate or administration to the personal representative of the deceased insured,

ii. the personal representative of the deceased insured. R.S.O. 1990, c. I.8, s. 239 (4); 1999, c. 6, s. 31 (5); 2005, c. 5, s. 35 (9).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994; 1999, c. 6, s. 31 (5) - 01/03/2000

[2005, c. 5, s. 35 (9)](http://www.ontario.ca/laws/statute/S05005" \l "s35s9) - 09/03/2005

Insurer not liable re excluded driver

**240** If a contract evidenced by a motor vehicle liability policy names an excluded driver, the insurer is not liable to any person under the contract or under this Act or the regulations for any loss or damage that occurs while the excluded driver is driving an automobile insured under the contract, except as provided in the Statutory Accident Benefits Schedule. R.S.O. 1990, c. I.8, s. 240; 1993, c. 10, s. 1.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994

Coverage of non-owner’s policy

**241** Every contract evidenced by a non-owner’s policy insures the person named therein and such other person, if any, as is specified in the policy against liability imposed by law upon the insured named in the contract or that other person for loss or damage,

(a) arising directly or indirectly from the use or operation of an automobile within the definition thereof in the policy, other than an automobile owned by him, her or it or registered in his, her or its name; and

(b) resulting from bodily injury to or the death of any person, and damage to property. R.S.O. 1990, c. I.8, s. 241.

Persons deemed not owners

**242** For the purposes of this Part, a person shall not be deemed to be the owner of an automobile for the reason only that the person has a lien on the automobile or has legal title to the automobile as security. R.S.O. 1990, c. I.8, s. 242.

Territorial limits

**243** (1)  Insurance under sections 239 and 241 applies to the ownership, use or operation of the insured automobile in Canada, the United States of America and any other jurisdiction designated in the Statutory Accident Benefits Schedule, and on a vessel plying between ports of Canada, the United States of America or a designated jurisdiction. 1996, c. 21, s. 20.

Same

(1.1)  Payment provided for under subsection 265 (1) applies to loss or damage resulting from an accident involving an uninsured or unidentified automobile in Canada, the United States of America and any other jurisdiction designated in the Statutory Accident Benefits Schedule, and on a vessel plying between ports of Canada, the United States of America or a designated jurisdiction. 2002, c. 22, s. 118.

Same

(2)  Statutory accident benefits provided under section 268 apply to the use or operation of any automobile in Canada, the United States of America and any other jurisdiction designated in the Statutory Accident Benefits Schedule, and on a vessel plying between ports of Canada, the United States of America or a designated jurisdiction. 1996, c. 21, s. 20.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 20 - 01/11/1996

[2002, c. 22, s. 118](http://www.ontario.ca/laws/statute/S02022" \l "s118) - 01/10/2003

Rights of unnamed insured

**244** Any person insured by but not named in a contract to which section 239 or 241 applies may recover indemnity in the same manner and to the same extent as if named therein as the insured, and for that purpose shall be deemed to be a party to the contract and to have given consideration therefor. R.S.O. 1990, c. I.8, s. 244.

Additional agreements

**245** Every contract evidenced by a motor vehicle liability policy shall provide that, where a person insured by the contract is involved in an accident resulting from the ownership, or directly or indirectly from the use or operation of an automobile in respect of which insurance is provided under the contract and resulting in loss or damage to persons or property, the insurer shall,

(a) upon receipt of notice of loss or damage caused to persons or property, make such investigations, conduct such negotiations with the claimant and effect such settlement of any resulting claims as are deemed expedient by the insurer;

(b) defend in the name and on behalf of the insured and at the cost of the insurer any civil action that is at any time brought against the insured on account of loss or damage to persons or property;

(c) pay all costs assessed against the insured in any civil action defended by the insurer and any interest accruing after entry of judgment upon that part of the judgment that is within the limits of the insurer’s liability; and

(d) where the injury is to a person, reimburse the insured for outlay for such medical aid as is immediately necessary at the time. R.S.O. 1990, c. I.8, s. 245.

Liability for contamination

**246** Liability arising from contamination of property carried in an automobile shall not be deemed to be liability arising from the ownership, use or operation of such automobile. R.S.O. 1990, c. I.8, s. 246.

Other liability, possible exclusions

**247** The insurer may provide under a contract evidenced by a motor vehicle liability policy, in either or both of the following cases, that it shall not be liable,

(a) to indemnify any person engaged in the business of selling, repairing, maintaining, servicing, storing or parking automobiles for any loss or damage sustained while engaged in the use or operation of or while working upon the automobile in the course of that business unless the person is the owner of the automobile or is an employee of the owner of the automobile;

(b) for loss of or damage to property carried in or upon the automobile or to any property owned or rented by or in the care, custody or control of the insured. R.S.O. 1990, c. I.8, s. 247.

Liability for damage caused by machinery, etc.

**248** Subject to the limitations and exclusions of the endorsement, the insurer may provide by endorsement to a contract evidenced by a motor vehicle liability policy that it shall not be liable for loss or damage resulting from the ownership, use or operation of any machinery or apparatus, including its equipment, mounted on or attached to the automobile while such automobile is at the site of the use or operation of that machinery or apparatus. R.S.O. 1990, c. I.8, s. 248.

Excluded driver endorsement

**249** A named insured may stipulate by endorsement to a contract evidenced by a motor vehicle liability policy that any person named in the endorsement is an excluded driver under the contract. R.S.O. 1990, c. I.8, s. 249.

Liability, possible exclusions for other uses

**250** (1)  The insurer may provide under a contract evidenced by a motor vehicle liability policy, in one or more of the following cases, that, except as provided in the Statutory Accident Benefits Schedule, it shall not be liable while,

(a) the automobile is rented or leased to another person;

(b) the automobile is used to carry explosives or to carry radio-active material for research, education, development or industrial purposes or for purposes incidental thereto;

(c) the automobile is used as a taxicab, public omnibus, livery, jitney or sightseeing conveyance or for carrying passengers for compensation or hire;

(d) where the insured vehicle is an automobile, other than a trailer, it is used for towing a trailer owned by the insured unless like indemnity is also provided by the insurer in respect of the trailer;

(e) where the insured vehicle is a trailer, it is towed by an automobile owned by the insured unless like indemnity is also provided by the insurer in respect of the automobile. R.S.O. 1990, c. I.8, s. 250 (1); 1993, c. 10, s. 1.

Definition

(2)  In clause (1) (b),

“radio-active material” means,

(a) spent nuclear fuel rods that have been exposed to radiation in a nuclear reactor,

(b) radio-active waste material,

(c) unused enriched nuclear fuel rods, or

(d) any other radio-active material of such quantity and quality as to be harmful to persons or property if its container were destroyed or damaged. R.S.O. 1990, c. I.8, s. 250 (2).

Exception

(3)  Clause (1) (a) does not include the use by an employee of his or her automobile on the business of the employee’s employer and for which the employee is paid. R.S.O. 1990, c. I.8, s. 250 (3).

Certain rules excepted

(4)  Clause (1) (c) does not include,

(a) the use by a person of the person’s automobile for the carriage of another person in return for the former’s carriage in the automobile of the latter;

(b) the occasional and infrequent use by a person of the person’s automobile for the carriage of another person who shares the cost of the trip;

(c) the use by a person of the person’s automobile for the carriage of a temporary or permanent domestic servant of the insured or his or her spouse;

(d) the use by a person of the person’s automobile for the carriage of a client or customer or a prospective client or customer; or

(e) the occasional and infrequent use by the insured of the insured’s automobile for the transportation of children to or from school or school activities conducted within the educational program. R.S.O. 1990, c. I.8, s. 250 (4); 1999, c. 6, s. 31 (6); 2005, c. 5, s. 35 (10).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994; 1999, c. 6, s. 31 (6) - 01/03/2000

[2005, c. 5, s. 35 (10)](http://www.ontario.ca/laws/statute/S05005" \l "s35s10) - 09/03/2005

Minimum liability under policy

**251** (1)  Every contract evidenced by a motor vehicle liability policy insures, in respect of any one accident, to the limit of at least $200,000, exclusive of interest and costs, against liability resulting from bodily injury to or the death of one or more persons and loss of or damage to property.

Priorities

(2)  The contract shall be interpreted to mean that where, by reason of any one accident, liability results from bodily injury or death and from loss of or damage to property,

(a) claims against the insured arising out of bodily injury or death have priority to the extent of $190,000 over claims arising out of loss of or damage to property; and

(b) claims against the insured arising out of loss of or damage to property have priority to the extent of $10,000 over claims arising out of bodily injury or death.

Minimum limits where separate limits designated

(3)  The insurer may, instead of specifying a limit in the policy for an inclusive amount, specify a limit of liability of at least $200,000, exclusive of interest and costs, against liability resulting from bodily injury to or the death of one or more persons and a limit of liability of at least $200,000, exclusive of interest and costs, against liability for loss of or damage to property.

Variation of limits

(4)  Nothing in this Part precludes an insurer, with respect to a limit or limits in excess of those specified in subsection (1) or (3), from increasing or reducing the limit or limits specified in the contract with respect to the use or operation of the automobile by a named person, but no reduction is effective for a limit less than that required under subsection (1) or (3). R.S.O. 1990, c. I.8, s. 251.

Liability arising from use, etc., outside Ontario

**252** (1)  Every motor vehicle liability policy issued in Ontario shall provide that, in the case of liability arising out of the ownership or, directly or indirectly, out of the use or operation of the automobile in any province or territory of Canada, in a jurisdiction of the United States of America or in any other jurisdiction designated in the Statutory Accident Benefits Schedule,

(a) the insurer is liable up to the minimum limits prescribed for that province, territory or jurisdiction if those limits are higher than the limits prescribed by the policy;

(b) the insurer will not set up a defence to a claim that could not be set up if the policy were a motor vehicle liability policy issued in that province, territory or jurisdiction; and

(c) the insured, by acceptance of the policy, constitutes and appoints the insurer as the insured’s irrevocable attorney to appear and defend in any province or territory of Canada, any jurisdiction of the United States of America or any other jurisdiction designated in the Statutory Accident Benefits Schedule in which an action is brought against the insured arising out of the ownership, use or operation of the automobile. 1996, c. 21, s. 21.

Power of attorney binding

(2)  A provision in a motor vehicle liability policy in accordance with clause (1) (c) is binding on the insured. R.S.O. 1990, c. I.8, s. 252 (2).

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 21 - 01/11/1996

Excess insurance

**253** (1)  Nothing in this Part precludes an insurer from providing insurance under a contract evidenced by a motor vehicle liability policy restricted to a limit in excess of that provided by another designated contract evidenced by a motor vehicle liability policy, whether the designated contract is a first loss insurance or an excess insurance.

Termination of excess insurance

(2)  Where the contract designated in the excess contract terminates or is terminated, the excess contract is also automatically terminated. R.S.O. 1990, c. I.8, s. 253.

Agreement for partial payment of claim by insured

**254** Nothing in this Part precludes an insurer from entering into an agreement with its insured under a contract evidenced by a motor vehicle liability policy providing that the insured will reimburse the insurer in an agreed amount in respect of any claim by or judgment in favour of a third party against the insured, and the agreement may be enforced against the insured according to its tenor. R.S.O. 1990, c. I.8, s. 254.

Liability for nuclear energy hazard

**255** (1)  In this section,

“nuclear energy hazard” means the radio-active, toxic, explosive or other hazardous properties of nuclear substances under the Nuclear Safety and Control Act (Canada). 2004, c. 31, Sched. 20, s. 7.

Liability when nuclear energy contract also in force

(2)  Where an insured is covered, whether named therein or not, under a contract evidenced by a motor vehicle liability policy for loss or damage resulting from bodily injury to or the death of any person or damage to property arising directly or indirectly out of a nuclear energy hazard and is also covered, whether named therein or not, against such loss or damage under a contract evidenced by a policy of nuclear energy hazard liability insurance issued by a group of insurers and in force at the time of the event giving rise to the loss or damage,

(a) the motor vehicle liability insurance is excess to the nuclear energy hazard liability insurance, and the insurer under the contract of motor vehicle liability insurance is not liable to pay beyond the minimum limits prescribed by section 251; and

(b) the unnamed insured under the contract of nuclear energy liability insurance may, in respect of such loss or damage, recover indemnity under that contract in the same manner and to the same extent as if named therein as the insured, and for that purpose the unnamed insured shall be deemed to be a party to the contract and to have given consideration therefor. R.S.O. 1990, c. I.8, s. 255 (2).

When contract deemed in force

(3)  For the purpose of this section, a contract of nuclear energy hazard liability insurance shall be deemed to be in force at the time of the event giving rise to the loss or damage, even if the limits of liability thereunder have been exhausted. R.S.O. 1990, c. I.8, s. 255 (3).

**Section Amendments with date in force (d/m/y)**

[2004, c. 31, Sched. 20, s. 7](http://www.ontario.ca/laws/statute/S04031" \l "sched20s7) - 16/12/2004

Advance payments and release by claimant

**256** (1)  Where an insurer makes a payment on behalf of an insured under a contract evidenced by a motor vehicle liability policy to a person who is or claims to be entitled to recover from the insured covered by the policy, the payment constitutes, to the extent of the payment, a release by the person or the person’s personal representative of any claim that the person or the person’s personal representative or any person claiming through or under him or by virtue of Part V of the Family Law Act may have against the insured and the insurer.

Idem

(2)  Nothing in this section precludes the insurer making the payment from demanding, as a condition precedent to such payment, a release from the person or the person’s personal representative or any other person to the extent of such payment.

Payment to be taken into account

(3)  Where the person commences an action, the court shall adjudicate upon the matter first without reference to the payment but in giving judgment the payment shall be taken into account and the person shall only be entitled to judgment for the net amount, if any.

Intention

(4)  The intention of this section is to permit payments to a claimant without prejudice to the defendant or the defendant’s insurer, either as an admission of liability or otherwise, and the fact of any payment shall not be disclosed to the judge or jury until after judgment but before formal entry thereof. R.S.O. 1990, c. I.8, s. 256.

Defence where more than one contract

**257** (1)  Where a person is insured under more than one contract evidenced by a motor vehicle liability policy, whether the insurance is first loss insurance or excess, and a question arises under clause 245 (b) between an insurer and the insured or between the insurers as to which insurer shall undertake the obligation to defend in the name and on behalf of the insured, whether or not any insurer denies liability under its contract, the insured or any insurer may apply to the Superior Court of Justice, and the court shall give such directions as may appear proper with respect to the performance of the obligation. R.S.O. 1990, c. I.8, s. 257 (1); 2006, c. 19, Sched. C, s, 1 (1).

Hearing

(2)  On an application under subsection (1), the only parties entitled to notice thereof and to be heard thereon are the insured and the insured’s insurers, and no material or evidence used or taken upon such an application is admissible upon the trial of an action brought against the insured for loss or damage to persons or property arising out of the use or operation of the automobile in respect of which the insurance is provided. R.S.O. 1990, c. I.8, s. 257 (2).

Order

(3)  An order under subsection (1) does not affect the rights and obligations of the insurers in respect of payment of any indemnity under their respective policies. R.S.O. 1990, c. I.8, s. 257 (3).

Contribution

(4)  Where indemnity is provided to the insured under two or more contracts and one or more of them are excess insurance, the insurers shall, as between themselves, contribute to the payment of expenses, costs and reimbursement for which provision is made in section 245 in accordance with their respective liabilities for damages awarded against the insured. R.S.O. 1990, c. I.8, s. 257 (4).

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. C, s, 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcss) - 22/06/2006

Application of insurance money, 3rd party claims, etc.

**258** (1)  Any person who has a claim against an insured for which indemnity is provided by a contract evidenced by a motor vehicle liability policy, even if such person is not a party to the contract, may, upon recovering a judgment therefor in any province or territory of Canada against the insured, have the insurance money payable under the contract applied in or towards satisfaction of the person’s judgment and of any other judgments or claims against the insured covered by the contract and may, on the person’s own behalf and on behalf of all persons having such judgments or claims, maintain an action against the insurer to have the insurance money so applied. R.S.O. 1990, c. I.8, s. 258 (1).

(2)  Repealed: 2002, c. 24, Sched. B, s. 39 (2).

Other creditors excluded

(3)  A creditor of the insured is not entitled to share in the insurance money payable under any contract unless the creditor’s claim is one for which indemnity is provided for by that contract. R.S.O. 1990, c. I.8, s. 258 (3).

Insurer absolutely liable

(4)  The right of a person who is entitled under subsection (1) to have insurance money applied upon the person’s judgment or claim is not prejudiced by,

(a) an assignment, waiver, surrender, cancellation or discharge of the contract, or of any interest therein or of the proceeds thereof, made by the insured after the happening of the event giving rise to a claim under the contract;

(b) any act or default of the insured before or after that event in contravention of this Part or of the terms of the contract; or

(c) any contravention of the Criminal Code (Canada) or a statute of any province or territory of Canada or of any state or the District of Columbia of the United States of America by the owner or driver of the automobile,

and nothing mentioned in clause (a), (b) or (c) is available to the insurer as a defence in an action brought under subsection (1). R.S.O. 1990, c. I.8, s. 258 (4).

Section applicable to purported policy

(5)  It is not a defence to an action under this section that an instrument issued as a motor vehicle liability policy by a person engaged in the business of an insurer and alleged by a party to the action to be such a policy is not a motor vehicle liability policy, and this section applies with necessary modifications to the instrument. R.S.O. 1990, c. I.8, s. 258 (5).

Contribution among insurers

(6)  The insurer may require any other insurers liable to indemnify the insured in whole or in part in respect of judgments or claims to which reference is made in subsection (1) to be made parties to the action and contribute according to their respective liabilities, whether the contribution is rateably or by way of first loss or excess insurance, as the case may be, and the insured shall on demand furnish the insurer with particulars of all other insurance covering the subject-matter of the contract. R.S.O. 1990, c. I.8, s. 258 (6).

Payment into court

(7)  Where any person has recovered a judgment against the insured and is entitled to bring action under subsection (1), and the insurer admits liability to pay the insurance money under the contract and the insurer considers that,

(a) there are or may be other claimants; or

(b) there is no person capable of giving and authorized to give a valid discharge for payment who is willing to do so,

the insurer may apply to the court without notice for an order for payment of the money into court, and the court may, upon such notice, if any, as it thinks necessary, make an order accordingly. R.S.O. 1990, c. I.8, s. 258 (7).

Effect of order

(8)  The receipt of the proper officer of the court is sufficient discharge to the insurer for the insurance money paid into court under subsection (7), and the insurance money shall be dealt with as the court may order upon application of any person interested therein. R.S.O. 1990, c. I.8, s. 258 (8).

Defence to excess limits claim relating to s. 250 coverage

(9)  Despite anything contained therein to the contrary, every contract evidenced by a motor vehicle liability policy shall, for the purposes of this section, be deemed to provide all the types of coverage mentioned in section 250, but the insurer is not liable to a claimant with respect to such coverage in excess of the limits mentioned in section 251. R.S.O. 1990, c. I.8, s. 258 (9).

Defence where coverage under s. 247 or 248

(10)  Where one or more contracts provide for coverage of a type mentioned in section 247 or 248, except as provided in subsection (12), the insurer may,

(a) with respect to that type of coverage; and

(b) as against a claimant,

avail itself of any defence that it is entitled to set up against the insured, despite subsection (4). R.S.O. 1990, c. I.8, s. 258 (10).

Defence where excess limits

(11)  Where one or more contracts provide for coverage in excess of the limits mentioned in section 251, except as provided in subsection (12), the insurer may,

(a) with respect to the coverage in excess of those limits; and

(b) as against a claimant,

avail itself of any defence that it is entitled to set up against the insured, despite subsection (4). R.S.O. 1990, c. I.8, s. 258 (11).

Defence where vehicle used in business of carrying passengers

(12)  Where a contract provides coverage of the type mentioned in clause 216 (a) of The Insurance Act, being chapter 224 of the Revised Statutes of Ontario, 1970, in respect of an automobile operated in the business of carrying passengers for compensation or hire and insured for that purpose, the insurer may,

(a) with respect to that type of coverage; and

(b) as against a claimant,

only avail itself of a defence that it is entitled to set up against the insured in respect of that part of the coverage, if any, that exceeds,

(c) the limits mentioned in section 251; or

(d) the minimum limits required for that type of coverage by or under any other Act,

whichever is the greater. R.S.O. 1990, c. I.8, s. 258 (12).

Insured’s liability to reimburse insurer

(13)  The insured shall reimburse the insurer upon demand in the amount that the insurer has paid by reason of this section and that it would not otherwise be liable to pay. R.S.O. 1990, c. I.8, s. 258 (13).

Insurer may be made third party

(14)  Where an insurer denies liability under a contract evidenced by a motor vehicle liability policy, it shall, upon application to the court, be made a third party in any action to which the insured is a party and in which a claim is made against the insured by any party to the action in which it is or might be asserted that indemnity is provided by the contract, whether or not the insured enters an appearance or defence in the action. R.S.O. 1990, c. I.8, s. 258 (14).

Rights of insurer

(15)  Upon being made a third party, the insurer may,

(a) contest the liability of the insured to any party claiming against the insured;

(b) contest the amount of any claim made against the insured;

(c) deliver any pleadings in respect of the claim of any party claiming against the insured;

(d) have production and discovery from any party adverse in interest; and

(e) examine and cross-examine witnesses at the trial,

to the same extent as if it were a defendant in the action. R.S.O. 1990, c. I.8, s. 258 (15).

Idem

(16)  An insurer may avail itself of subsection (15) even if another insurer is defending in the name and on behalf of the insured an action to which its insured is a party. R.S.O. 1990, c. I.8, s. 258 (16).

**Section Amendments with date in force (d/m/y)**

[2002, c. 24, Sched. B, s. 39 (2)](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s2) - 01/01/2004

Notice of accident

**258.1**  (1)  If an automobile insured under a contract is involved in an incident that is required to be reported to the police under the Highway Traffic Act or in respect of which the insured intends to make a claim under the contract, the insured shall give the insurer written notice of the incident, with all available particulars.

Same

(2)  Subject to subsection (3), the notice required by subsection (1) shall be given to the insurer within seven days of the incident.

Same

(3)  If the insured is unable because of incapacity to comply with subsection (1) within seven days of the incident, the insured shall comply as soon as possible thereafter. 1996, c. 21, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 22 - 01/11/1996

Application of ss. 258.3 to 258.6

**258.2**  Sections 258.3 to 258.6 apply only in respect of a claim for loss or damage from bodily injury or death arising from the use or operation, after section 29 of the Automobile Insurance Rate Stability Act, 1996 comes into force, of an automobile in Canada, the United States of America or a jurisdiction designated in the Statutory Accident Benefits Schedule. 1996, c. 21, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 22 - 01/11/1996

Notice and disclosure before action

**258.3**  (1)  An action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile shall not be commenced unless,

(a) the plaintiff has applied for statutory accident benefits;

(b) the plaintiff served written notice of the intention to commence the action on the defendant within 120 days after the incident or within such longer period as a court in which the action may be commenced may authorize, on motion made before or after the expiry of the 120-day period;

(c) the plaintiff provided the defendant with the information prescribed by the regulations within the time period prescribed by the regulations;

(d) the plaintiff has, at the defendant’s expense, undergone examinations by one or more persons selected by the defendant who are members of Colleges as defined in the Regulated Health Professions Act, 1991, if the defendant requests the examinations within 90 days after receiving the notice under clause (b);

(e) the plaintiff has provided the defendant with a statutory declaration describing the circumstances surrounding the incident and the nature of the claim being made, if the statutory declaration is requested by the defendant; and

(f) the plaintiff has provided the defendant with evidence of the plaintiff’s identity, if evidence of the plaintiff’s identity is requested by the defendant.

Notice to insurer

(2)  An insured who receives a notice under clause (1) (b) shall give a copy of the notice to the insurer within seven days of receiving the notice.

Same

(3)  If the insured is unable because of incapacity to comply with subsection (2) within seven days of receiving the notice, the insured shall comply as soon as possible thereafter.

Contents of notice

(4)  The notice under clause (1) (b) shall inform the person to whom it is given of the obligation under subsection (2).

Limits on examination

(5)  An examination under clause (1) (d) shall not be unnecessarily repetitious and shall not involve a procedure that is unreasonable or dangerous.

Examiner may ask questions

(6)  A person examined under clause (1) (d) shall answer the questions of the examiner relevant to the examination.

Copy of report

(7)  If a person who performs an examination under clause (1) (d) gives a report on the examination to the defendant, the defendant shall ensure that the plaintiff receives a copy of the report within 60 days after the defendant receives the report.

Prejudgment interest

(8)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, no prejudgment interest shall be awarded under section 128 of the Courts of Justice Act for any period of time before the plaintiff served the notice under clause (1) (b).

Same

(8.1)  Subsection 128 (2) of the *Courts of Justice Act* does not apply in respect of the calculation of prejudgment interest for damages for non-pecuniary loss in an action referred to in subsection (8). 2014, c. 9, Sched. 3, s. 12.

Failure to comply

(9)  Despite subsection (1), a person may commence an action without complying with subsection (1), but the court shall consider the non-compliance in awarding costs.

Service

(10)  Section 33 applies, with necessary modifications, to the service of a notice under clause (1) (b). 1996, c. 21, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 22 - 01/11/1996

[2014, c. 9, Sched. 3, s. 12](http://www.ontario.ca/laws/statute/S14009" \l "sched3s12) - 01/01/2015

Duty to disclose limits

**258.4**  An insurer that receives a notice under clause 258.3 (1) (b) shall promptly inform the plaintiff whether there is a motor vehicle liability policy issued by the insurer to the defendant and, if so,

(a) the liability limits under the policy; and

(b) whether the insurer will respond under the policy to the claim. 1996, c. 21, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 22 - 01/11/1996

Duty of insurer re settlement of claim

**258.5**  (1)  An insurer that is defending an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile on behalf of an insured or that receives a notice under clause 258.3 (1) (b) from an insured shall attempt to settle the claim as expeditiously as possible.

Advance payment

(2)  If the insurer admits liability in respect of all or part of a claim for income loss, the insurer shall make payments to the person making the claim pending the determination of the amount owing.

Amount of payments

(3)  The amount of the payments under subsection (2) shall be based on the insurer’s estimate of the amount owing in respect of the claim for income loss, having regard to any information provided to the insurer by the person making the claim.

Application of subss. 256 (1-3)

(4)  Subsections 256 (1), (2) and (3) apply, with necessary modifications, to advance payments made under this section.

Failure to comply

(5)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, an insurer’s failure to comply with this section shall be considered by the court in awarding costs. 1996, c. 21, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 22 - 01/11/1996

Mediation

**258.6**  (1)  A person making a claim for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile and an insurer that is defending an action in respect of the claim on behalf of an insured or that receives a notice under clause 258.3 (1) (b) in respect of the claim shall, on the request of either of them, participate in a mediation of the claim in accordance with the procedures prescribed by the regulations.

Failure to comply

(2)  In an action in respect of the claim, a person’s failure to comply with this section shall be considered by the court in awarding costs. 1996, c. 21, s. 22.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 22 - 01/11/1996

Notice of action and judgment against insured

Insured to give notice of action

**259** (1)  Every insured against whom an action is commenced for damages occasioned by an automobile shall give notice thereof in writing to the insurer within five days after service of every notice or process in the action.

Insured to disclose insurance

(2)  Every insured against whom an action is commenced for damages occasioned by an automobile shall, upon recovery of a judgment against the insured, disclose to a judgment creditor entitled to the benefit of any motor vehicle liability policy particulars of such contract within ten days after written demand therefor. R.S.O. 1990, c. I.8, s. 259.

Limitation period

**259.1**  A proceeding against an insurer under a contract in respect of loss or damage to an automobile or its contents shall be commenced within one year after the happening of the loss or damage. 2002, c. 24, Sched. B, s. 39 (3).

**Section Amendments with date in force (d/m/y)**

[2002, c. 24, Sched. B, s. 39 (3)](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s3) - 01/01/2004

Physical Damage Cover

Physical damage cover, limitations and exclusions

**260** Subject to subsection 227 (1), the insurer may provide in a contract such exclusions and limitations, in respect of loss of or damage to or the loss of use of the automobile, as it considers necessary. R.S.O. 1990, c. I.8, s. 260.

Partial payment of loss clause

**261** (1)  A contract or part of a contract providing insurance against loss of or damage to an automobile and the loss of use thereof may contain a clause to the effect that, in the event of loss, the insurer shall pay only,

(a) an agreed portion of any loss that may be sustained; or

(b) the amount of the loss after deduction of a sum specified in the policy,

and in either case not exceeding the amount of the insurance. R.S.O. 1990, c. I.8, s. 261 (1).

Mandatory deductible

(1.1)  Despite subsection (1), in the circumstances prescribed by the regulations, a contract or part of a contract providing insurance against loss of or damage to an automobile and the loss of use thereof shall contain a clause to the effect that, in the event of loss, the insurer shall pay only the amount of the loss after deduction of a sum specified in the policy not exceeding the amount of the insurance. 1996, c. 21, s. 23 (1).

Stamping required

(2)  Where a clause is inserted in accordance with subsection (1) or (1.1), there shall be printed or stamped upon the face of the policy in conspicuous type the words “This policy contains a partial payment of loss clause” or the French equivalent. R.S.O. 1990, c. I.8, s. 261 (2); 1996, c. 21, s. 23 (2).

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 23 (1, 2) - 01/11/1996

Claims under other contracts to be adjusted

**262** (1)  Where a claim is made under any contract other than a contract evidenced by a motor vehicle liability policy, the insurer shall, despite any agreement, adjust the amount of the claim with the insured named in the contract as well as with any person having an interest indicated in the contract. R.S.O. 1990, c. I.8, s. 262 (1).

Exception

(2)  Despite subsection (1), if notice of a claim is given or proof of loss is made by a person having an interest indicated in the contract, and no notice is given and no proof of loss is made by the insured within sixty days after the day the notice or proof is required under the contract, the insurer may adjust and pay the claim to the other person having an interest indicated in the contract. 1993, c. 10, s. 20.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 20 - 01/01/1994

Direct Compensation — Property Damage

Accidents involving two or more insured automobiles

**263** (1)  This section applies if,

(a) an automobile or its contents, or both, suffers damage arising directly or indirectly from the use or operation in Ontario of one or more other automobiles;

(b) the automobile that suffers the damage or in respect of which the contents suffer damage is insured under a contract evidenced by a motor vehicle liability policy issued by an insurer that is licensed to undertake automobile insurance in Ontario or that has filed with the Chief Executive Officer, in the form provided by the Chief Executive Officer, an undertaking to be bound by this section; and

(c) at least one other automobile involved in the accident is insured under a contract evidenced by a motor vehicle liability policy issued by an insurer that is licensed to undertake automobile insurance in Ontario or that has filed with the Chief Executive Officer, in the form provided by the Chief Executive Officer, an undertaking to be bound by this section. 1993, c. 10, s. 21 (1); 1997, c. 28, s. 113; 2018, c. 8, Sched. 13, s. 22.

Exempt automobiles, undertaking to be bound

(1.1)  This section applies, with necessary modifications, in respect of an automobile the owner, operator or lessee of which is exempt from the requirement to be insured under the Compulsory Automobile Insurance Act, if the organization that is financially responsible for the damages resulting from the accident involving the automobile files with the Chief Executive Officer an undertaking to be bound by this section. 1997, c. 19, s. 10 (29); 1997, c. 28, s. 114 (2); 2018, c. 8, Sched. 13, s. 22.

Damage recovery from insured’s insurer

(2)  If this section applies, an insured is entitled to recover for the damages to the insured’s automobile and its contents and for loss of use from the insured’s insurer under the coverage described in subsection 239 (1) as though the insured were a third party. R.S.O. 1990, c. I.8, s. 263 (2).

Same, application of s. 233

(2.1)  Despite subsection (6), section 233 applies to claims made under subsection (2). 2020, c. 36, Sched. 22, s. 7 (1).

Same, election not to recover

(2.2)  An insured may elect, in accordance with the regulations, not to recover damages from the insured’s insurer under subsection (2). 2021, c. 40, Sched. 14, s. 4.

Same

(2.3)  Despite subsection (6), if an insured makes an election under subsection (2.2),

(a) in addition to the restrictions set out in subsection (5), the insured has no right of action under subsection (2) against the insured’s insurer for damages to the insured’s automobile or its contents, or for loss of use; and

(b) the insured’s insurer shall not issue or offer collision or upset coverage, as referred to in the standard policy forms approved by the Chief Executive Officer under subsection 227 (5), to the insured. 2021, c. 40, Sched. 14, s. 4.

Fault-based recovery

(3)  Recovery under subsection (2) shall be based on the degree of fault of the insurer’s insured as determined under the fault determination rules. R.S.O. 1990, c. I.8, s. 263 (3).

Dispute resolution

(4)  An insured may bring an action against the insurer if the insured is not satisfied that the degree of fault established under the fault determination rules accurately reflects the actual degree of fault or the insured is not satisfied with a proposed settlement and the matters in issue shall be determined in accordance with the ordinary rules of law. R.S.O. 1990, c. I.8, s. 263 (4).

Restrictions on other recovery

(5)  If this section applies,

(a) an insured has no right of action against any person involved in the incident other than the insured’s insurer for damages to the insured’s automobile or its contents or for loss of use;

(a.1) an insured has no right of action against a person under an agreement, other than a contract of automobile insurance, in respect of damages to the insured’s automobile or its contents or loss of use, except to the extent that the person is at fault or negligent in respect of those damages or that loss;

(b) an insurer, except as permitted by the regulations, has no right of indemnification from or subrogation against any person for payments made to its insured under this section. R.S.O. 1990, c. I.8, s. 263 (5); 1996, c. 21, s. 24 (1).

Agreement for partial payment

(5.1)  Nothing in this Part precludes an insurer, in a contract belonging to a class prescribed by the regulations, from agreeing with an insured that, in the event that a claim is made by the insured under this section, the insurer shall pay only,

(a) an agreed portion of the amount that the insured would otherwise be entitled to recover; or

(b) the amount that the insured would otherwise be entitled to recover, reduced by a sum specified in the agreement. 1993, c. 10, s. 21 (2).

Application of subs. (5.1)

(5.2)  Subsection (5.1) does not apply unless, before the insurer enters into the contract referred to in that subsection, the insurer offers to enter into another contract with the prospective insured that does not contain the agreement referred to in that subsection but is identical to the contract referred to in subsection (5.1) in all other respects except for the amount of the premium. 1993, c. 10, s. 21 (2).

Mandatory deductible

(5.2.1)  In the circumstances prescribed by the regulations, a contract belonging to a class prescribed for the purpose of subsection (5.1) shall provide that, in the event that a claim is made by the insured under this section, the insurer shall pay only the amount that the insured would otherwise be entitled to recover, reduced by a sum specified in the contract. 1996, c. 21, s. 24 (2).

Application of subs. (5.2)

(5.2.2)  Subsection (5.2) does not apply to a contract that contains a provision required by subsection (5.2.1). 1996, c. 21, s. 24 (2).

Stamping required

(5.3)  If a contract contains an agreement referred to in subsection (5.1) or a provision required by subsection (5.2.1), the policy shall have printed or stamped on its face in conspicuous type the words “This policy contains a partial payment of recovery clause for property damage” in English or “La présente police comporte une clause de recouvrement partiel en cas de dommages matériels” in French, as may be appropriate. 1993, c. 10, s. 21 (2); 1996, c. 21, s. 24 (3).

Other coverages not affected

(6)  This section does not affect an insured’s right to recover in respect of any physical damage coverage in respect of the insured automobile. R.S.O. 1990, c. I.8, s. 263 (6).

Non-application

(7)  This section does not apply to damages to those contents of an automobile that are being carried for reward. R.S.O. 1990, c. I.8, s. 263 (7).

Idem

(8)  This section does not apply if the damage occurred before the 22nd day of June, 1990. R.S.O. 1990, c. I.8, s. 263 (8).

Idem

(9)  This section does not apply if both automobiles are owned by the same person. R.S.O. 1990, c. I.8, s. 263 (9).

Idem

(10)  This section does not apply to damage to an automobile owned by the insured or to its contents if the damage is caused by the insured while driving another automobile. R.S.O. 1990, c. I.8, s. 263 (10).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 21 (1, 2) - 01/01/1994; 1996, c. 21, s. 24 (1-3) - 01/11/1996; 1997, c. 19, s. 10 (29) - 10/10/1997; 1997, c. 28, ss. 113, 114 (2) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2020, c. 36, Sched. 22, s. 7 (1)](http://www.ontario.ca/laws/statute/S20036" \l "sched22s7s1) - 01/01/2024; [2020, c. 36, Sched. 22, s. 7 (2)](http://www.ontario.ca/laws/statute/S20036" \l "sched22s7s2) - no effect - see [2021, c. 40, Sched. 14, s. 6](http://www.ontario.ca/laws/statute/S21040" \l "sched14s6) - 09/12/2021

[2021, c. 40, Sched. 14, s. 4](http://www.ontario.ca/laws/statute/S21040" \l "sched14s4) - 01/01/2024; [2021, c. 40, Sched. 14, s. 6](http://www.ontario.ca/laws/statute/S21040" \l "sched14s6) - 09/12/2021

**263.1**

**Section Amendments with date in force (d/m/y)**

[2002, c. 31, s. 10](http://www.ontario.ca/laws/statute/S02031" \l "s10) - See: [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2012

**264** Repealed: 1996, c. 21, s. 25.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 25 - 01/11/1996

Limited Accident Insurances

Uninsured automobile coverage

**265** (1)  Every contract evidenced by a motor vehicle liability policy shall provide for payment of all sums that,

(a) a person insured under the contract is legally entitled to recover from the owner or driver of an uninsured automobile or unidentified automobile as damages for bodily injuries resulting from an accident involving an automobile;

(b) any person is legally entitled to recover from the owner or driver of an uninsured automobile or unidentified automobile as damages for bodily injury to or the death of a person insured under the contract resulting from an accident involving an automobile; and

(c) a person insured under the contract is legally entitled to recover from the identified owner or driver of an uninsured automobile as damages for accidental damage to the insured automobile or its contents, or to both the insured automobile and its contents, resulting from an accident involving an automobile,

subject to the terms, conditions, provisions, exclusions and limits as are prescribed by the regulations. R.S.O. 1990, c. I.8, s. 265 (1).

Definitions

(2)  For the purposes of this section,

“insured automobile” means the automobile as defined or described under the contract; (“automobile assurée”)

“owner” includes, in respect of an accident occurring on or after the day this definition comes into force, a person who is a lessee for the purposes of section 192 of the Highway Traffic Act; (“propriétaire”)

“person insured under the contract” means,

(a) in respect of a claim for damage to the insured automobile, the owner of the automobile,

(b) in respect of a claim for damage to the contents of the insured automobile, the owner of the contents,

(c) in respect of a claim for bodily injuries or death,

(i) any person while an occupant of the insured automobile,

(ii) the insured and his or her spouse and any dependent relative of either,

(A) while an occupant of an uninsured automobile, or

(B) while not the occupant of an automobile or of railway rolling stock that runs on rails, who is struck by an uninsured or unidentified automobile,

(iii) if the insured is a corporation, unincorporated association or partnership, any director, officer, employee or partner of the insured for whose regular use the insured automobile is furnished, and his or her spouse and any dependent relative of the person or the spouse,

(A) while an occupant of an uninsured automobile, or

(B) while not the occupant of an automobile or of railway rolling stock that runs on rails, who is struck by an uninsured or unidentified automobile,

where such director, officer, employee or partner or his or her spouse is not the owner of an automobile insured under a contract; (“personne assurée aux termes du contrat”)

“unidentified automobile” means an automobile with respect to which the identity of either the owner or driver cannot be ascertained; (“automobile non identifiée”)

“uninsured automobile” means an automobile with respect to which neither the owner nor driver thereof has applicable and collectible bodily injury liability and property damage liability insurance for its ownership, use or operation, but does not include an automobile owned by or registered in the name of the insured or his or her spouse. (“automobile non assurée”) R.S.O. 1990, c. I.8, s. 265 (2); 1999, c. 6, s. 31 (7, 8); 2005, c. 5, s. 35 (11, 12); 2005, c. 31, Sched. 12, s. 2; 2016, c. 23, s. 55 (2, 3).

Exclusion from coverage

(3)  Despite the definition of “person insured under the contract” in subsection (2), a person who sustains loss or damage while the insured automobile is being used or operated by an excluded driver shall be deemed not to be a person insured under the contract in which the excluded driver is named, except as provided in the Statutory Accident Benefits Schedule. R.S.O. 1990, c. I.8, s. 265 (3); 1993, c. 10, s. 1.

Idem

(4)  Where a dependent relative referred to in clause (c) of the definition of “person insured under the contract” in subsection (2),

(a) is the owner of an automobile insured under a contract; or

(b) sustains bodily injuries or dies as the result of accident while the occupant of his or her own uninsured automobile,

such relative shall be deemed not to be a dependent relative for the purposes of this section. R.S.O. 1990, c. I.8, s. 265 (4); 2016, c. 23, s. 55 (4).

Regulations

(5)  The Lieutenant Governor in Council may make regulations,

(a) prescribing, amending or altering the terms, conditions, provisions, exclusions and limits with respect to payments under subsection (1);

(b) deeming any term, condition, provision, exclusion or limit as prescribed, amended or altered by a regulation made under clause (a) to be included in any motor vehicle liability policy made or renewed on or after the effective date of the regulation and in any motor vehicle liability policy that is subsisting on the effective date of the regulation;

(c) requiring that terms, conditions, provisions, exclusions and limits, as prescribed, amended or altered by a regulation made under clause (a), be attached to or included in every motor vehicle liability policy as a schedule in or to the policy. R.S.O. 1990, c. I.8, s. 265 (5).

Subrogation

(6)  Where an amount is paid under subsection (1), the insurer is subrogated to the rights of the person to whom such amount is paid and the insurer may maintain an action in its name or in the name of such person against any other person or persons responsible for the use or operation of the uninsured or unidentified automobile. R.S.O. 1990, c. I.8, s. 265 (6).

Restriction on recovery

(7)  No person has a right of action against any other person in respect of damage to an uninsured automobile or its contents arising directly or indirectly from the use or operation of an automobile if at the time of the damage the uninsured automobile was required by any Act to be insured under a contract evidenced by a motor vehicle liability policy. R.S.O. 1990, c. I.8, s. 265 (7).

Release

(8)  A release under section 274 does not enure to the benefit of any person against whom the insurer may subrogate under subsection (6). R.S.O. 1990, c. I.8, s. 265 (8).

Application

(9)  This section applies to all contracts evidenced by motor vehicle liability policies made or renewed on or after the 1st day of March, 1980, and all contracts evidenced by motor vehicle liability policies that were subsisting on the 1st day of March, 1980, shall be deemed to provide for the payments referred to in subsection (1) in respect of an accident arising out of the use or operation of an automobile occurring on or after that date. R.S.O. 1990, c. I.8, s. 265 (9).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994; 1999, c. 6, s. 31 (7, 8) - 01/03/2000

[2005, c. 5, s. 35 (11, 12)](http://www.ontario.ca/laws/statute/S05005" \l "s35s11) - 09/03/2005; [2005, c. 31, Sched. 12, s. 2](http://www.ontario.ca/laws/statute/S05031" \l "sched12s2) - 01/03/2006

[2016, c. 23, s. 55 (2-4)](http://www.ontario.ca/laws/statute/S16023" \l "s55s2) - 01/01/2017

**266** Repealed: 2020, c. 34, Sched. 7, s. 8.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994; 1996, c. 21, s. 26 - 01/11/1996

[2020, c. 34, Sched. 7, s. 8](http://www.ontario.ca/laws/statute/S20034" \l "sched7s8) - 01/07/2022

**267** Repealed: 2020, c. 34, Sched. 7, s. 8.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, ss. 1, 24 - 01/01/1994; 1996, c. 21, s. 27 - 01/11/1996; 1997, c. 16, s. 9 (1-3) - 01/01/1998

[2020, c. 34, Sched. 7, s. 8](http://www.ontario.ca/laws/statute/S20034" \l "sched7s8) - 01/07/2022

**267.1** Repealed: 2020, c. 34, Sched. 7, s. 8.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 25 - 01/01/1994; 1996, c. 21, s. 28 (1, 2) - 01/11/1996

[2020, c. 34, Sched. 7, s. 8](http://www.ontario.ca/laws/statute/S20034" \l "sched7s8) - 01/07/2022

Publication of deductible amounts

**267.2**  (1)  Before the 1st day of January in each year after 1994, the Chief Executive Officer shall determine in accordance with this section and publish on the website of the Authority,

(a) the non-pecuniary loss deductible to be used under subparagraph i of paragraph 3 of subsection 267.1 (8) as it read immediately before the day section 8 of Schedule 7 to the Better for People, Smarter for Business Act, 2020 came into force in respect of awards of damages made in the year that begins on the 1st day of January; and

(b) the Family Law Act deductible to be used under subparagraph ii of paragraph 3 of subsection 267.1 (8) as it read immediately before the day section 8 of Schedule 7 to the Better for People, Smarter for Business Act, 2020 came into force in respect of awards of damages made in the year that begins on the 1st day of January. 1993, c. 10, s. 25; 1997, c. 28, s. 115; 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 10; 2020, c. 34, Sched. 7, s. 9.

Rules for determination

(2)  The following rules apply to the determination of the non-pecuniary loss deductible and the Family Law Act deductible:

1. The non-pecuniary loss deductible for 1993 and 1994 is $10,000.

2. The Family Law Act deductible for 1993 and 1994 is $5,000.

3. The non-pecuniary loss deductible and the Family Law Act deductible for a year after 1994 shall be determined by adjusting the deductible for the previous year by the percentage change in the Consumer Price Index for Canada (All Items), as published by Statistics Canada under the authority of the Statistics Act (Canada), for the period from September in the year immediately preceding the previous year to September of the previous year.

4. Despite paragraph 3, if the Consumer Price Index information required by paragraph 3 to determine the deductibles for a year is not available by the 1st day of November in the previous year, or if in the Chief Executive Officer’s opinion the information published by Statistics Canada does not provide a reasonable reflection of changes in consumer prices, the Chief Executive Officer may determine the deductibles in a manner that the Chief Executive Officer considers will provide a reasonable reflection of changes in consumer prices. 1993, c. 10, s. 25; 1997, c. 28, s. 115; 2018, c. 8, Sched. 13, s. 22, 23.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 25 - 01/01/1994; 1997, c. 28, s. 115 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 10](http://www.ontario.ca/laws/statute/S19014" \l "sched9s10) - 31/07/2020

[2020, c. 34, Sched. 7, s. 9](http://www.ontario.ca/laws/statute/S20034" \l "sched7s9) - 01/07/2022

Court Proceedings for Accidents on or after November 1, 1996

Definitions, ss. 267.4 to 267.12

**267.3**  In sections 267.4 to 267.12,

“owner” includes an operator as defined in subsection 16 (1) of the Highway Traffic Act and a person who is a lessee for the purposes of section 192 of that Act; (“propriétaire”)

“protected defendant” means a person who is protected from liability by subsections 267.5 (1), (3) and (5). (“défendeur exclu”) 2005, c. 31, Sched. 12, s. 3.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996

[2005, c. 31, Sched. 12, s. 3](http://www.ontario.ca/laws/statute/S05031" \l "sched12s3) - 01/03/2006

Application of ss. 267.5 to 267.11, automobile use on or after Nov. 1, 1996

**267.4**  (1)  Sections 267.5 to 267.11 apply only to proceedings for loss or damage from bodily injury or death arising from the use or operation, after November 1, 1996, of an automobile in Canada, the United States of America or a jurisdiction designated in the Statutory Accident Benefits Schedule. 1996, c. 21, s. 29; 2020, c. 34, Sched. 7, s. 10.

Effect of amendments

(2)  Subsection (1) shall not be interpreted as requiring an amendment made to sections 267.5 to 267.11 to apply in respect of the use or operation, before the amendment came into force, of an automobile. 2002, c. 22, s. 119.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996

[2002, c. 22, s. 119](http://www.ontario.ca/laws/statute/S02022" \l "s119) - 01/10/2003

[2020, c. 34, Sched. 7, s. 10](http://www.ontario.ca/laws/statute/S20034" \l "sched7s10) - 01/07/2022

Protection from liability

Income loss and loss of earning capacity

**267.5**  (1)  Despite any other Act and subject to subsections (6) and (6.1), the owner of an automobile, the occupants of an automobile and any person present at the incident are not liable in an action in Ontario for the following damages for income loss and loss of earning capacity from bodily injury or death arising directly or indirectly from the use or operation of the automobile:

1. Damages for income loss suffered in the seven days after the incident.

2. Damages for income loss suffered more than seven days after the incident and before the trial of the action in excess of 70 per cent of the amount of gross income that is lost during that period, as determined in accordance with the regulations.

3. Damages for loss of earning capacity suffered after the incident and before the trial of the action in excess of 70 per cent of the loss of earning capacity during that period, as determined in accordance with the regulations. 1996, c. 21, s. 29; 2010, c. 1, Sched. 11, s. 1 (1); 2011, c. 9, Sched. 21, s. 3 (1); 2020, c. 34, Sched. 7, s. 11.

Application

(2)  Subsection (1) applies to all actions, including actions under subsection 61 (1) of the Family Law Act. 1996, c. 21, s. 29.

Protection from liability; health care expenses

(3)  Despite any other Act and subject to subsections (6) and (6.1), the owner of an automobile, the occupants of an automobile and any person present at the incident are not liable in an action in Ontario for damages for expenses that have been incurred or will be incurred for health care resulting from bodily injury arising directly or indirectly from the use or operation of the automobile unless, as a result of the use or operation of the automobile, the injured person has died or has sustained,

(a) permanent serious disfigurement; or

(b) permanent serious impairment of an important physical, mental or psychological function. 2002, c. 22, s. 120 (1); 2011, c. 9, Sched. 21, s. 3 (2).

(4)  Repealed: 2002, c. 22, s. 120 (2).

Non-pecuniary loss

(5)  Despite any other Act and subject to subsections (6) and (6.1), the owner of an automobile, the occupants of an automobile and any person present at the incident are not liable in an action in Ontario for damages for non-pecuniary loss, including damages for non-pecuniary loss under clause 61 (2) (e) of the Family Law Act, from bodily injury or death arising directly or indirectly from the use or operation of the automobile, unless as a result of the use or operation of the automobile the injured person has died or has sustained,

(a) permanent serious disfigurement; or

(b) permanent serious impairment of an important physical, mental or psychological function. 1996, c. 21, s. 29; 2011, c. 9, Sched. 21, s. 3 (3).

Application of subss. (1), (3) and (5)

(6)  Subsections (1), (3) and (5) do not protect a person from liability if the person is defended in the action by an insurer that is not licensed to undertake automobile insurance in Ontario unless the insurer has filed an undertaking under section 226.1. 1996, c. 21, s. 29.

Same, public transit vehicles

(6.1)  In respect of an incident that occurs on or after the date this subsection comes into force, subsections (1), (3) and (5) do not protect the owner or driver of a public transit vehicle if it did not collide with another automobile or any other object in the incident. 2011, c. 9, Sched. 21, s. 3 (4).

Amount of damages for non-pecuniary loss

(7)  Subject to subsections (5), (12), (13) and (15), in an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, the court shall determine the amount of damages for non-pecuniary loss to be awarded against a protected defendant in accordance with the following rules:

1. The court shall first determine the amount of damages for non-pecuniary loss for which the protected defendant would be liable without regard to this Part.

2. The determination under paragraph 1 shall be made in the same manner as a determination of the amount of damages for non-pecuniary loss in an action to which this section does not apply and, in particular, without regard to,

i. the statutory accident benefits provided for under subsection 268 (1),

ii. the provisions of this section that protect protected defendants from liability for damages for pecuniary loss, and

iii. the provisions of paragraph 3.

3. Subject to subsections (8), (8.1) and (8.1.1), the amount of damages for non-pecuniary loss to be awarded against the protected defendant shall be determined by reducing the amount determined under paragraph 1 by,

i. in the case of damages for non-pecuniary loss other than damages for non-pecuniary loss under clause 61 (2) (e) of the Family Law Act, the greater of,

A. $15,000, and

B. the amount prescribed by the regulations, and

ii. in the case of damages for non-pecuniary loss under clause 61 (2) (e) of the Family Law Act, the greater of,

A. $7,500, and

B. the amount prescribed by the regulations.

4. If fault or negligence on the part of the person entitled to damages for non-pecuniary loss contributed to those damages, the award for damages shall be reduced under paragraph 3 before the damages are apportioned under section 3 of the Negligence Act. 1996, c. 21, s. 29; 2002, c. 22, s. 120 (3); 2010, c. 1, Sched. 11, s. 1 (2).

Application of subpar. 3 i of subs. (7)

(8)  Subparagraph 3 i of subsection (7) does not apply if the amount of damages for non-pecuniary loss, other than damages for non-pecuniary loss under clause 61 (2) (e) of the Family Law Act, would exceed the amount determined in accordance with subsection (8.3) in the absence of that subparagraph. 2002, c. 22, s. 120 (4); 2015, c. 20, Sched. 17, s. 3 (1).

Application of subpar. 3 ii of subs. (7)

(8.1)  Subparagraph 3 ii of subsection (7) does not apply if the amount of damages for non-pecuniary loss under clause 61 (2) (e) of the Family Law Act would exceed the amount determined in accordance with subsection (8.4) in the absence of that subparagraph. 2002, c. 22, s. 120 (4); 2015, c. 20, Sched. 17, s. 3 (2).

No reduction under par. 3 i or ii of subs. (7)

(8.1.1)  Subparagraphs 3 i and ii of subsection (7) do not apply to damages awarded for non-pecuniary loss awarded in respect of a person who dies as a direct or indirect result of an incident that occurs after August 31, 2010. 2010, c. 1, Sched. 11, s. 1 (3).

Application of subss. (7)-(8.1.1)

(8.2)  Subsections (7), (8), (8.1) and (8.1.1) apply in respect of each person who is entitled to damages for non-pecuniary loss. 2002, c. 22, s. 120 (4); 2010, c. 1, Sched. 11, s. 1 (4).

Amount in subs. (8)

(8.3)  For the purposes of subsection (8), the amount shall be determined in accordance with the following rules:

1. Until December 31, 2015, the amount is $121,799.

2. On January 1, 2016, the amount set out in paragraph 1 shall be revised by adjusting the amount by the indexation percentage published under subsection 268.1 (1) for that year.

3. On the 1st day of January in every year after 2016, the amount that applied for the previous year shall be revised by adjusting the amount by the indexation percentage published under subsection 268.1 (1) for the year. 2015, c. 20, Sched. 17, s. 3 (3).

Amount in subs. (8.1)

(8.4)  For the purposes of subsection (8.1), the amount shall be determined in accordance with the following rules:

1. Until December 31, 2015, the amount is $60,899.

2. On January 1, 2016, the amount set out in paragraph 1 shall be revised by adjusting the amount by the indexation percentage published under subsection 268.1 (1) for that year.

3. On the 1st day of January in every year after 2016, the amount that applied for the previous year shall be revised by adjusting the amount by the indexation percentage published under subsection 268.1 (1) for the year. 2015, c. 20, Sched. 17, s. 3 (3).

Publication of adjusted amounts

(8.5)  For every year after 2015, at the time an indexation percentage is published under subsection 268.1 (1), the Chief Executive Officer shall publish on the website of the Authority the amounts to which the amounts determined in accordance with subsections (8.3) and (8.4) shall be revised, effective the 1st day of January. 2015, c. 20, Sched. 17, s. 3 (3); 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 11.

Costs

(9)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, the determination of a party’s entitlement to costs shall be made with regard to the effect of paragraph 3 of subsection (7) on the amount of damages, if any, awarded for non-pecuniary loss. 1996, c. 21, s. 29; 2015, c. 20, Sched. 17, s. 3 (4).

Liability of other persons

(10)  Subsections (1), (3) and (5) do not relieve any person from liability other than a protected defendant. 1996, c. 21, s. 29.

Vicarious liability

(10.1)  Despite any provision of this Part, a person vicariously liable for the fault or negligence of a protected defendant is not, in respect of the person’s vicarious liability, liable for any amount greater than the amount of damages for which the protected defendant is liable. 2002, c. 22, s. 120 (5).

(11)  Repealed: 2002, c. 22, s. 120 (6).

Motion to determine if threshold met; non-pecuniary loss

(12)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, a judge shall, on motion made before trial with the consent of the parties or in accordance with an order of a judge who conducts a pre-trial conference, determine for the purpose of subsections (3) and (5) whether, as a result of the use or operation of the automobile, the injured person has died or has sustained,

(a) permanent serious disfigurement; or

(b) permanent serious impairment of an important physical, mental or psychological function. 1996, c. 21, s. 29; 2002, c. 22, s. 120 (7).

Determination binding

(13)  The determination of a judge on a motion under subsection (12) is binding on the parties at the trial. 1996, c. 21, s. 29; 2002, c. 22, s. 120 (8).

(14)  Repealed: 2002, c. 22, s. 120 (9).

Determination at trial; non-pecuniary loss

(15)  If no motion is made under subsection (12), the trial judge shall determine for the purpose of subsections (3) and (5) whether, as a result of the use or operation of the automobile, the injured person has died or has sustained,

(a) permanent serious disfigurement; or

(b) permanent serious impairment of an important physical, mental or psychological function. 1996, c. 21, s. 29; 2002, c. 22, s. 120 (10).

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996

[2002, c. 22, s. 120 (1-10)](http://www.ontario.ca/laws/statute/S02022" \l "s120s1-10) - 01/10/2003

[2010, c. 1, Sched. 11, s. 1 (1-4)](http://www.ontario.ca/laws/statute/S10001" \l "sched11s1s1) - 01/09/2010

[2011, c. 9, Sched. 21, s. 3 (1-4)](http://www.ontario.ca/laws/statute/S11009" \l "sched21s3s1-4) - 12/05/2011

[2015, c. 20, Sched. 17, s. 3 (1-4)](http://www.ontario.ca/laws/statute/S15020" \l "sched17s3s1-4) - 01/08/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 11](http://www.ontario.ca/laws/statute/S19014" \l "sched9s11) - 31/07/2020

[2020, c. 34, Sched. 7, s. 11](http://www.ontario.ca/laws/statute/S20034" \l "sched7s11) - 01/07/2022

No action by uninsured owner or lessee

**267.6**  (1)  Despite any other Act, a person is not entitled in an action in Ontario to recover any loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile if, at the time of the incident, the person was contravening subsection 2 (1) of the Compulsory Automobile Insurance Act in respect of that automobile.

Prosecution not necessary

(2)  Subsection (1) applies whether or not the person was prosecuted for or convicted of an offence under the Compulsory Automobile Insurance Act. 1996, c. 21, s. 29.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996

Joint and several liability with other tortfeasors

**267.7**  (1)  If, in an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, one or more protected defendants and one or more other persons are found to be liable for damages,

(a) the other persons,

(i) are jointly and severally liable with the protected defendants for the damages for which the protected defendants are liable, having regard to section 267.5, and

(ii) are solely liable for any amount by which the amount mentioned in subclause (i) is less than the amount that the other persons would have been liable to make contribution and indemnify the protected defendants in respect of damages in the absence of section 267.5;

(b) the other persons are liable to make contribution and indemnify the protected defendants in respect of damages to the same extent as if section 267.5 did not apply, up to the amount for which the protected defendants are liable having regard to section 267.5; and

(c) the protected defendants are liable to make contribution and indemnify the other persons for the amount that the protected defendants are liable, having regard to section 267.5, reduced by the amount that the other persons are liable to make contribution and indemnify the protected defendants under clause (b).

Separate determinations

(2)  Liability shall be determined under subsection (1) separately for each of the following categories of damages:

1. Damages for income loss and loss of earning capacity.

2. Damages for expenses that have been incurred or will be incurred for health care.

3. Damages for pecuniary loss, other than damages referred to in paragraphs 1 and 2.

4. Damages for non-pecuniary loss, including damages for non-pecuniary loss under clause 61 (2) (e) of the Family Law Act.

Determination of liability

(3)  For the purposes of subsection (1), the liability of all persons involved in the incident from which the action arose shall be determined as though all persons wholly or partly responsible for the damages were parties to the action even though any of those persons is not actually a party. 1996, c. 21, s. 29.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996

Collateral benefits

Income loss and loss of earning capacity

**267.8**  (1)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, the damages to which a plaintiff is entitled for income loss and loss of earning capacity shall be reduced by the following amounts:

1. All payments in respect of the incident that the plaintiff has received or that were available before the trial of the action for statutory accident benefits in respect of the income loss and loss of earning capacity.

2. All payments in respect of the incident that the plaintiff has received or that were available before the trial of the action for income loss or loss of earning capacity under the laws of any jurisdiction or under an income continuation benefit plan.

3. All payments in respect of the incident that the plaintiff has received before the trial of the action under a sick leave plan arising by reason of the plaintiff’s occupation or employment. 1996, c. 21, s. 29.

Exception

(2)  No reduction shall be made under subsection (1) for payments in respect of income loss if the payments are in respect of income loss suffered in the seven days after the incident. 1996, c. 21, s. 29.

Priority with other tortfeasors

(3)  If persons other than protected defendants are liable for damages for income loss or loss of earning capacity, the reduction required by subsection (1) shall first be applied to the damages for which the protected defendants and the other persons are jointly and severally liable under subclause 267.7 (1) (a) (i), and any excess shall be applied to the amount for which the other persons are solely liable under subclause 267.7 (1) (a) (ii). 1996, c. 21, s. 29.

Health care expenses

(4)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, the damages to which a plaintiff is entitled for expenses that have been incurred or will be incurred for health care shall be reduced by the following amounts:

1. All payments in respect of the incident that the plaintiff has received or that were available before the trial of the action for statutory accident benefits in respect of the expenses for health care.

2. All payments in respect of the incident that the plaintiff has received before the trial of the action under any medical, surgical, dental, hospitalization, rehabilitation or long-term care plan or law. 1996, c. 21, s. 29.

Exception

(5)  Paragraph 2 of subsection (4) does not apply to a payment made by the Ministry of Health and Long-Term Care if the action is brought under section 30 of the Health Insurance Act. 1996, c. 21, s. 29; 2006, c. 19, Sched. L, s. 11 (3).

Other pecuniary loss

(6)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, the damages to which a plaintiff is entitled for pecuniary loss, other than the damages for income loss or loss of earning capacity and the damages for expenses that have been incurred or will be incurred for health care, shall be reduced by all payments in respect of the incident that the plaintiff has received or that were available before the trial of the action for statutory accident benefits in respect of pecuniary loss, other than income loss, loss of earning capacity and expenses for health care. 1996, c. 21, s. 29.

Non-pecuniary loss

(7)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, the damages in respect of non-pecuniary loss to which a plaintiff is entitled shall not be reduced because of any payments or benefits that the plaintiff has received or is entitled to receive. 1996, c. 21, s. 29.

Contributory negligence

(8)  The reductions required by subsections (1), (4) and (6) shall be made after any apportionment of damages required by section 3 of the Negligence Act. 1996, c. 21, s. 29.

Future collateral benefits

(9)  A plaintiff who recovers damages for income loss, loss of earning capacity, expenses that have been or will be incurred for health care, or other pecuniary loss in an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile shall hold the following amounts in trust:

1. All payments in respect of the incident that the plaintiff receives after the trial of the action for statutory accident benefits in respect of income loss or loss of earning capacity.

2. All payments in respect of the incident that the plaintiff receives after the trial of the action for income loss or loss of earning capacity under the laws of any jurisdiction or under an income continuation benefit plan.

3. All payments in respect of the incident that the plaintiff receives after the trial of the action under a sick leave plan arising by reason of the plaintiff’s occupation or employment.

4. All payments in respect of the incident that the plaintiff receives after the trial of the action for statutory accident benefits in respect of expenses for health care.

5. All payments in respect of the incident that the plaintiff receives after the trial of the action under any medical, surgical, dental, hospitalization, rehabilitation or long-term care plan or law.

6. All payments in respect of the incident that the plaintiff receives after the trial of the action for statutory accident benefits in respect of pecuniary loss, other than income loss, loss of earning capacity and expenses for health care. 1996, c. 21, s. 29.

Payments from trust

(10)  A plaintiff who holds money in trust under subsection (9) shall pay the money to the persons from whom damages were recovered in the action, in the proportions that those persons paid the damages. 1996, c. 21, s. 29.

Disputes

(11)  Any dispute concerning a plaintiff’s liability to make payments under subsection (10) shall, on the request of a person who claims to be entitled to a payment under that subsection, be submitted to arbitration in accordance with the Arbitration Act, 1991. 1996, c. 21, s. 29.

Assignment of future collateral benefits

(12)  The court that heard and determined the action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of the automobile, on motion, may order that, subject to any conditions the court considers just,

(a) the plaintiff who recovered damages in the action assign to the defendants or the defendants’ insurers all rights in respect of all payments to which the plaintiff who recovered damages is entitled in respect of the incident after the trial of the action,

(i) for statutory accident benefits in respect of income loss or loss of earning capacity,

(ii) for income loss or loss of earning capacity under the laws of any jurisdiction or under an income continuation benefit plan,

(iii) under a sick leave plan arising by reason of the plaintiff’s occupation or employment,

(iv) for statutory accident benefits in respect of expenses for health care,

(v) under any medical, surgical, dental, hospitalization, rehabilitation or long-term care plan or law, and

(vi) for statutory accident benefits in respect of pecuniary loss, other than income loss, loss of earning capacity and expenses for health care; and

(b) the plaintiff who recovered damages in the action co-operate with the defendants or the defendants’ insurers in any claim or proceeding brought by the defendants or the defendants’ insurers in respect of a payment assigned pursuant to clause (a). 1996, c. 21, s. 29.

Application of subs. (9)

(13)  Subsection (9) no longer applies if an order is made under subsection (12). 1996, c. 21, s. 29.

Pension legislation

(14)  In the event of a conflict, subsections (9) to (13) prevail over,

(a) sections 65, 66 and 67 of the Pension Benefits Act; and

(b) sections 10, 11 and 12 of the Pooled Registered Pension Plans Act, 2015. 2015, c. 9, s. 30.

Workplace Safety and Insurance Act, 1997

(15)  Payments or benefits received or that were, are or may become available to a person under the Workplace Safety and Insurance Act, 1997 shall not be applied under subsection (1), (4) or (6) to reduce the damages awarded. 1996, c. 21, s. 29; 1997, c. 16, s. 9 (4).

(16)  Repealed: 1997, c. 16, s. 9 (5).

Limitation on subrogation

(17)  A person who has made a payment described in subsection (1), (4) or (6) is not subrogated to a right of recovery of the insured against another person in respect of that payment.

Exception

(18)  Subsection (17) does not apply if,

(a) the Ministry of Health and Long-Term Care made the payment; and

(b) the right of recovery is against a person other than a person insured under a motor vehicle liability policy issued in Ontario. 1996, c. 21, s. 29; 2006, c. 19, Sched. L, s. 11 (3).

Workplace Safety and Insurance Board

(19)  The Workplace Safety and Insurance Board is not subrogated to a right of recovery of the insured against another person in respect of a payment or benefit paid by the Workplace Safety and Insurance Board to the insured or in respect of a liability to make such payment or benefit. 1996, c. 21, s. 29; 1997, c. 16, s. 9 (6).

Determination of liability

(20)  For the purposes of subsections (1), (3), (4) and (6), the damages payable by a person who is a party to the action shall be determined as though all persons wholly or partly responsible for the damages were parties to the action even though any of those persons is not actually a party.

Interpretation

(21)  For the purpose of subsection (1), (4) or (6), a payment shall be deemed not to be available to a plaintiff if the plaintiff made an application for the payment and the application was denied.

Same

(22)  Subsection (21) does not apply if the court is satisfied that the plaintiff impaired his or her entitlement to the payment by,

(a) failing to give any notice required by law of the application for the payment;

(b) failing to make himself or herself reasonably available for any examination that was requested by the person to whom the application was made and that was required by law; or

(c) settling in bad faith his or her entitlement to the payment to the detriment of a person found liable for damages in the action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of the automobile. 1996, c. 21, s. 29.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996; 1997, c. 16, s. 9 (4-6) - 01/01/1998

[2002, c. 22, s. 121](http://www.ontario.ca/laws/statute/S02022" \l "s121) - See: [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2001

[2006, c. 19, Sched. L, s. 11 (3)](http://www.ontario.ca/laws/statute/S06019" \l "schedls11s3) - 22/06/2006

[2015, c. 9, s. 30](http://www.ontario.ca/laws/statute/S15009" \l "s30) - 08/11/2016

[2016, c. 17, s. 92](http://www.ontario.ca/laws/statute/S16017" \l "s92) - no effect - see [2016, c. 37, Sched. 18, s. 5](http://www.ontario.ca/laws/statute/S16037" \l "sched18s5) - 08/12/2016

**267.8.1**

**Section Amendments with date in force (d/m/y)**

[2002, c. 22, s. 122](http://www.ontario.ca/laws/statute/S02022" \l "s122) - See: [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2012

Proceedings by action

**267.9**  A proceeding for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile shall be brought only by way of an action. 1996, c. 21, s. 29.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996

Structured judgments

**267.10**  In the circumstances prescribed by the regulations, the court shall order that an award for damages in an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile shall be paid periodically on such terms as the court considers just. 1996, c. 21, s. 29.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996

No gross-up for income tax

**267.11**(1)  In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, an award against a protected defendant shall not include any amount to offset liability for income tax payable on income from investment of the award with respect to,

(a) damages for income loss or loss of earning capacity;

(b) damages that are payable periodically pursuant to an order of a court under section 267.10;

(c) any component of an award, other than an award for damages mentioned in clause (b), that the plaintiff and defendant agree the defendant shall pay on a periodic basis. 2002, c. 22, s. 123.

Application

(2)  Clause (1) (a) does not apply to an award for income loss or loss of earning capacity under subsection 61 (1) of the Family Law Act. 2002, c. 22, s. 123.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 29 - 01/11/1996

[2002, c. 22, s. 123](http://www.ontario.ca/laws/statute/S02022" \l "s123) - 01/10/2003

Liability of lessors

**267.12**  (1)  Despite any other provision in this Part, except subsections (4) and (5), in an action in Ontario for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of a motor vehicle that is leased, the maximum amount for which the lessor or lessors of the motor vehicle are liable in respect of the same incident in their capacity as lessors of the motor vehicle is the amount determined under subsection (3) less any amounts,

(a) that are recovered for loss or damage from bodily injury or death under the third party liability provisions of contracts evidenced by motor vehicle liability policies issued to persons other than a lessor;

(b) that are in respect of the use or operation of the motor vehicle; and

(c) that are in respect of the same incident. 2005, c. 31, Sched. 12, s. 4.

Same

(2)  For the purposes of subsection (1), the amounts referred to in clauses (1) (a), (b) and (c) include only amounts recovered under the coverages referred to in subsections 239 (1) and (3) and section 241 and exclude,

(a) any sum referred to in subsection 265 (1);

(b) any amount payable as damages by the Motor Vehicle Accident Claims Fund under the Motor Vehicle Accident Claims Act; and

(c) any other amounts determined in the manner prescribed by the regulations. 2005, c. 31, Sched. 12, s. 4.

Maximum amount

(3)  The maximum amount for the purposes of subsection (1) is the greatest of,

(a) $1,000,000;

(b) the amount of third party liability insurance required by law to be carried in respect of the motor vehicle; and

(c) the amount determined in the manner prescribed by the regulations, if regulations are made prescribing the manner for determining an amount for the purposes of this clause. 2005, c. 31, Sched. 12, s. 4.

Exceptions

(4)  Subsection (1) does not apply,

(a) in such circumstances as may be prescribed by the regulations or to such persons, classes of persons, motor vehicles or classes of motor vehicles as may be prescribed in the regulations, subject to such terms, conditions, provisions, exclusions and limits as may be prescribed by the regulations;

(b) in respect of amounts payable by a lessor other than by reason of the vicarious liability imposed under section 192 of the Highway Traffic Act; or

(c) in respect of a motor vehicle used as a taxicab, livery vehicle or limousine for hire unless the lessor or lessors of the motor vehicle and the lessee are dealing with each other at arm’s length. 2005, c. 31, Sched. 12, s. 4; 2019, c. 8, Sched. 2, s. 1.

Application of subs. (1)

(5)  Subsection (1) applies only to proceedings for loss or damage from bodily injury or death arising from the use or operation of a motor vehicle on or after the day this section comes into force. 2005, c. 31, Sched. 12, s. 4.

Definitions

(6)  In this section,

“lessor” means, in respect of a motor vehicle, a person who is leasing or renting the motor vehicle to another person for any period of time, and “leased” has a corresponding meaning; (“bailleur”)

“motor vehicle” has the same meaning as in subsection 1 (1) of the Highway Traffic Act. (“véhicule automobile”) 2005, c. 31, Sched. 12, s. 4.

**Section Amendments with date in force (d/m/y)**

[2005, c. 31, Sched. 12, s. 4](http://www.ontario.ca/laws/statute/S05031" \l "sched12s4) - 01/03/2006

[2019, c. 8, Sched. 2, s. 1](http://www.ontario.ca/laws/statute/S19008" \l "sched2s1) - 06/06/2019

Statutory accident benefits

**268** (1)  Every contract evidenced by a motor vehicle liability policy, including every such contract in force when the Statutory Accident Benefits Schedule is made or amended, shall be deemed to provide for the statutory accident benefits set out in the Schedule and any amendments to the Schedule, subject to the terms, conditions, provisions, exclusions and limits set out in that Schedule. 1993, c. 10, s. 26 (1).

Exception, public transit vehicles

(1.1)  Despite subsection (1) and the Statutory Accident Benefits Schedule, no statutory accident benefits are payable in respect of an occupant of a public transit vehicle, in respect of an incident that occurs on or after the date this subsection comes into force, if the public transit vehicle did not collide with another automobile or any other object in the incident. 2011, c. 9, Sched. 21, s. 4.

(1.2), (1.3)  Repealed: 1996, c. 21, s. 30 (1).

Indexation

(1.4)  Subject to subsection (1.5) and to the terms, conditions, provisions, exclusions and limits established by the Statutory Accident Benefits Schedule, the Schedule shall provide that, in respect of incidents involving the use or operation, after December 31, 1993 and before November 1, 1996, of an automobile,

(a) every continuing periodic amount payable by an insurer as an income replacement benefit, education disability benefit, caregiver benefit or loss of earning capacity benefit in accordance with the Schedule shall be revised, effective the 1st day of January in every year after 1994, using the indexation percentage published under subsection 268.1 (1); and

(b) every monetary amount set out in the Schedule shall be revised, effective the 1st day of January in every year after 1994, by adjusting the amount by the indexation percentage published under subsection 268.1 (1). 1993, c. 10, s. 26 (1); 1996, c. 21, s. 30 (2); 2020, c. 34, Sched. 7, s. 12.

No decrease in payments

(1.5)  A continuing periodic amount payable by an insurer in accordance with the Statutory Accident Benefits Schedule shall not be reduced by the operation of the indexation percentage referred to in subsection (1.4). 1993, c. 10, s. 26 (1).

Liability to pay

(2)  The following rules apply for determining who is liable to pay statutory accident benefits:

1. In respect of an occupant of an automobile,

i. the occupant has recourse against the insurer of an automobile in respect of which the occupant is an insured,

ii. if recovery is unavailable under subparagraph i, the occupant has recourse against the insurer of the automobile in which he or she was an occupant,

iii. if recovery is unavailable under subparagraph i or ii, the occupant has recourse against the insurer of any other automobile involved in the incident from which the entitlement to statutory accident benefits arose,

iv. if recovery is unavailable under subparagraph i, ii or iii, the occupant has recourse against the Motor Vehicle Accident Claims Fund.

2. In respect of non-occupants,

i. the non-occupant has recourse against the insurer of an automobile in respect of which the non-occupant is an insured,

ii. if recovery is unavailable under subparagraph i, the non-occupant has recourse against the insurer of the automobile that struck the non-occupant,

iii. if recovery is unavailable under subparagraph i or ii, the non-occupant has recourse against the insurer of any automobile involved in the incident from which the entitlement to statutory accident benefits arose,

iv. if recovery is unavailable under subparagraph i, ii or iii, the non-occupant has recourse against the Motor Vehicle Accident Claims Fund. R.S.O. 1990, c. I.8, s. 268 (2); 1993, c. 10, s. 1; 1996, c. 21, s. 30 (3, 4).

Liability

(3)  An insurer against whom a person has recourse for the payment of statutory accident benefits is liable to pay the benefits. R.S.O. 1990, c. I.8, s. 268 (3); 1993, c. 10, s. 1.

Choice of insurer

(4)  If, under subparagraph i or iii of paragraph 1 or subparagraph i or iii of paragraph 2 of subsection (2), a person has recourse against more than one insurer for the payment of statutory accident benefits, the person, in his or her absolute discretion, may decide the insurer from which he or she will claim the benefits. R.S.O. 1990, c. I.8, s. 268 (4); 1993, c. 10, s. 1.

Same

(5)  Despite subsection (4), if a person is a named insured under a contract evidenced by a motor vehicle liability policy or the person is the spouse or a dependant, as defined in the Statutory Accident Benefits Schedule, of a named insured, the person shall claim statutory accident benefits against the insurer under that policy. 1993, c. 10, s. 26 (2); 1999, c. 6, s. 31 (9); 2005, c. 5, s. 35 (13).

Same

(5.1)  Subject to subsection (5.2), if there is more than one insurer against which a person may claim benefits under subsection (5), the person, in his or her discretion, may decide the insurer from which he or she will claim the benefits. 1993, c. 10, s. 26 (2).

Same

(5.2)  If there is more than one insurer against which a person may claim benefits under subsection (5) and the person was, at the time of the incident, an occupant of an automobile in respect of which the person is the named insured or the spouse or a dependant of the named insured, the person shall claim statutory accident benefits against the insurer of the automobile in which the person was an occupant. 1993, c. 10, s. 26 (2); 1999, c. 6, s. 31 (10); 2005, c. 5, s. 35 (14).

Excess insurance

(6)  The insurance mentioned in subsection (1) is excess insurance to any other insurance not being automobile insurance of the same type indemnifying the injured person or in respect of a deceased person for the expenses. R.S.O. 1990, c. I.8, s. 268 (6).

Idem

(7)  The insurance mentioned in subsection (1) is excess insurance to any other insurance indemnifying the injured person or in respect of a deceased person for the expenses. R.S.O. 1990, c. I.8, s. 268 (7).

Payments pending dispute resolution

(8)  Where the Statutory Accident Benefits Schedule provides that the insurer will pay a particular statutory accident benefit pending resolution of any dispute between the insurer and an insured, the insurer shall pay the benefit until the dispute is resolved. R.S.O. 1990, c. I.8, s. 268 (8); 1993, c. 10, s. 1.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, ss. 1, 26 (1, 2) - 01/01/1994; 1996, c. 21, s. 30 (1-4) - 01/11/1996; 1999, c. 6, s. 31 (9, 10) - 01/03/2000

[2005, c. 5, s. 35 (13, 14)](http://www.ontario.ca/laws/statute/S05005" \l "s35s13) - 09/03/2005

[2011, c. 9, Sched. 21, s. 4](http://www.ontario.ca/laws/statute/S11009" \l "sched21s4) - 12/05/2011

[2020, c. 34, Sched. 7, s. 12](http://www.ontario.ca/laws/statute/S20034" \l "sched7s12) - 01/07/2022

Winding-up orders

**268.0.1**  (1)  The making of a winding-up order in respect of an insurer under the Winding-up and Restructuring Act (Canada) shall not be taken into account in determining under section 268 whether the insurer is liable to pay statutory accident benefits. 2002, c. 22, s. 124.

Motor Vehicle Accident Claims Fund

(2)  If an insurer in respect of which a winding-up order has been made under the Winding-up and Restructuring Act (Canada) is liable to pay statutory accident benefits, the benefits, including any benefits that were outstanding at the time the order was made, shall be paid out of the Motor Vehicle Accident Claims Fund. 2002, c. 22, s. 124.

Application

(3)  This section applies to winding-up orders made after this section comes into force. 2002, c. 22, s. 124.

**Section Amendments with date in force (d/m/y)**

[2002, c. 22, s. 124](http://www.ontario.ca/laws/statute/S02022" \l "s124) - 09/12/2002

Publication of indexation percentage

**268.1**  (1)  Before the 1st day of January in each year, the Chief Executive Officer shall determine in accordance with this section and publish on the website of the Authority the indexation percentage to be used effective the 1st day of January under subsections 267.5 (8.3), (8.4) and 268 (1.4). 1993, c. 10, s. 27; 1997, c. 28, s. 115; 2015, c. 20, Sched. 17, s. 4; 2018, c. 8, Sched. 13, s. 22; 2020, c. 34, Sched. 7, s. 13.

Rules for determination

(2)  The following rules apply to the determination of the indexation percentage to be used under subsections 267.5 (8.3), (8.4) and 268 (1.4) effective the 1st day of January in a year:

1. The indexation percentage shall be the percentage change in the Consumer Price Index for Canada (All Items), as published by Statistics Canada under the authority of the Statistics Act (Canada), for the period from September in the year immediately preceding the previous year to September of the previous year.

2. Despite paragraph 1, if the Consumer Price Index information required by paragraph 1 to determine the indexation percentage is not available by the 1st day of November in the previous year, or if in the Chief Executive Officer’s opinion the information published by Statistics Canada does not provide a reasonable reflection of changes in consumer prices, the Chief Executive Officer may determine the indexation percentage in a manner that the Chief Executive Officer considers will provide a reasonable reflection of changes in consumer prices. 1993, c. 10, s. 27; 1997, c. 28, s. 115; 2015, c. 20, Sched. 17, s. 4; 2018, c. 8, Sched. 13, s. 22, 23.

Publication of monetary amounts in *Schedule*

(3)  At the time an indexation percentage is published under subsection (1), the Chief Executive Officer shall publish on the website of the Authority the amounts to which the monetary amounts set out in the Statutory Accident Benefits Schedule shall be revised, effective the 1st day of January, in accordance with clause 268 (1.4) (b). 1993, c. 10, s. 27; 1997, c. 28, s. 115; 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 12.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 27 - 01/01/1994; 1997, c. 28, s. 115 - 01/07/1998

[2015, c. 20, Sched. 17, s. 4](http://www.ontario.ca/laws/statute/S15020" \l "sched17s4) - 01/08/2015

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 12](http://www.ontario.ca/laws/statute/S19014" \l "sched9s12) - 31/07/2020

[2020, c. 34, Sched. 7, s. 13](http://www.ontario.ca/laws/statute/S20034" \l "sched7s13) - 01/07/2022

Rules of interpretation, *Statutory Accident Benefits Schedule*

**268.2**  The Statutory Accident Benefits Schedule shall be interpreted in accordance with the rules made under paragraph 10.2 of subsection 121 (1). 1993, c. 10, s. 27; 1996, c. 21, s. 31.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 27 - 01/01/1994; 1996, c. 21, s. 31 - 01/11/1996

Guidelines, *Statutory Accident Benefits Schedule*

**268.3**  (1)  The Chief Executive Officer may issue guidelines on the interpretation and operation of the Statutory Accident Benefits Schedule or any provision of that Schedule. 1993, c. 10, s. 27; 1997, c. 28, s. 116; 2018, c. 8, Sched. 13, s. 22.

Same

(1.1)  The Chief Executive Officer may issue guidelines setting out the treatment, services, measures or goods applicable in respect of types of impairments for the purposes of payment of a medical or rehabilitation benefit provided under the Statutory Accident Benefits Schedule, and such guidelines may include conditions, restrictions and limits with respect to such treatment, services, measures or goods. 2002, c. 22, s. 125; 2018, c. 8, Sched. 13, s. 22.

Effect of guideline

(2)  Subject to section 268.2, a guideline shall be considered in any determination involving the interpretation of the Statutory Accident Benefits Schedule. 1993, c. 10, s. 27.

Incorporation by reference

(2.1)  Despite subsection (2), a guideline that is incorporated by reference into the *Statutory Accident Benefits Schedule* is binding. 2013, c. 2, Sched. 8, s. 13.

Effective date

(3)  A guideline takes effect on the day it is published in The Ontario Gazette. 1993, c. 10, s. 27.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 27 - 01/01/1994; 1997, c. 28, s. 116 - 01/07/1998

[2002, c. 22, s. 125](http://www.ontario.ca/laws/statute/S02022" \l "s125) - 01/10/2003

[2013, c. 2, Sched. 8, s. 13](http://www.ontario.ca/laws/statute/S13002" \l "sched8s13) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Immunity

**268.4**  No action or other proceeding for damages may be commenced against any person for an act done or omitted in good faith in conducting an assessment by adesignated assessment centre under the Statutory Accident Benefits Schedule. 2002, c. 22, s. 126.

**Section Amendments with date in force (d/m/y)**

[2002, c. 22, s. 126](http://www.ontario.ca/laws/statute/S02022" \l "s126) - 01/10/2003

Particulars of insurance

**269** (1)  A person who is entitled to statutory accident benefits or his or her personal representative is entitled to particulars as to whether the owner or operator of any automobile against whom the person may have a claim has insurance that provides for statutory accident benefits and the name of the insurer, if any. R.S.O. 1990, c. I.8, s. 269 (1); 1993, c. 10, s. 1.

Demand for particulars

(2)  The person or his or her personal representative may demand, in writing, the particulars described in subsection (1) from the owner or operator of the automobile or the insurer, if any, of either of them. 2019, c. 7, Sched. 33, s. 7.

Reply

(3)  Every owner, operator and insurer shall comply with a demand under subsection (2) within ten days of receiving the demand. R.S.O. 1990, c. I.8, s. 269 (3).

Definition

(4)  In this section,

“owner” includes a person who is a lessee for the purposes of section 192 of the Highway Traffic Act. 2005, c. 31, Sched. 12, s. 5.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994

[2005, c. 31, Sched. 12, s. 5](http://www.ontario.ca/laws/statute/S05031" \l "sched12s5) - 01/03/2006

[2019, c. 7, Sched. 33, s. 7](http://www.ontario.ca/laws/statute/S19007" \l "sched33s7) - 01/01/2022

Rights of unnamed insured

**270** Any person insured by but not named in a contract to which section 265 or 268 applies may recover under the contract in the same manner and to the same extent as if named therein as the insured, and for that purpose shall be deemed to be a party to the contract and to have given consideration therefor. R.S.O. 1990, c. I.8, s. 270.

Payment into court

**271** (1)  Where an insurer admits liability for insurance money payable under section 265 or 268 and it appears that,

(a) there are adverse claimants;

(b) the whereabouts of an insured person entitled is unknown; or

(c) subject to subsections (1.1) and (1.2), there is no person capable of giving and authorized to give a valid discharge therefor who is willing to do so,

the insurer may, at any time after thirty days after the date upon which the insurance money becomes payable, apply to the court without notice for an order for payment of the money into the Superior Court of Justice, and the court may upon such notice, if any, as it thinks necessary make an order accordingly. R.S.O. 1990, c. I.8, s. 271 (1); 1993, c. 10, s. 28 (1); 2006, c. 19, Sched. C, s. 1 (1).

Minors

(1.1)  If an insurer admits liability for insurance money payable to a minor under section 265 or 268, the insurer shall pay the money and any applicable interest into the Superior Court of Justice to the credit of the minor. 1993, c. 10, s. 28 (2); 2006, c. 19, Sched. C, s. 1 (1).

Same, affidavit

(1.2)  No order is necessary for payment into the Superior Court of Justice under subsection (1.1), but the proper officer of the court shall receive the money if the insurer files with the court an affidavit showing the amount payable and the name, date of birth and residence of the minor. 1993, c. 10, s. 28 (2); 2006, c. 19, Sched. C, s. 1 (1).

Same, notice to Children’s Lawyer

(1.3)  The insurer shall promptly give the Children’s Lawyer notice of a payment into court under subsection (1.2) and a copy of the affidavit filed under that subsection. 2009, c. 33, Sched. 16, s. 7 (4).

Same, authorized payments

(1.4)  An insurer may, despite subsection (1.1), pay insurance money and applicable interest payable to a minor under section 265 or 268 to,

(a) the guardian of the property of the minor, appointed under section 47 of the Children’s Law Reform Act;

(b) a person referred to in subsection 51 (1) of the Children’s Law Reform Act, if the payment does not exceed the amount set out in that subsection; or

(c) the minor, if payment directly to the minor is authorized by the regulations. 1993, c. 10, s. 28 (2).

Discharge of insurer

(2)  The receipt of the proper officer of the court is sufficient discharge to the insurer for the insurance money paid into the Superior Court of Justice, and the insurance money shall be dealt with as the court orders. R.S.O. 1990, c. I.8, s. 271 (2); 2006, c. 19, Sched. C, s. 1 (1).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 28 (1, 2) - 01/01/1994

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006

[2009, c. 33, Sched. 16, s. 7 (4)](http://www.ontario.ca/laws/statute/S09033" \l "sched16s7s4) - 15/12/2009

**272** Repealed: 2002, c. 24, Sched. B, s. 39 (4).

**Section Amendments with date in force (d/m/y)**

[2002, c. 24, Sched. B, s. 39 (4)](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s4) - 01/01/2004

Claimant’s obligation to inform

**273** (1)  Where any person makes a claim for damages in respect of bodily injury or death sustained by the person or any other person while driving or being carried in or upon or entering or getting onto or alighting from or as a result of being struck by an automobile, the claimant shall furnish the person against whom the claim is made full particulars of all insurance available to the claimant under contracts falling within the scope of section 268. R.S.O. 1990, c. I.8, s. 273.

Claim for statutory accident benefits

(2)  If a person makes a claim for statutory accident benefits, the person shall furnish the person against whom the claim is made with full particulars of,

(a) all insurance available to the person under contracts to which subsection 268 (1) applies;

(b) any medical, surgical, dental, hospitalization, rehabilitation or long-term care plan under which benefits are available to the person;

(c) any income continuation benefit plan that provides benefits for loss of income under which benefits are available to the person;

(d) any law of a jurisdiction outside Canada under which benefits are available to the person; and

(e) any claim made by the person under a sick leave plan arising by reason of the person’s occupation or employment. 1993, c. 10, s. 29.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 29 - 01/01/1994

Information to Ministry of Children, Community and Social Services, etc.

**273.1**  (1)  Every insurer shall provide the Ministry of Children, Community and Social Services, a municipality, a board established under the District Social Services Administration Boards Act, a band approved under section 15 of the General Welfare Assistance Act, a delivery agent or delivery partner under the Ontario Works Act, 1997 or a delivery agent under the Ontario Disability Support Program Act, 1997, with such information as may be prescribed by the regulations, including personal information, subject to such conditions as may be prescribed by the regulations. 2021, c. 25, Sched. 21, s. 24.

Definition

(2)  In this section,

“insurer” includes the Facility Association. 1997, c. 25, Sched. E, s. 5; 2002, c. 17, Sched. F, Table.

**Section Amendments with date in force (d/m/y)**

1997, c. 25, Sched. E, s. 5 - 01/07/1998

[2002, c. 17, Sched. F, Table](http://www.ontario.ca/laws/statute/S02017" \l "schedfs2) - 01/01/2003

[2021, c. 25, Sched. 21, s. 24](http://www.ontario.ca/laws/statute/S21025" \l "sched21s24) - 01/09/2023

Release

**274** (1)  Payments made or available to a person under the Statutory Accident Benefits Schedule constitute, to the extent of the payments, a release by the person, the person’s personal representatives, the person’s insurer and anyone claiming through or under the person or by virtue of Part V of the Family Law Act,

(a) of any claim under subsection 265 (1) or 268 (1), if the claim arises directly or indirectly from the use or operation, before January 1, 1994, of an automobile; and

(b) of any claim under subsection 268 (1), if the claim arises directly or indirectly from the use or operation, on or after January 1, 1994, of an automobile. 1993, c. 10, s. 30; 1996, c. 21, s. 33 (1, 2).

Same; accidents on or after Nov. 1, 1996

(2)  Payments made or available to a person under the Statutory Accident Benefits Schedule in respect of a claim arising directly or indirectly from the use or operation, after section 29 of the Automobile Insurance Rate Stability Act, 1996 comes into force, of an automobile constitute, to the extent of the payments, a release by the person, the person’s personal representatives, the person’s insurer and anyone claiming through or under the person or by virtue of Part V of the Family Law Act,

(a) of any claim under subsection 268 (1); and

(b) to the extent that the payments are made in respect of lost income, of any claim under subsection 265 (1). 1996, c. 21, s. 33 (3).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 30 - 01/01/1994; 1996, c. 21, s. 33 (1-3) - 01/11/1996

Indemnification in certain cases

**275** (1)  The insurer responsible under subsection 268 (2) for the payment of statutory accident benefits to such classes of persons as may be named in the regulations is entitled, subject to such terms, conditions, provisions, exclusions and limits as may be prescribed, to indemnification in relation to such benefits paid by it from the insurers of such class or classes of automobiles as may be named in the regulations involved in the incident from which the responsibility to pay the statutory accident benefits arose. R.S.O. 1990, c. I.8, s. 275 (1); 1993, c. 10, s. 1.

Idem

(2)  Indemnification under subsection (1) shall be made according to the respective degree of fault of each insurer’s insured as determined under the fault determination rules. R.S.O. 1990, c. I.8, s. 275 (2).

Deductible

(3)  No indemnity is available under subsection (2) in respect of the first $2,000 of statutory accident benefits paid in respect of a person described in that subsection. R.S.O. 1990, c. I.8, s. 275 (3); 1993, c. 10, s. 1.

Arbitration

(4)  If the insurers are unable to agree with respect to indemnification under this section, the dispute shall be resolved through arbitration under the Arbitration Act, 1991. R.S.O. 1990, c. I.8, s. 275 (4); 2015, c. 20, Sched. 17, s. 5.

Stay of arbitration

(5)  No arbitration hearing shall be held with respect to indemnification under this section if, in respect of the incident for which indemnification is sought, any of the insurers and an insured are parties to a proceeding before the Licence Appeal Tribunal under section 280 or to an appeal from such a proceeding. 2014, c. 9, Sched. 3, s. 13.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1, 31 - 01/01/1994

[2014, c. 9, Sched. 3, s. 13](http://www.ontario.ca/laws/statute/S14009" \l "sched3s13) - 01/04/2016

[2015, c. 20, Sched. 17, s. 5](http://www.ontario.ca/laws/statute/S15020" \l "sched17s5) - 04/06/2015

Terms of certain insurances, insurance under s. 265

**276** Subject to subsection 227 (1), an insurer may in a policy,

(a) provide insurance that is less extensive in scope than the insurance mentioned in section 265; and

(b) provide the terms of the contract that relate to the insurance mentioned in section 265. R.S.O. 1990, c. I.8, s. 276.

Other Insurance

Other insurance

**277** (1)  Subject to section 255, insurance under a contract evidenced by a valid owner’s policy of the kind mentioned in the definition of “owner’s policy” in section 1 is, in respect of liability arising from or occurring in connection with the ownership, or directly or indirectly with the use or operation of an automobile owned by the insured named in the contract and within the description or definition thereof in the policy, a first loss insurance, and insurance attaching under any other valid motor vehicle liability policy is excess insurance only. R.S.O. 1990, c. I.8, s. 277 (1).

Order in which policies are to respond

(1.1)  Despite subsection (1), if an automobile is leased, the following rules apply to determine the order in which the third party liability provisions of any available motor vehicle liability policies shall respond in respect of liability arising from or occurring in connection with the ownership or, directly or indirectly, with the use or operation of the automobile on or after the day this subsection comes into force:

1. Firstly, insurance available under a contract evidenced by a motor vehicle liability policy under which the lessee of the automobile is entitled to indemnity as an insured named in the contract.

2. Secondly, insurance available under a contract evidenced by a motor vehicle liability policy under which the driver of the automobile is entitled to indemnity, either as an insured named in the contract, as the spouse of an insured named in the contract who resides with that insured or as a driver named in the contract, is excess to the insurance referred to in paragraph 1.

3. Thirdly, insurance available under a contract evidenced by a motor vehicle liability policy under which the owner of the automobile is entitled to indemnity as an insured named in the contract is excess to the insurance referred to in paragraphs 1 and 2. 2005, c. 31, Sched. 12, s. 6 (1).

If more than one policy required to respond

(1.2)  For the purposes of the application of each of paragraphs 1, 2 and 3 of subsection (1.1), if insurance is available under more than one motor vehicle liability policy that is required to respond, each insurer is liable only for its rateable proportion of any liability, expense, loss or damage. 2005, c. 31, Sched. 12, s. 6 (1).

Exceptions

(1.3)  Subsection (1.1) does not apply,

(a) to an insured’s right of recovery referred to in subsection 263 (2);

(b) if the automobile is not a motor vehicle as defined in subsection 1 (1) of the Highway Traffic Act; or

(c) if subsection 267.12 (1) does not apply. 2005, c. 31, Sched. 12, s. 6 (1).

Insurer liable only for its rateable proportion of liability, etc.

(2)  Subject to sections 255 and 268 and to subsection (1) of this section, if the insured named in a contract has or places any other valid insurance, whether against liability for the ownership, use or operation of or against loss of or damage to an automobile or otherwise, of the insured’s interest in the subject-matter of the contract or any part thereof, the insurer is liable only for its rateable proportion of any liability, expense, loss or damage. R.S.O. 1990, c. I.8, s. 277 (2).

Rateable proportion defined

(3)  “Rateable proportion” as used in subsections (1.2) and (2) means,

(a) if there are two insurers liable and each has the same policy limits, each of the insurers shall share equally in any liability, expense, loss or damage;

(b) if there are two insurers liable with different policy limits, the insurers shall share equally up to the limit of the smaller policy limit;

(c) if there are more than two insurers liable, clauses (a) and (b) apply with necessary modifications. R.S.O. 1990, c. I.8, s. 277 (3); 2005, c. 31, Sched. 12, s. 6 (2).

Lessee defined

(4)  In this section,

“lessee” means, in respect of an automobile, a person who is leasing or renting the automobile for any period of time, and “leased” has a corresponding meaning. 2005, c. 31, Sched. 12, s. 6 (3).

**Section Amendments with date in force (d/m/y)**

[2005, c. 31, Sched. 12, s. 6 (1-3)](http://www.ontario.ca/laws/statute/S05031" \l "sched12s6s1-3) - 01/03/2006

Subrogation

Subrogation

**278** (1)  An insurer who makes any payment or assumes liability therefor under a contract is subrogated to all rights of recovery of the insured against any person and may bring action in the name of the insured to enforce those rights. R.S.O. 1990, c. I.8, s. 278 (1).

Pro-rating recovery

(2)  Where the net amount recovered whether by action or on settlement is, after deduction of the costs of the recovery, not sufficient to provide complete indemnity for the loss or damage suffered, the amount remaining shall be divided between the insurer and the insured in the proportion in which the loss or damage has been borne by them. R.S.O. 1990, c. I.8, s. 278 (2).

Action when s. 261 applies

(3)  Where the interest of an insured in any recovery is limited to the amount provided under a clause in the contract to which section 261 applies, the insurer shall have control of the action. R.S.O. 1990, c. I.8, s. 278 (3).

Application to court

(4)  Where the interest of an insured in any recovery exceeds that referred to in subsection (3) and the insured and the insurer cannot agree as to,

(a) the solicitors to be instructed to bring the action in the name of the insured;

(b) the conduct and carriage of the action or any matters pertaining thereto;

(c) any offer of settlement or the apportionment thereof, whether action has been commenced or not;

(d) the acceptance of any money paid into court or the apportionment thereof;

(e) the apportionment of costs; or

(f) the launching or prosecution of an appeal,

either party may apply to the Superior Court of Justice for the determination of the matters in question, and the court shall make such order as it considers reasonable having regard to the interests of the insured and the insurer in any recovery in the action or proposed action or in any offer of settlement. R.S.O. 1990, c. I.8, s. 278 (4); 2006, c. 19, Sched. C, s. 1 (1).

Idem

(5)  On an application under subsection (4), the only parties entitled to notice and to be heard thereon are the insured and the insurer, and no material or evidence used or taken upon the application is admissible upon the trial of an action brought by or against the insured or the insurer. R.S.O. 1990, c. I.8, s. 278 (5).

Concurrence in settlement or release

(6)  A settlement or release given before or after an action is brought does not bar the rights of the insured or the insurer, as the case may be, unless they have concurred therein. R.S.O. 1990, c. I.8, s. 278 (6).

**Section Amendments with date in force (d/m/y)**

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006

Dispute Resolution — Statutory Accident Benefits

Definitions

**279** For the purposes of sections 280 to 283,

“insured person” includes a person who is claiming funeral expenses or a death benefit under the Statutory Accident Benefits Schedule; (“personne assurée”)

“Licence Appeal Tribunal” means the Licence Appeal Tribunal established under the Licence Appeal Tribunal Act, 1999. (“Tribunal d’appel en matière de permis”) 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, ss. 1, 32 (2) - 01/01/1994; 1996, c. 21, s. 34 (1-4) - 01/11/1996

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

Resolution of disputes

**280** (1)  This section applies with respect to the resolution of disputes in respect of an insured person’s entitlement to statutory accident benefits or in respect of the amount of statutory accident benefits to which an insured person is entitled. 2014, c. 9, Sched. 3, s. 14.

Application to Tribunal

(2)  The insured person or the insurer may apply to the Licence Appeal Tribunal to resolve a dispute described in subsection (1). 2014, c. 9, Sched. 3, s. 14.

Limit on court proceedings

(3)  No person may bring a proceeding in any court with respect to a dispute described in subsection (1), other than an appeal from a decision of the Licence Appeal Tribunal or an application for judicial review. 2014, c. 9, Sched. 3, s. 14.

Resolution in accordance with Schedule

(4)  The dispute shall be resolved in accordance with the Statutory Accident Benefits Schedule. 2014, c. 9, Sched. 3, s. 14.

Orders, powers and duties

(5)  The regulations may provide for and govern the orders and interim orders that the Licence Appeal Tribunal may make and may provide for and govern the powers and duties that the Licence Appeal Tribunal shall have for the purposes of conducting the proceeding. 2014, c. 9, Sched. 3, s. 14.

Orders for costs, other amounts

(6)  Without limiting what else the regulations may provide for and govern, the regulations may provide for and govern the following:

1. Orders, including interim orders, to pay costs, including orders requiring a person representing a party to pay costs personally.

2. Orders, including interim orders, to pay amounts even if those amounts are not costs or amounts to which a party is entitled under the Statutory Accident Benefits Schedule. 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 - 01/01/1994; 1996, c. 21, s. 35 (1, 2) - 01/11/1996

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

**280.1**  Repealed: 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 36 - 01/11/1996

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

Protection of benefits after Tribunal resolution

**281** (1)  After the Licence Appeal Tribunal issues a decision, the insurer shall not reduce benefits to the insured person on the basis of an alleged change of circumstances, alleged new evidence or an alleged error except as provided under this section. 2014, c. 9, Sched. 3, s. 14.

When benefits may be reduced

(2)  The insurer may reduce benefits if,

(a) the insured person agrees;

(b) the insurer is authorized to do so as a result of a successful appeal of the Licence Appeal Tribunal’s decision; or

(c) the insurer is authorized to do so by the Licence Appeal Tribunal. 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 37 - 01/11/1996

[2002, c. 24, Sched. B, s. 39 (5)](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s5) - 01/01/2004

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

**281.1**  Repealed: 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

[2002, c. 24, Sched. B, s. 39 (6)](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s6) - 01/01/2004

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

Assessment of dispute resolution costs

**282** (1)  The Lieutenant Governor in Council may, in accordance with the regulations, assess all insurers that have issued motor vehicle liability policies in Ontario for expenses and expenditures of the Licence Appeal Tribunal relating to disputes described in subsection 280 (1). 2014, c. 9, Sched. 3, s. 14.

Same

(2)  If an assessment is made under subsection (1), the share of a particular insurer shall be determined in the manner prescribed by regulation, which may take into account the degree of usage made of the Licence Appeal Tribunal that is specified in the regulations. 2014, c. 9, Sched. 3, s. 14.

Same, fees received

(3)  In setting an assessment under subsection (1), the Lieutenant Governor in Council shall take into account the fees received from insurers and insured persons in respect of disputes described in subsection 280 (1). 2014, c. 9, Sched. 3, s. 14.

Insurer’s duty to pay

(4)  An insurer shall pay the amount assessed against it. 2014, c. 9, Sched. 3, s. 14.

Unpaid assessments

(4.1)  If an insurer that is assessed does not pay the assessment, the unpaid amount of the assessment is a debt due to the Crown and the Crown may recover the debt by action or by any other remedy or procedure available by law to the Crown for the collection of debts owed to the Crown, whether or not the Chief Executive Officer exercises the rights set out in subsections (5) and (6). 2016, c. 37, Sched. 10, s. 2; 2018, c. 8, Sched. 13, s. 22.

Same

(5)  If an insurer fails to pay an assessment made under subsection (1), the Chief Executive Officer may suspend or cancel the insurer’s licence. 2014, c. 9, Sched. 3, s. 14; 2018, c. 8, Sched. 13, s. 22.

Same

(6)  The Chief Executive Officer may revive the licence of an insurer whose licence was suspended or cancelled under subsection (5) if the insurer pays all amounts owing by the insurer under this section. 2014, c. 9, Sched. 3, s. 14; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, ss. 1, 33 - 01/01/1994; 1996, c. 21, s. 38 (1-6) - 01/11/1996

[2002, c. 18, Sched. H, s. 4 (24)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s24) - 26/11/2002; [2002, c. 22, s. 127](http://www.ontario.ca/laws/statute/S02022" \l "s127) - 01/10/2003

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

[2016, c. 37, Sched. 10, s. 2](http://www.ontario.ca/laws/statute/S16037" \l "sched10s2) - 08/12/2016

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Transition — regulations

**283** (1)  The Lieutenant Governor in Council may make regulations,

(a) providing for transitional matters in connection with the resolution of disputes described in subsection (2);

(b) governing when a dispute arises and when it is finally determined for the purposes of clause (2) (a);

(c) providing for transitional matters in connection with the coming into force of the following provisions:

(i) Sections 1 to 10, subsections 11 (1) to (4) and (6) to (8) and sections 13 and 14, of Schedule 3 of the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014, which amend this Act.

(ii) Repealed: 2020, c. 36, Sched. 14, s. 8 (3).

(iii) Section 7 of Schedule 5 of the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014, which amends the Motor Vehicle Accident Claims Act. 2014, c. 9, Sched. 3, s. 14; 2020, c. 36, Sched. 14, s. 8 (3).

Unresolved prior disputes

(2)  The disputes referred to in clause (1) (a) are disputes that,

(a) arise before the transition date but are not finally determined before that date; and

(b) are in respect of an insured person’s entitlement to statutory accident benefits or in respect of the amount of statutory accident benefits to which the insured person is entitled. 2014, c. 9, Sched. 3, s. 14.

Regulations relating to disputes

(3)  Without limiting what regulations may be made under clause (1) (a), the regulations under that clause may,

(a) provide that sections 279 to 282 do not apply or apply with such modifications as the regulations may specify;

(b) provide that sections 279 to 287 as those sections read immediately before being repealed by section 14 of Schedule 3 to the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014 apply with such modifications as the regulations may specify;

(c) provide for other provisions of this Act, as those provisions read immediately before being amended or repealed by a provision of Schedule 3 to the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014, to apply with such modifications as the regulations may specify;

(d) provide for the continuation of,

(i) the office of the director of arbitrations appointed under section 6 as that section read immediately before being repealed by section 2 of Schedule 3 to the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014,

(ii) arbitrators appointed under section 8 as that section read immediately before being repealed by section 4 of Schedule 3 to the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014, and

(iii) mediators appointed under section 9 as that section read immediately before being repealed by section 5 of Schedule 3 to the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014;

(e) provide for the continuation of the powers and duties that any of the officials referred to in clause (d) had before the transition date to be exercised by the officials continued by regulations made under clause (d) or to be exercised by other persons or bodies specified in the regulations. 2014, c. 9, Sched. 3, s. 14.

Other regulations

(4)  Without limiting what regulations may be made under clause (1) (c), the regulations under that clause may,

(a) if the regulations made under clause (1) (a) provide for the continuation of the office of the director of arbitrations appointed under section 6 as that section read immediately before being repealed by section 2 of Schedule 3 to the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014, provide for that official to continue to be a member of the Financial Services Commission of Ontario, despite subsection 2 (2) of the Financial Services Commission of Ontario Act, 1997;

(b) govern how section 25 of the Financial Services Commission of Ontario Act, 1997 applies in respect of assessments that cover expenses and expenditures relating to disputes described in subsection (2);

(c) modify the application of clause 6 (2) (b) of the Motor Vehicle Accident Claims Act with respect to disputes described in subsection (2). 2014, c. 9, Sched. 3, s. 14.

Transition date

(5)  In this section,

“transition date” means the date on which this section (as re-enacted by section 14 of Schedule 3 to the Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014) comes into force. 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 34 - 01/01/1994; 1996, c. 21, s. 39 (1-5) - 01/11/1996

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

[2020, c. 36, Sched. 14, s. 8 (3)](http://www.ontario.ca/laws/statute/S20036" \l "sched14s8s3) - 08/12/2020

**284** Repealed: 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 40 (1, 2) - 01/11/1996

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

**284.1**  Repealed: 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

[2002, c. 22, s. 128](http://www.ontario.ca/laws/statute/S02022" \l "s128) - 01/11/2003

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

**285** Repealed: 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

**286** Repealed: 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 41 - 01/11/1996

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

**287** Repealed: 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 42 - 01/11/1996

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

**288** Repealed: 2014, c. 9, Sched. 3, s. 14.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 43 - 01/11/1996

[2014, c. 9, Sched. 3, s. 14](http://www.ontario.ca/laws/statute/S14009" \l "sched3s14) - 01/04/2016

Insurers’ Payments for Listed Expenses — Statutory Accident Benefits

Listed expenses in connection with statutory accident benefits

**288.1**  (1)  For the purposes of this Part, the following are listed expenses in connection with statutory accident benefits:

1. Amounts payable for such assessments, examinations, reports, forms or plans authorized or required by the Statutory Accident Benefits Schedule as may be prescribed for the purposes of this section and expenses relating to those assessments, examinations, reports, forms and plans.

2. Amounts payable for prescribed goods or services that relate to such medical benefits, rehabilitation benefits, attendant care benefits and other statutory accident benefits as may be prescribed for the purposes of this section. 2013, c. 2, Sched. 8, s. 14; 2014, c. 7, Sched. 14, s. 4.

Exceptions

(2)  Despite subsection (1), the regulations may specify that certain types of amounts payable are not listed expenses in such circumstances as may be prescribed. 2013, c. 2, Sched. 8, s. 14.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 14](http://www.ontario.ca/laws/statute/S13002" \l "sched8s14) - 01/06/2014

[2014, c. 7, Sched. 14, s. 4](http://www.ontario.ca/laws/statute/S14007" \l "sched14s4) - 24/07/2014

Restrictions re payments for listed expenses

Payment by insurer

**288.2**(1)  An insurer is not permitted to make payments for listed expenses directly to a person or entity who does not hold a service provider’s licence at the applicable time, as determined in accordance with the regulations. 2013, c. 2, Sched. 8, s. 15.

Exception

(2)  The restriction imposed by subsection (1) does not apply with respect to payments to such persons or entities as may be prescribed, or in such circumstances as may be prescribed. 2013, c. 2, Sched. 8, s. 15.

Reimbursement of insured person

(3)  An insurer is permitted to reimburse an insured person for a listed expense, whether or not the payment for which reimbursement is sought was made to the holder of a service provider’s licence. 2013, c. 2, Sched. 8, s. 15.

Motor Vehicle Accident Claims Fund

(4)  This section applies, with necessary modifications, with respect to the Motor Vehicle Accident Claims Fund. 2013, c. 2, Sched. 8, s. 15.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 15](http://www.ontario.ca/laws/statute/S13002" \l "sched8s15) - 01/12/2014

Public registry re service provider’s licences

**288.3**(1)  The Chief Executive Officer shall maintain one or more registers listing the holders of a service provider’s licence and the former holders of such a licence. 2013, c. 2, Sched. 8, s. 16; 2018, c. 8, Sched. 13, s. 22.

Same

(2)  The registers must contain such other information as may be prescribed. 2013, c. 2, Sched. 8, s. 16.

Same

(3)  The information in a register shall be made available for inspection by the public without charge and in accordance with the regulations. 2013, c. 2, Sched. 8, s. 16.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 288.3 (3) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 20)

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 16](http://www.ontario.ca/laws/statute/S13002" \l "sched8s16) - 01/06/2014

[2017, c. 34, Sched. 21, s. 20](http://www.ontario.ca/laws/statute/S17034" \l "sched21s20) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Service provider’s licence — attributes and duties

**288.4**(1)  The holder of a service provider’s licence is eligible to be paid directly by an insurer for listed expenses in connection with statutory accident benefits. 2013, c. 2, Sched. 8, s. 17.

Standards for business systems and practices, etc.

(2)  It is a condition of a service provider’s licence that the licensee is required to comply with such standards as may be prescribed with respect to its business systems and practices, in connection with statutory accident benefits, and such standards as may be prescribed with respect to matters of integrity in the management of the licensee’s operations. 2013, c. 2, Sched. 8, s. 17.

Invoices for listed expenses

(3)  It is a condition of a service provider’s licence that the licensee is required to submit invoices to the applicable insurer, or to such other person or entity as the insurer directs, for payment of listed expenses in connection with statutory accident benefits. 2013, c. 2, Sched. 8, s. 17.

Other conditions

(4)  A service provider’s licence is subject to such other conditions as may be prescribed or as may be imposed by the Chief Executive Officer or Tribunal with respect to the matters described in subsection (2) and with respect to the administration of this Act and the Statutory Accident Benefits Schedule. 2013, c. 2, Sched. 8, s. 17; 2018, c. 8, Sched. 13, s. 22.

Same

(5)  For greater certainty, a regulation prescribing conditions may require the licensee to submit periodic reports to the Chief Executive Officer. 2013, c. 2, Sched. 8, s. 17; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 288.4 (5) of the Act is amended by striking out “a regulation” and substituting “an Authority rule”. (See: 2017, c. 34, Sched. 21, s. 21 (1))

Principal representative

(6)  A licensee shall designate an individual as the licensee’s principal representative to exercise such powers and perform such duties as may be prescribed, and the individual so designated shall carry out his or her powers and duties in accordance with the regulations, if any. 2013, c. 2, Sched. 8, s. 17.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 288.4 (6) of the Act is amended by striking out “the regulations” and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 21 (2))

Same

(7)  An individual who satisfies the prescribed criteria is eligible to be designated as a licensee’s principal representative. 2013, c. 2, Sched. 8, s. 17.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 17](http://www.ontario.ca/laws/statute/S13002" \l "sched8s17) - 01/06/2014

[2017, c. 34, Sched. 21, s. 21 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s21s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Issuance of service provider’s licence

Application

**288.5**(1)  A person or entity who wishes to apply for a service provider’s licence shall submit an application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and material as he or she may require and shall pay the applicable fee. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Withdrawal of application

(2)  The applicant may withdraw the application at any time before the licence is issued. 2013, c. 2, Sched. 8, s. 18.

Issuance of licence

(3)  The Chief Executive Officer shall issue a service provider’s licence to an applicant who satisfies the prescribed requirements relating to its business systems and practices and the management of its operations,

(a) unless the Chief Executive Officer believes, on reasonable grounds, that the applicant is not suitable to hold a licence having regard to such circumstances as may be prescribed relating to the applicant’s business systems and practices and the management of its operations or having regard to such other matters as the Chief Executive Officer considers appropriate; or

(b) unless an administrative penalty imposed on the applicant under Part XVIII.1 has not been paid. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Not transferable

(4)  A service provider’s licence is not transferable. 2013, c. 2, Sched. 8, s. 18.

Proposal to refuse application

(5)  If the Chief Executive Officer proposes to refuse to issue a service provider’s licence to an applicant, the Chief Executive Officer shall take the steps required by section 288.7. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Proposal to impose conditions

(6)  If the Chief Executive Officer proposes to issue the service provider’s licence and, without the applicant’s consent, to impose conditions on the licence, the Chief Executive Officer shall take the steps required by section 288.7. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Amendment of licence

(7)  The Chief Executive Officer may amend a service provider’s licence at any time. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Proposal to amend

(8)  If the Chief Executive Officer proposes to amend a service provider’s licence without the licensee’s consent, the Chief Executive Officer shall take the steps required by section 288.7. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 18](http://www.ontario.ca/laws/statute/S13002" \l "sched8s18) - 01/06/2014

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Revocation, suspension or surrender of service provider’s licence

Revocation or suspension

**288.6**(1)  The Chief Executive Officer may, by order, revoke or suspend a service provider’s licence in any of the following circumstances:

1. The licensee ceases to satisfy a prescribed requirement for issuance of the licence.

2. The licensee has contravened or failed to comply with this Act, the regulations or a condition of the licence.

3. The Chief Executive Officer believes, on reasonable grounds, that the licensee is no longer suitable to be licensed having regard to such circumstances as may be prescribed relating to the licensee’s business systems and practices and the management of its operations or having regard to such other matters as the Chief Executive Officer considers appropriate.

4. Such other circumstances as may be prescribed. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Proposal to revoke or suspend

(2)  If the Chief Executive Officer proposes to revoke or suspend a service provider’s licence under subsection (1) without the licensee’s consent, the Chief Executive Officer shall take the steps required by section 288.7. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Expedited order to revoke or suspend

(3)  The Chief Executive Officer may, by order, revoke or suspend a service provider’s licence in any of the following circumstances, without taking the steps required by section 288.7:

1. The licensee fails to pay an administrative penalty imposed under Part XVIII.1.

2. Such other circumstances as may be prescribed. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Effect of suspension

(4)  During a suspension, the licensee is deemed not to hold a service provider’s licence for the purposes of section 288.2. 2013, c. 2, Sched. 8, s. 18.

Interim order suspending licence

(5)  If, in the Chief Executive Officer’s opinion, the interests of the public may be adversely affected by any delay in the revocation or suspension of a licence as a result of the steps required by section 288.7, the Chief Executive Officer may, without notice, make an interim order suspending the licence and may do so before or after giving the notice required by subsection 288.7(2) with respect to the proposal to revoke or suspend the licence. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22, 23.

Effect of interim order

(6)  An interim order suspending a service provider’s licence takes effect immediately and remains in effect until the expiry of the period for requesting a hearing under subsection 288.7 (3) about the Chief Executive Officer’s proposal to revoke or suspend the licence. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 23.

Same

(7)  Despite subsection (6), if the Chief Executive Officer does not give the licensee the notice required by subsection 288.7 (2) within 21 days after the day on which the interim order is made or within such other period as may be prescribed, the interim order expires at the end of the 21-day period or the prescribed period, as the case may be. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Extension of interim order

(8)  If the licensee requests a hearing about the Chief Executive Officer’s proposal to revoke or suspend the licence, the Chief Executive Officer may extend the interim order until the proposal is finally determined. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22, 23.

Application to surrender licence

(9)  A licensee may apply to the Chief Executive Officer for permission to surrender the service provider’s licence and shall submit the application to the Chief Executive Officer in the manner required by the Chief Executive Officer, shall give the Chief Executive Officer such information, evidence and material as he or she may require and shall pay the applicable fee. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Decision re surrender

(10)  The Chief Executive Officer shall allow the applicant to surrender the licence unless the Chief Executive Officer believes, on reasonable grounds, that the surrender of the licence is not in the public interest having regard to such criteria as may be prescribed relating to the licensee’s business systems and practices and the management of its operations and such other factors as the Chief Executive Officer considers appropriate. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Same

(11)  If the Chief Executive Officer allows the surrender of the licence, the Chief Executive Officer may impose conditions relating to the licensee’s business systems and practices or the management of its operations in connection with the surrender. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Proposal to refuse application to surrender

(12)  If the Chief Executive Officer proposes to refuse to allow the surrender of the licence, the Chief Executive Officer shall take the steps required by section 288.7. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Proposal to impose conditions

(13)  If the Chief Executive Officer proposes to allow the surrender of the licence and, without the applicant’s consent, to impose conditions in connection with the surrender, the Chief Executive Officer shall take the steps required by section 288.7. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Revocation of order suspending licence

(14)  The Chief Executive Officer may, at any time, revoke an order or an interim order that suspends a service provider’s licence. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 18](http://www.ontario.ca/laws/statute/S13002" \l "sched8s18) - 01/06/2014

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Chief Executive Officer’s proposal to refuse application, etc.

**288.7**(1)  This section applies if the Chief Executive Officer proposes to do any of the following things:

1. Refuse to issue a service provider’s licence to an applicant.

2. Issue a service provider’s licence and, without the applicant’s consent, impose conditions.

3. Amend a service provider’s licence without the licensee’s consent.

4. Revoke a service provider’s licence under subsection 288.6 (1)without the licensee’s consent.

5. Suspend a service provider’s licence under subsection 288.6 (1) without the licensee’s consent.

6. Refuse to allow the surrender of a service provider’s licence.

7. Allow the surrender of a service provider’s licence and, without the applicant’s consent, impose conditions in connection with the surrender. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Notice of proposal

(2)  The Chief Executive Officer shall give written notice of the proposal to the applicant or licensee, including the reasons for the proposal; the Chief Executive Officer shall also inform the applicant or licensee that he, she or it can request a hearing by the Tribunal about the proposal and shall advise the applicant or licensee about the process for requesting a hearing. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Hearing requested

(3)  If the applicant or licensee requests a hearing in writing within 15 days after the notice under subsection (2) is given, the Tribunal shall hold a hearing. 2013, c. 2, Sched. 8, s. 18.

Order

(4)  The Tribunal may, by order, direct the Chief Executive Officer to carry out the proposal, with or without changes, or substitute its opinion for that of the Chief Executive Officer, and the Tribunal may impose such conditions as it considers appropriate in the circumstances. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

Appeal

(5)  A party to a hearing held by the Tribunal may appeal the order of the Tribunal to the Divisional Court. 2013, c. 2, Sched. 8, s. 18.

Effect of appeal

(6)  An order of the Tribunal takes effect immediately, but if the order is appealed, the Tribunal may grant a stay of the order until the appeal is finally determined. 2013, c. 2, Sched. 8, s. 18.

Hearing not requested

(7)  If the applicant or licensee does not request a hearing, or does not make the request in accordance with subsection (3), the Chief Executive Officer may carry out the proposal. 2013, c. 2, Sched. 8, s. 18; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 18](http://www.ontario.ca/laws/statute/S13002" \l "sched8s18) - 01/06/2014

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Changes to Statutory Accident Benefits Schedule

Review of this Part

**289** (1)  The Chief Executive Officer shall undertake a review of this Part and any related regulations or rules at least every three years or more often at the request of the Minister. 2018, c. 8, Sched. 13, s. 11.

Report

(2)  The Chief Executive Officer shall give a report to the Minister setting out the results of the review, any recommendations made by the Chief Executive Officer and such other information as the Minister may request. 2018, c. 8, Sched. 13, s. 11.

Initial review

(3)  The Chief Executive Officer shall begin a review under this section within three years after the day section 11 of Schedule 13 to the Plan for Care and Opportunity Act (Budget Measures), 2018 comes into force. 2018, c. 8, Sched. 13, s. 11.

Minister appointed reviewer

(4)  The Minister may at any time appoint a person other than the Chief Executive Officer to undertake a review of this Part and any related regulations or rules and to provide a report to the Minister setting out the results of the review, any recommendations made by the person and such other information as the Minister may request. 2018, c. 8, Sched. 13, s. 11.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 1 (1) - 01/01/1994

[2013, c. 2, Sched. 8, s. 19](http://www.ontario.ca/laws/statute/S13002" \l "sched8s19) - 16/08/2013

[2018, c. 8, Sched. 13, s. 11](http://www.ontario.ca/laws/statute/S18008" \l "sched13s11) - 08/06/2019

**289.1**Repealed: 2013, c. 2, Sched. 8, s. 19.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 19](http://www.ontario.ca/laws/statute/S13002" \l "sched8s19) - 16/08/2013

PART VII  
ACCIDENT AND SICKNESS INSURANCE

Definitions, Part VII

**290** In this Part,

“application” means an application for insurance or for the reinstatement of insurance; (“proposition”)

“beneficiary” means a person, other than the insured or the insured’s personal representative, to whom or for whose benefit insurance money is made payable in a contract or by a declaration; (“bénéficiaire”)

“blanket insurance” means group insurance that covers loss,

(a) arising from specific hazards incident to or defined by reference to a particular activity or activities, and

(b) occurring during a limited or specified period not exceeding six months in duration; (“assurance globale”)

“contract” means a contract of insurance; (“contrat”)

“court” means the Superior Court of Justice or a judge thereof; (“tribunal”)

“creditor’s group insurance” means insurance effected by a creditor whereby the lives or well-being, or the lives and well-being, of a number of the creditor’s debtors are insured severally under a single contract; (“assurance collective de créancier”)

“debtor insured” means a debtor whose life or well-being, or whose life and well-being, are insured under a contract of creditor’s group insurance; (“débiteur assuré”)

“declaration”, except in sections 302.1, 302.2, 302.3 and 316, means an instrument signed by the insured,

(a) with respect to which an endorsement is made on the policy,

(b) that identifies the contract, or

(c) that describes the insurance or insurance fund or a part thereof,

in which the insured,

(d) designates, or alters or revokes the designation of, the insured, the insured’s personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable, or

(e) makes, alters or revokes an appointment under subsection 315 (1) or a nomination referred to in section 317.3; (“déclaration”)

“family insurance” means insurance whereby the lives or well-being, or the lives and well-being, of the insured and one or more persons related to the insured by blood, marriage, conjugal relationship outside marriage or adoption are insured under a single contract between an insurer and the insured; (“assurance familiale”)

“group insurance” means insurance other than creditor’s group insurance and family insurance, whereby the lives or well-being, or the lives and well-being, of a number of persons are insured severally under a single contract between an insurer and an employer or other person; (“assurance collective”)

“group person insured” means a person (the “primary person”), whose life or well-being, or whose life and well-being, are insured under a contract of group insurance, but does not include a person whose life or well-being, or whose life and well-being, are insured under the contract as a person dependent upon or related to the primary person; (“personne couverte par une assurance collective”)

“instrument” includes a will; (“acte”)

“insurance” means accident and sickness insurance; (“assurance”)

“insured”,

(a) in the case of group insurance means, in the provisions of this Part relating to the designation of beneficiaries or of personal representatives as recipients of insurance money and their rights and status, the group person insured, and

(b) in all other cases means the person who makes a contract with an insurer; (“assuré”)

“person insured” means a person in respect of an accident to whom, or in respect of whose sickness, insurance money is payable under a contract, but does not include a group person insured; (“personne assurée”)

“will” includes a codicil. (“testament”) R.S.O. 1990, c. I.8, s. 290; 2002, c. 18, Sched. H, s. 4 (25); 2006, c. 19, Sched. C, s. 1 (1); 2012, c. 8, Sched. 23, s. 33.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (25)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s25) - 30/04/2007

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006

[2012, c. 8, Sched. 23, s. 33 (1-7)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s33s1) - 01/07/2016

Application of Part

**291** (1)  Despite any agreement, condition or stipulation to the contrary, but subject to a regulation made under paragraph 26.0.1 of subsection 121 (1), this Part applies to contracts made in Ontario on or after the 1st day of October, 1970. R.S.O. 1990, c. I.8, s. 291 (1); 2012, c. 8, Sched. 23, s. 34 (1).

Idem

(2)  In the case of contracts made before and in effect on that day,

(a) this section and sections 290, 292, 292.1, 293, 302, 305, 306, 307 and 311, and sections 313 to 329 of this Part apply; and

(b) sections 230, 231, 232, 233, 235, 242 and 245 of The Insurance Act, being chapter 190 of the Revised Statutes of Ontario, 1960, as it existed immediately before the 1st day of October, 1970, continue to apply. R.S.O. 1990, c. I.8, s. 291 (2); 2014, c. 7, Sched. 14, s. 5.

Exceptions

(3)  This Part does not apply to,

(a) insurance undertaken by an insurer as part of a contract of life insurance whereby the insurer undertakes to pay an additional amount of insurance money in the event of the death by accident of the person whose life is insured;

(b) Repealed: 2012, c. 8, Sched. 23, s. 34 (2).

(c) insurance undertaken by an insurer as part of a contract of life insurance whereby the insurer undertakes to pay insurance money or to provide other benefits in the event that the person whose life is insured becomes disabled as a result of bodily injury or disease, except as provided in the regulations; or

(d) insurance provided under section 265 or 268. R.S.O. 1990, c. I.8, s. 291 (3); 2002, c. 18, Sched. H, s. 4 (26, 27); 2012, c. 8, Sched. 23, s. 34 (2, 3).

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (26, 27)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s26) - 30/04/2007

[2012, c. 8, Sched. 23, s. 34 (1-3)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s34s1) - 01/07/2016

[2014, c. 7, Sched. 14, s. 5](http://www.ontario.ca/laws/statute/S14007" \l "sched14s5) - 01/07/2016

Group insurance

**292** In the case of a contract of group insurance made with an insurer authorized to transact insurance in Ontario at the time the contract was made, this Part applies in determining,

(a) the rights and status of beneficiaries and personal representatives as recipients of insurance money, if the group person insured was resident in Ontario at the time he or she became insured; and

(b) the rights and obligations of the group person insured if the person was resident in Ontario at the time he or she became insured. R.S.O. 1990, c. I.8, s. 292.

Application of ss. 126 and 131

**292.1**Sections 126 and 131 apply to a contract of accident and sickness insurance. 2012, c. 8, Sched. 23, s. 35.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 35](http://www.ontario.ca/laws/statute/S12008" \l "sched23s35) - 01/07/2016

Insurer to issue policy, furnish documents

**293** (1)  An insurer entering into a contract shall,

(a) issue a policy; and

(b) furnish to the insured the policy and a copy of the insured’s application. 2012, c. 8, Sched. 23, s. 36.

Documents forming contract

(2)  Subject to subsection (3), the provisions in,

(a) the application;

(b) the policy;

(c) any document attached to the policy when issued; and

(d) any amendment to the contract agreed upon in writing after the policy is issued,

constitute the entire contract. 2012, c. 8, Sched. 23, s. 36.

Same — contract by fraternal society

(3)  In the case of a contract made by a fraternal society, the policy, the Act or instrument of incorporation of the society, its constitution, by-laws and rules, and the amendments made from time to time to any of them, the application for the contract and the medical statement of the applicant constitute the entire contract. 2012, c. 8, Sched. 23, s. 36.

Copy of contract, etc.

(4)  Except in the case of a contract of group insurance or of creditor’s group insurance, an insurer, on request, shall furnish to the insured or a claimant under the contract a copy of,

(a) the entire contract as set out in subsection (2) or (3), as applicable; and

(b) any written statement or other record provided to the insurer as evidence of insurability under the contract. 2012, c. 8, Sched. 23, s. 36.

Copy of application, policy, etc. — group insurance

(5)  In the case of a contract of group insurance, an insurer,

(a) on request, shall furnish to a group person insured or claimant under the contract a copy of,

(i) the group person insured’s application, and

(ii) any written statement or other record, not otherwise part of the application, provided to the insurer as evidence of the insurability of the group person insured under the contract;

(b) on request and reasonable notice, shall permit a group person insured or claimant under the contract to examine, and shall furnish to that person, a copy of the policy of group insurance. 2012, c. 8, Sched. 23, s. 36.

Same — creditor’s group insurance

(6)  In the case of a contract of creditor’s group insurance, an insurer,

(a) on request, shall furnish to a debtor insured or claimant under the contract a copy of,

(i) the debtor insured’s application, and

(ii) any written statement or other record, not otherwise part of the application, provided to the insurer as evidence of the insurability of the debtor insured under the contract;

(b) on request and reasonable notice, shall permit a debtor insured or claimant under the contract to examine, and shall furnish to that person, a copy of the policy of creditor’s group insurance. 2012, c. 8, Sched. 23, s. 36.

Reasonable fee

(7)  An insurer may charge a reasonable fee to cover its expenses in furnishing copies of documents under subsection (4), (5) or (6), other than the first copy furnished to each person. 2012, c. 8, Sched. 23, s. 36.

Access to information restricted

(8)  Access to the documents described in clauses (5) (b) and (6) (b) does not extend,

(a) to information contained in those documents that would reveal personal information as defined in the Personal Information Protection and Electronic Documents Act (Canada) or personal health information as defined in the Personal Health Information Protection Act, 2004 about a person without that person’s consent, other than information about,

(i) the group person insured or debtor insured in respect of whom the claim is made, or

(ii) the person who requests the information; or

(b) to information prescribed by the regulations. 2012, c. 8, Sched. 23, s. 36.

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 293 (8) (b) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 22))

Claimant’s access to documents restricted

(9)  A claimant’s access to documents under subsections (4) to (6) extends only to information that is relevant to,

(a) a claim under the contract; or

(b) a denial of such a claim. 2012, c. 8, Sched. 23, s. 36.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 36](http://www.ontario.ca/laws/statute/S12008" \l "sched23s36) - 01/07/2016

[2017, c. 34, Sched. 21, s. 22](http://www.ontario.ca/laws/statute/S17034" \l "sched21s22) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Contents of policy

**294** (1)  This section does not apply to,

(a) a contract of group insurance;

(a.1) a contract of creditor’s group insurance; or

(b) a contract made by a fraternal society. R.S.O. 1990, c. I.8, s. 294 (1); 2012, c. 8, Sched. 23, s. 37 (1).

Same

(2)  An insurer shall include the following information in the policy:

1. The name or a sufficient description of the insured and of the person insured.

2. The amount or the method of determining the amount of the insurance money payable and the conditions under which it becomes payable.

3. The amount or the method of determining the amount of the premium and the period of grace, if any, within which it may be paid.

4. The conditions upon which the contract may be reinstated if it lapses.

5. The term of the insurance or the method of determining the day upon which the insurance commences and terminates.

6. The following statement:

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Limitations Act, 2002.

R.S.O. 1990, c. I.8, s. 294 (2); 2012, c. 8, Sched. 23, s. 37 (2); 2013, c. 2, Sched. 8, s. 20.

Notice on front page of policy

(3)  Where a policy contains a provision removing or restricting the right of the insured to designate persons to whom or for whose benefit insurance money is to be payable, the front page of the policy must include the following statement in conspicuous bold type:

This policy contains a provision removing or restricting the right of the insured to designate persons to whom or for whose benefit insurance money is to be payable.

2012, c. 8, Sched. 23, s. 37 (3).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 37 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s37s1) - 01/07/2016

[2013, c. 2, Sched. 8, s. 20](http://www.ontario.ca/laws/statute/S13002" \l "sched8s20) - 01/07/2016

Confinement clauses void

**295** (1)  Where a contract of accident and sickness insurance issued after November 2, 1973 includes a provision that a benefit is payable to an insured on account of his or her disability and the provision is conditional on the confinement of the insured, the condition does not bind the insured. 2002, c. 18, Sched. H, s. 4 (28).

Exceptions

(2)  Despite subsection (1), a contract of accident and sickness insurance may provide for one or more of the following:

1. Early commencement of loss of income benefits based on the admission of the person insured into a hospital, long-term care facility or other similar institution.

2. Payment of loss of income benefits during the period of in-patient hospitalization of the person insured or the period during which the person insured is confined to a long-term care facility or other similar institution.

3. Payment of daily benefits during the period of in-patient hospitalization of the person insured or the period during which the person insured is confined to a long-term care facility or other similar institution.

4. Payment of lump sum benefits based on the admission of the person insured into a hospital or during the period of in-patient hospitalization or the admission into or during the period of confinement in a long-term care facility or other similar institution. 2012, c. 8, Sched. 23, s. 38.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (28)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s28) - 30/04/2007

[2012, c. 8, Sched. 23, s. 38](http://www.ontario.ca/laws/statute/S12008" \l "sched23s38) - 01/07/2016

Contents of group policy or creditor’s group policy

**296** In the case of a contract of group insurance or of creditor’s group insurance, an insurer shall include the following information in the policy:

1. The name or a sufficient description of the insured.

2. The method of determining the group persons insured and persons insured.

3. The amount or the method of determining the amount of the insurance money payable and the conditions under which it becomes payable.

4. The period of grace, if any, within which the premium may be paid.

5. The term of the insurance or the method of determining the day upon which the insurance commences and terminates.

6. In the case of a contract of group insurance, any provision removing or restricting the right of a group person insured to designate persons to whom or for whose benefit insurance money is to be payable.

7. In the case of a contract of group insurance that replaces another contract of group insurance on some or all of the group person insureds under the replaced contract, whether a designation of a group person insured, a group person insured’s personal representative or a beneficiary as a person to whom or for whose benefit insurance money is to be payable under the replaced contract applies to the replacement contract.

8. The following statement:

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Limitations Act, 2002.

R.S.O. 1990, c. I.8, s. 296; 2012, c. 8, Sched. 23, s. 39; 2013, c. 2, Sched. 8, s. 21.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 39 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s39s1) - 01/07/2016

[2013, c. 2, Sched. 8, s. 21](http://www.ontario.ca/laws/statute/S13002" \l "sched8s21) - 01/07/2016

Continuation of accident and sickness insurance where contract terminated

**297** (1)  Where a contract of group accident and sickness insurance, or a benefit provision therein, is terminated, the insurer continues to be liable to pay to or in respect of any group person insured under the contract benefits under the contract relating to,

(a) loss of income because of disability;

(b) death;

(c) dismemberment; or

(d) accidental damage to natural teeth,

arising from an accident or sickness that occurred before the termination of the contract or benefit provision as though the contract or benefit provision had remained in full force and effect; but the insurer is not liable to pay a benefit for loss of income because of disability in respect of the recurrence of disability arising from an accident or sickness that occurred before the termination of the contract or benefit provision if the recurrence occurs after the termination of the contract or benefit provision and after a period of six months, or such longer period as is provided in the contract, during which the group person insured was not disabled. 2012, c. 8, Sched. 23, s. 40.

Time limit on insurer’s liability

(2)  An insurer that is liable under subsection (1) to pay a benefit for loss of income as a result of the disability of a group person insured is not liable to pay the benefit for any period longer than the portion remaining, at the date the disability began,of the maximum period provided under the contract for the payment of a benefitfor loss of income in respect of a disability of the group person insured. 2012, c. 8, Sched. 23, s. 40.

Continued coverage under replacement contract

(3)  Where a contract of group accident and sickness insurance, in this section called the “replacement contract”, is entered into within 31 days of the termination of another contract of group accident and sickness insurance, in this section called the “other contract”, and insures the same group or a part of the group insured under the other contract,

(a) the replacement contract shall be deemed to provide that any person who was insured under the other contract at the time of its termination is insured under the replacement contract from and after the termination of the other contract if,

(i) the insurance on that person under the other contract terminated by reason only of the termination of the other contract, and

(ii) the person is a member of a class eligible for insurance under the replacement contract;

(b) every person who was insured under the other contract and who is insured under the replacement contract is entitled to receive credit for satisfaction of any deductible earned before the effective date of the replacement contract; and

(c) no person who was insured under the other contract at the time of its termination may be excluded from eligibility under the replacement contract by reason only of not being actively at work on the effective date of the replacement contract, and, despite subsection (1), if the replacement contract provides that all benefits required to be paid under subsection (1) by the insurer of the other contract are to be paid instead under the replacement contract, the insurer of the other contract is not liable to pay those benefits. 2012, c. 8, Sched. 23, s. 40.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 40](http://www.ontario.ca/laws/statute/S12008" \l "sched23s40) - 01/07/2016

Contents of group certificate

**298** (1)  Except as provided in subsection (2), in the case of a contract of group insurance or of creditor’s group insurance, an insurer shall issue for delivery by the insured to each group person insured or debtor insured a certificate or other document in which the following information shall be included:

1. The name of the insurer and a sufficient identification of the contract.

2. The amount or the method of determining the amount of insurance on the group person insured and on any person insured.

3. The circumstances under which the insurance terminates, and the rights, if any, upon such termination of the group person insured or the debtor insured and of any person insured.

4. In the case of a contract of group insurance that contains a provision removing or restricting the right of the group person insured to designate persons to whom or for whose benefit insurance money is to be payable,

i. the method of determining the persons to whom or for whose benefit the insurance money is or may be payable, and

ii. the following statement in conspicuous bold type:

This policy contains a provision removing or restricting the right of the group person insured to designate persons to whom or for whose benefit insurance money is to be payable.

5. In the case of a contract of group insurance that replaces another contract of group insurance on some or all of the group persons insured under the replaced contract, whether a designation of a group person insured, a group person insured’s personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable under the replaced contract applies to the replacement contract.

6. The rights of the group person insured, the debtor insured or a claimant under the contract to obtain copies of documents under subsection 293 (5) or (6).

7. The following statement:

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Limitations Act, 2002.

R.S.O. 1990, c. I.8, s. 298 (1); 2012, c. 8, Sched. 23, s. 41; 2013, c. 2, Sched. 8, s. 22.

Exception

(2)  This section does not apply to a contract of blanket insurance or to a contract of group insurance of a non-renewable type issued for a term of six months or less. R.S.O. 1990, c. I.8, s. 298 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 41 (1-3)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s41s1) - 01/07/2016

[2013, c. 2, Sched. 8, s. 22](http://www.ontario.ca/laws/statute/S13002" \l "sched8s22) - 01/07/2016

Exceptions or reduction

**299** (1)  Subject to section 300 and except as otherwise provided in this section, the insurer shall set forth in the policy every exception or reduction affecting the amount payable under the contract, either in the provision affected by the exception or reduction, or under a heading such as “Exceptions” or “Reductions”.

Idem

(2)  Where the exception or reduction affects only one provision in the policy it shall be set forth in that provision.

Idem

(3)  Where the exception or reduction is contained in an endorsement, insertion or rider, the endorsement, insertion or rider shall, unless it affects all amounts payable under the contract, make reference to the provisions in the policy affected by the exception or reduction.

Idem

(4)  The exception or reduction mentioned in section 312 need not be set forth in the policy.

Idem

(5)  This section does not apply to a contract made by a fraternal society. R.S.O. 1990, c. I.8, s. 299.

Statutory conditions

**300** Subject to section 301, the conditions set out in this section shall be deemed to be part of every contract other than a contract of group insurance or of creditor’s group insurance, and shall be printed in English or French in or attached to the policy forming part of such contract with the heading “Statutory Conditions” or “Conditions légales”, as may be appropriate, and no variation or omission of or addition to any statutory condition not authorized by section 301is binding on the insured.

STATUTORY CONDITIONS

The Contract

**1.**  (1)  The application, this policy, any document attached to this policy when issued, and any amendment to the contract agreed upon in writing after the policy is issued, constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.

(2)  Repealed: 2012, c. 8, Sched. 23, s. 42 (2).

Copy of Application

(3)  The insurer shall, upon request, furnish to the insured or to a claimant under the contract a copy of the application.

Material Facts

**2.**  No statement made by the insured or person insured at the time of application for this contract shall be used in defence of a claim under or to avoid this contract unless it is contained in the application or any other written statements or answers furnished as evidence of insurability.

Changes in Occupation

**3.**  (1)  If after the contract is issued the person insured engages for compensation in an occupation that is classified by the insurer as more hazardous than that stated in this contract, the liability under this contract is limited to the amount that the premium paid would have purchased for the more hazardous occupation according to the limits, classification of risks and premium rates in use by the insurer at the time the person insured engaged in the more hazardous occupation.

(2)  If the person insured changes his or her occupation from that stated in this contract to an occupation classified by the insurer as less hazardous and the insurer is so advised in writing, the insurer shall either,

(a) reduce the premium rate; or

(b) issue a policy for the unexpired term of this contract at the lower rate of premium applicable to the less hazardous occupation,

according to the limits, classification of risks, and premium rates used by the insurer at the date of receipt of advice of the change in occupation, and shall refund to the insured the amount by which the unearned premium on this contract exceeds the premium at the lower rate for the unexpired term.

Relation of Earnings to Insurance

**4.**(1)  Where the benefits for loss of time payable hereunder, either alone or together with benefits for loss of time under another contract, exceed the money value of the time of the person insured, the insurer is liable only for that proportion of the benefits for loss of time stated in this policy that the money value of the time of the person insured bears to the aggregate of the benefits for loss of time payable under all such contracts and the excess premium, if any, paid by the insured shall be returned to the insured by the insurer.

(2)  The other contract referred to in subcondition (1) may include,

(a) a contract of group accident and sickness insurance; or

(b) a life insurance contract whereby the insurer undertakes to pay insurance money or to provide other benefits in the event that the person whose life is insured becomes disabled as a result of bodily injury or disease.

Termination by Insured

**5.**The insured may at any time request that this contract be terminated and the insurer shall, as soon as practicable after the insured makes the request, refund the amount of premium actually paid by the insured that is in excess of the short rate premium calculated to the date of the request according to the table in use by the insurer at the time of the termination.

Termination by Insurer

**6.**  (1)  The insurer may terminate this contract at any time by giving written notice of termination to the insured and by refunding concurrently with the giving of notice the amount of premium paid in excess of the proportional premium for the expired time.

(2)  The notice of termination may be given in the following ways:

1. It may be personally delivered to the insured.

2. It may be delivered by prepaid courier to the latest address of the insured on the records of the insurer if there is a record by the person who has delivered it that the notice has been sent.

3. It may be sent by registered mail to the latest address of the insured on the records of the insurer.

(3)  Where the notice of termination is personally delivered or delivered by prepaid courier to the insured, five days notice of termination shall be given and, if delivered by prepaid courier, the five-day period begins on the day there is a record by the person who delivered it that the notice has been sent. Where it is mailed to the insured, 15 days notice of termination shall be given, and the 15-day period begins on the day the registered letter or notification of it is delivered to the insured’s address.

Notice and Proof of Claim

**7.**  (1)  The insured or a person insured, or a beneficiary entitled to make a claim, or the agent of any of them, shall,

(a) give written notice of the claim to the insurer in one of the following ways, not later than 30 days from the date a claim arises under the contract on account of an accident, sickness or disability:

(i) by personal delivery or by sending it by registered mail to the head office or chief agency of the insurer in the Province,

(ii) by personal delivery to an authorized agent of the insurer in the Province, or

(iii) by delivery by electronic means;

(b) within ninety days from the date a claim arises under the contract on account of an accident, sickness or disability, furnish to the insurer such proof as is reasonably possible in the circumstances of the happening of the accident or the commencement of the sickness or disability, and the loss occasioned thereby, the right of the claimant to receive payment, his or her age, and the age of the beneficiary if relevant; and

(c) if so required by the insurer, furnish a satisfactory certificate as to the cause or nature of the accident, sickness or disability for which claim may be made under the contract and as to the duration of such sickness or disability.

Failure to Give Notice or Proof

(2)  Failure to give notice of claim or furnish proof of claim within the time prescribed by this statutory condition does not invalidate the claim if,

(a) the notice or proof is given or furnished as soon as reasonably possible, and in no event later than one year from the date of the accident or the date a claim arises under the contract on account of sickness or disability if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed; or

(b) in the case of the death of the person insured, if a declaration of presumption of death is necessary, the notice or proof is given or furnished no later than one year after the date a court makes the declaration.

Insurer to Furnish Forms for Proof of Claim

**8.**The insurer shall furnish forms for proof of claim within fifteen days after receiving notice of claim, but where the claimant has not received the forms within that time the claimant may submit his or her proof of claim in the form of a written statement of the cause or nature of the accident, sickness or disability giving rise to the claim and of the extent of the loss.

Rights of Examination

**9.**  As a condition precedent to recovery of insurance money under this contract,

(a) the claimant shall afford to the insurer an opportunity to examine the person of the person insured when and so often as it reasonably requires while the claim hereunder is pending; and

(b) in the case of death of the person insured, the insurer may require an autopsy subject to any law of the applicable jurisdiction relating to autopsies.

When Money Payable Other Than for Loss of Time

**10.**  All money payable under this contract, other than benefits for loss of time, shall be paid by the insurer within sixty days after it has received proof of claim.

When Loss of Time Benefits Payable

**11.**  The initial benefits for loss of time shall be paid by the insurer within thirty days after it has received proof of claim, and payment shall be made thereafter in accordance with the terms of the contract but not less frequently than once in each succeeding sixty days while the insurer remains liable for the payments if the person insured when required to do so furnishes before payment proof of continuing disability.

**12.**  Repealed: 2002, c. 24, Sched. B, s. 39 (7).

R.S.O. 1990, c. I.8, s. 300; 2002, c. 18, Sched. H, s. 4 (29); 2002, c. 24, Sched. B, s. 39 (7); 2012, c. 8, Sched. 23, s. 42 (1, 2, 4, 5); 2013, c. 2, Sched. 8, s. 23; 2019, c. 7, Sched. 33, s. 8 (1); 2020, c. 36, Sched. 22, s. 8; 2021, c. 40, Sched. 14, s. 5.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (29)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s29) - 30/04/2007; [2002, c. 24, Sched. B, s. 39 (7)](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s7) - 01/01/2004

[2012, c. 8, Sched. 23, s. 42 (1, 2, 4, 5)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s42s1) - 01/07/2016

[2012, c. 8, Sched. 23, s. 42 (3)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s42s3) - no effect - see [2013, c. 2, Sched. 8, s. 23 (3)](http://www.ontario.ca/laws/statute/S13002" \l "sched8s23s3) - 01/07/2016

[2013, c. 2, Sched. 8, s. 23 (1-3)](http://www.ontario.ca/laws/statute/S13002" \l "sched8s23s1) - 01/07/2016

[2019, c. 7, Sched. 33, s. 8 (1)](http://www.ontario.ca/laws/statute/S19007" \l "sched33s8s1) - 01/01/2022; [2019, c. 7, Sched. 33, s. 8 (2)](http://www.ontario.ca/laws/statute/S19007" \l "sched33s8s2) - no effect - see [2020, c. 36, Sched. 22, s. 9 (2)](http://www.ontario.ca/laws/statute/S20036" \l "sched22s9s2) - 08/12/2020

[2020, c. 36, Sched. 22, s. 8](http://www.ontario.ca/laws/statute/S20036" \l "sched22s8) - 01/01/2022

[2021, c. 40, Sched. 14, s. 5](http://www.ontario.ca/laws/statute/S21040" \l "sched14s5) - 01/01/2022

Omission or variation of statutory conditions

**301** (1)  Where a statutory condition is not applicable to the benefits provided by the contract it may be omitted from the policy or varied so that it will be applicable. R.S.O. 1990, c. I.8, s. 301 (1).

Idem

(2)  Statutory conditions 3, 4 and 9 may be omitted from the policy if the contract does not contain any provisions respecting the matters dealt with therein. R.S.O. 1990, c. I.8, s. 301 (2).

Idem

(3)  Statutory conditions 5 and 6 shall be omitted from the policy if the contract does not provide that it may be terminated by the insurer prior to the expiry of any period for which a premium has been accepted. R.S.O. 1990, c. I.8, s. 301 (3).

Idem

(4)  Statutory conditions 3, 4, 5, 6 and 9, and subject to the restriction in subsection (5), statutory condition 7, may be varied but, if by reason of the variation the contract is less favourable to the insured, a person insured or a beneficiary than it would be if the condition had not been varied, the condition shall be deemed to be included in the policy in the form in which it appears in section 300. R.S.O. 1990, c. I.8, s. 301 (4).

Idem

(5)  Clauses (a) and (b) of subcondition 7 (1) may not be varied in policies providing benefits for loss of time. R.S.O. 1990, c. I.8, s. 301 (5).

Idem

(6)  Statutory conditions 10 and 11 may be varied by shortening the periods of time prescribed therein. R.S.O. 1990, c. I.8, s. 301 (6); 2002, c. 24, Sched. B, s. 39 (8).

Idem

(7)  The title of a statutory condition shall be reproduced in the policy along with the statutory condition, but the number of a statutory condition may be omitted. R.S.O. 1990, c. I.8, s. 301 (7).

Contract by fraternal society

(8)  In the case of a contract made by a fraternal society,

(a) the following provision shall be printed on every policy in substitution for subcondition 1 (1):

The Contract

**1.**  (1)  This policy, the Act or instrument of incorporation of the society, its constitution, by-laws and rules, and the amendments made from time to time to any of them, the application for the contract and the medical statement of the applicant, constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.

and

(b) statutory condition 5 shall not be printed on the policy. R.S.O. 1990, c. I.8, s. 301 (8).

**Section Amendments with date in force (d/m/y)**

[2002, c. 24, Sched. B, s. 39 (8)](http://www.ontario.ca/laws/statute/S02024" \l "schedbs39s8) - 01/01/2004

Notice of statutory conditions

**302** In the case of a policy of accident and sickness insurance of a non-renewable type issued for a term of six months or less or in relation to a ticket of travel, the statutory conditions need not be printed on or attached to the policy if the policy contains a notice to the following effect, printed in conspicuous, bold type:

Despite any other provision of this contract, this contract is subject to the statutory conditions in the Insurance Act respecting contracts of accident and sickness insurance.

R.S.O. 1990, c. I.8, s. 302; 2002, c. 18, Sched. H, s. 4 (30); 2012, c. 8, Sched. 23, s. 43.

**Section Amendments with date in force (d/m/y)**

[2002, c. 18, Sched. H, s. 4 (30)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s30) - 30/04/2007

[2012, c. 8, Sched. 23, s. 43](http://www.ontario.ca/laws/statute/S12008" \l "sched23s43) - 01/07/2016

Declaration as to sufficiency of proof

**302.1**(1)  Where an insurer admits the validity of the insurance but does not admit the sufficiency of the evidence required by subcondition 7 (1) set out in section 300 and there is no other question in issue except a question under section 302.2, the insurer or the claimant may, before or after action is brought and on at least 30 days notice, apply to the court for a declaration as to the sufficiency of the evidence furnished, and the court may make the declaration or may direct what further evidence is to be furnished and on the furnishing of the evidence may make the declaration or, in special circumstances, may dispense with further evidence and make the declaration. 2012, c. 8, Sched. 23, s. 44.

Application

(2)  This section applies only in respect of a claim for accidental death benefits. 2012, c. 8, Sched. 23, s. 44.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 44](http://www.ontario.ca/laws/statute/S12008" \l "sched23s44) - 01/07/2016

Declaration of presumption of death

**302.2**Where a claimant alleges that the person whose life is insured should be presumed to be dead and there is no other question in issue except a question under section 302.1, the insurer or the claimant may, before or after action is brought and on at least 30 days notice, apply to the court for a declaration as to presumption of the death, and the court may make the declaration. 2012, c. 8, Sched. 23, s. 44.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 44](http://www.ontario.ca/laws/statute/S12008" \l "sched23s44) - 01/07/2016

Court order re payment of insurance money

**302.3**(1)  On making a declaration under section 302.1 or 302.2, the court may make an order respecting the payment of the insurance money and respecting costs that it considers just, and a declaration or direction or an order made under this subsection is binding on the applicant and on all persons to whom notice of the application has been given. 2012, c. 8, Sched. 23, s. 44.

Insurer discharged

(2)  A payment made under an order made under subsection (1) discharges the insurer to the extent of the amount of the payment. 2012, c. 8, Sched. 23, s. 44.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 44](http://www.ontario.ca/laws/statute/S12008" \l "sched23s44) - 01/07/2016

Order stays pending action

**302.4**Unless the court orders otherwise, an application made under section 302.1 or 302.2 operates as a stay of any pending action with respect to the insurance money. 2012, c. 8, Sched. 23, s. 44.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 44](http://www.ontario.ca/laws/statute/S12008" \l "sched23s44) - 01/07/2016

Order re furnishing of further evidence

**302.5**Where the court finds that the evidence given pursuant to statutory condition 7 set out in section 300 is not sufficient or that a presumption of death is not established, it may order that the matters in issue be decided in an action brought or to be brought, or make any other order it considers just respecting further evidence to be given by the claimant, publication of advertisements, further inquiry or any other matter, or respecting costs. 2012, c. 8, Sched. 23, s. 44.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 44](http://www.ontario.ca/laws/statute/S12008" \l "sched23s44) - 01/07/2016

Termination for non-payment of initial or renewal premium

**303** (1)  Where a policy evidencing a contract or a certificate evidencing the renewal of a contract is delivered to the insured and the initial premium or in the case of a renewal certificate the renewal premium therefor has not been fully paid,

(a) the contract or the renewal thereof evidenced by the certificate is as binding on the insurer as if such premium had been paid although delivered by an officer or an agent of the insurer who did not have authority to deliver it; and

(b) the contract may be terminated for non-payment of the premium by the insurer giving,

(i) 15 days notice of termination by registered mail to the latest address of the insured on the records of the insurer, the 15 days to begin on the day the registered letter or notification of it is delivered to the insured’s address, or

(ii) 5 days written notice of termination personally delivered or delivered by prepaid courier to the latest address of the insured on the records of the insurer if there is a record by the person who has delivered it that the notice has been sent. R.S.O. 1990, c. I.8, s. 303 (1); 2012, c. 8, Sched. 23, s. 45 (1); 2019, c. 7, Sched. 33, s. 9.

Exception

(2)  This section does not apply to a contract made by a fraternal society. 2012, c. 8, Sched. 23, s. 45 (2).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 45 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s45s1) - 01/07/2016

[2019, c. 7, Sched. 33, s. 9](http://www.ontario.ca/laws/statute/S19007" \l "sched33s9) - 01/01/2022

Right where premium unpaid

**304** (1)  An insurer may,

(a) deduct unpaid premiums from an amount that it is liable to pay under a contract; or

(b) sue the insured for unpaid premiums. R.S.O. 1990, c. I.8, s. 304 (1).

Where cheque or note for premium not paid

(2)  Where a cheque or other bill of exchange or a promissory note or other written promise to pay is given for the whole or part of a premium and the cheque, bill of exchange or promissory note is not honoured according to its tenor, the premium or part thereof shall be deemed never to have been paid. R.S.O. 1990, c. I.8, s. 304 (2); 2012, c. 8, Sched. 23, s. 46 (1).

Grace period

(2.1)  Where a premium, other than a premium referred to in subsection (1), is not fully paid at the time it is due, the premium may be paid within the longer of the following:

1. A period of grace of 30 days after the date the premium is due.

2. The period of grace within which the premium may be paid, if any, specified in the contract. 2012, c. 8, Sched. 23, s. 46 (2).

Same

(2.2)  Where the happening of the event upon which the insurance money becomes payable occurs during the period of grace and before the overdue premium is paid, the contract shall be deemed to be in effect as if the premium had been paid at the time it was due and, except in the case of group insurance or of creditor’s group insurance, the amount of the premium may be deducted from the insurance money. 2012, c. 8, Sched. 23, s. 46 (2).

Exception

(3)  Clause (1) (a) does not apply to a contract of group insurance or of creditor’s group insurance. R.S.O. 1990, c. I.8, s. 304 (3); 2012, c. 8, Sched. 23, s. 46 (3).

Idem

(4)  Subsection (1) does not apply to a contract made by a fraternal society. R.S.O. 1990, c. I.8, s. 304 (4); 2012, c. 8, Sched. 23, s. 46 (4).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 46 (1-4)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s46s1) - 01/07/2016

Insurable interest, defined

**305** Without restricting the meaning of “insurable interest”, a person, in this section called the “primary person”, has an insurable interest,

(a) in the case of a primary person who is a natural person, in his or her own life and well-being and in the lives and well-being of,

(i) the primary person’s child or grandchild,

(ii) the primary person’s spouse,

(iii) a person on whom the primary person is wholly or partly dependent for, or from whom the primary person is receiving, support or education,

(iv) an employee of the primary person, and

(v) a person in the duration of whose life or in whose well-being the primary person has a pecuniary interest; and

(b) in the case of a primary person that is not a natural person, in the lives and well-being of,

(i) a director, officer or employee of the primary person, and

(ii) a person in the duration of whose life or in whose well-being the primary person has a pecuniary interest. 2012, c. 8, Sched. 23, s. 47.

**Section Amendments with date in force (d/m/y)**

1999, c. 6, s. 31 (11) - 01/03/2000

[2005, c. 5, s. 35 (15)](http://www.ontario.ca/laws/statute/S05005" \l "s35s15) - 09/03/2005

[2012, c. 8, Sched. 23, s. 47](http://www.ontario.ca/laws/statute/S12008" \l "sched23s47) - 01/07/2016

Insurable interest required

**306** (1)  Subject to subsection (2), where at the time a contract would otherwise take effect the insured has no insurable interest, the contract is void. R.S.O. 1990, c. I.8, s. 306 (1).

Exceptions

(2)  A contract is not void for lack of insurable interest,

(a) if it is a contract of group insurance; or

(b) if the person insured has consented in writing to the insurance. R.S.O. 1990, c. I.8, s. 306 (2).

Consent of minors

(3)  Where the person insured is under the age of sixteen years, consent to the insurance may be given by one of the person’s parents or by a person standing in the role of parent to the person. R.S.O. 1990, c. I.8, s. 306 (3); 2021, c. 4, Sched. 11, s. 19.

**Section Amendments with date in force (d/m/y)**

[2021, c. 4, Sched. 11, s. 19](http://www.ontario.ca/laws/statute/S21004" \l "sched11s19) - 19/04/2021

Termination of contract by court

Application to court

**306.1**(1)  A person may make an application to the court if,

(a) the person’s life or well-being, or life and well-being, are insured under a contract;

(b) the person is not the insured under the contract; and

(c) the person reasonably believes that the person’s life or health might be endangered by the insurance on his or her life or well-being, or life and well-being, continuing under that contract. 2012, c. 8, Sched. 23, s. 48.

Court order

(2)  Upon an application being made under subsection (1), the court may make any order it considers just in the circumstances, including,

(a) an order that the insurance on that person under the contract be terminated in accordance with the terms of the contract other than any terms respecting notice of termination; and

(b) an order that the amount of insurance under the contract be reduced. 2012, c. 8, Sched. 23, s. 48.

Notice

(3)  An application under subsection (1) must be made on at least 30 days notice to the insured, the beneficiary, the insurer and any other person the court considers to have an interest in the contract. 2012, c. 8, Sched. 23, s. 48.

Same

(4)  Despite subsection (3), if the court considers it just to do so, it may dispense with the notice to a person other than,

(a) the insurer; or

(b) if the contract is a contract of group insurance or of creditor’s group insurance, the insured. 2020, c. 34, Sched. 7, s. 14.

Who is bound by order

(5)  An order made under subsection (2) binds any person having an interest in the contract. 2012, c. 8, Sched. 23, s. 48.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 48](http://www.ontario.ca/laws/statute/S12008" \l "sched23s48) - 01/07/2016

[2020, c. 34, Sched. 7, s. 14](http://www.ontario.ca/laws/statute/S20034" \l "sched7s14) - 08/12/2020

Policies on Lives of Minors

Capacity of minors

**307** Except in respect of his or her rights as beneficiary, a minor who has attained the age of sixteen years has the capacity of a person of the age of eighteen years,

(a) to make an enforceable contract; and

(b) in respect of a contract. R.S.O. 1990, c. I.8, s. 307.

Misrepresentation and Non-Disclosure

Duty to disclose

**308** (1)  An applicant for insurance on the person’s own behalf and on behalf of each person to be insured, and each person to be insured, shall disclose to the insurer in any application, on a medical examination, if any, and in any written statements or answers furnished as evidence of insurability, every fact within the person’s knowledge that is material to the insurance and is not so disclosed by the other. R.S.O. 1990, c. I.8, s. 308 (1).

Failure to disclose, general

(2)  Subject to sections 309 and 312 and subsection (3), a failure to disclose, or a misrepresentation of, such a fact renders a contract voidable by the insurer. 2013, c. 2, Sched. 8, s. 24 (1).

Failure to disclose, application for change, etc., in contract

(3)  A failure to disclose, or a misrepresentation of, a fact referred to in subsection (1) relating to evidence of insurability with respect to the following kinds of applications renders the contract voidable by the insurer, but only in relation to the addition, increase or change applied for:

1. For additional coverage under a contract.

2. For an increase in insurance under a contract.

3. For any other change to insurance after the policy is issued. 2013, c. 2, Sched. 8, s. 24 (1).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 49](http://www.ontario.ca/laws/statute/S12008" \l "sched23s49) - no effect - see [2013, c. 2, Sched. 8, s. 24 (2)](http://www.ontario.ca/laws/statute/S13002" \l "sched8s24s2) - 01/07/2016

[2013, c. 2, Sched. 8, s. 24 (1, 2)](http://www.ontario.ca/laws/statute/S13002" \l "sched8s24s1) - 01/07/2016

Failure to disclose

**309** (1)  Subject to section 312 and subsections (2) to (4), when a contract, including renewals of the contract, or an addition, increase or change referred to in subsection 308 (3) has been in effect for two years with respect to a person whose life or well-being, or whose life and well-being, are insured under the contract, a failure to disclose, or a misrepresentation of, a fact required by section 308 to be disclosed in respect of that person does not, in the absence of fraud, render the contract voidable. 2012, c. 8, Sched. 23, s. 50; 2013, c. 2, Sched. 8, s. 25.

Same — group insurance or creditor’s group insurance

(2)  In the case of a contract of group insurance or of creditor’s group insurance, a failure to disclose, or a misrepresentation of, a fact required by section 308 to be disclosed in respect of a group person insured, a person insured or a debtor insured under the contract does not render the contract voidable, but,

(a) if the failure to disclose or misrepresentation relates to evidence of insurability specifically requested by the insurer at the time of application for the insurance in respect of the person, the insurance in respect of that person is voidable by the insurer; and

(b) if the failure to disclose or misrepresentation relates to evidence of insurability specifically requested by the insurer at the time of application for an addition, increase or change referred to in subsection 308 (2) in respect of the person, the addition, increase or change in respect of that person is voidable by the insurer,

unless the insurance, addition, increase or change has been in effect for two years during the lifetime of that person, in which case the insurance, addition, increase or change is not, in the absence of fraud, voidable. 2012, c. 8, Sched. 23, s. 50.

Exception

(3)  Where a claim arises from a loss incurred or a disability beginning before a contract, including renewals of it, has been in effect for two years with respect to the person in respect of whom the claim is made, subsection (1) does not apply to that claim. 2012, c. 8, Sched. 23, s. 50.

Same

(4)  Where a claim arises from a loss incurred or a disability beginning before the addition, increase or change has been in effect for two years with respect to the person in respect of whom the claim is made, subsection (1) does not apply to that claim. 2012, c. 8, Sched. 23, s. 50.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 50](http://www.ontario.ca/laws/statute/S12008" \l "sched23s50) - 01/07/2016

[2013, c. 2, Sched. 8, s. 25 (1, 2)](http://www.ontario.ca/laws/statute/S13002" \l "sched8s25s1) - 01/07/2016

Application of incontestability to reinstatement

**310** Sections 308 and 309 apply with necessary modifications to a failure at the time of reinstatement of a contract to disclose or a misrepresentation at that time, and the period of two years to which reference is made in section 309 commences to run in respect of a reinstatement from the date of reinstatement. R.S.O. 1990, c. I.8, s. 310.

Pre-existing conditions

**311** Where a contract contains a general exception or reduction with respect to pre-existing disease or physical conditions and the person insured, group person insured or debtor insured suffers or has suffered from a disease or physical condition that existed before the date the contract came into force with respect to that person and the disease or physical condition is not by name or specific description excluded from the insurance respecting that person,

(a) the prior existence of the disease or physical condition is not, except in the case of fraud, available as a defence against liability in whole or in part for a loss incurred or a disability beginning after the contract, including renewals thereof, has been in force continuously for two years immediately prior to the date of loss incurred or commencement of disability with respect to that person; and

(b) the existence of the disease or physical condition is not, except in the case of fraud, available as a defence against liability in whole or in part if the disease or physical condition was disclosed in the application for the contract. R.S.O. 1990, c. I.8, s. 311; 2012, c. 8, Sched. 23, s. 51.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 51](http://www.ontario.ca/laws/statute/S12008" \l "sched23s51) - 01/07/2016

Misstatement of age

**312** (1)  Subject to subsections (2) and (3), if the age of the person insured has been misstated to the insurer then, at the option of the insurer, either,

(a) the benefits payable under the contract shall be increased or decreased to the amount that would have been provided for the same premium at the correct age; or

(b) the premium may be adjusted in accordance with the correct age as of the date the person insured became insured. R.S.O. 1990, c. I.8, s. 312 (1).

Misstatement of age in group insurance or creditor’s group insurance

(2)  In the case of a contract of group insurance or creditor’s group insurance, if there is a misstatement to the insurer of the age of a group person insured, person insured or debtor insured, the provisions, if any, of the contract with respect to age or misstatement of age shall apply. 2012, c. 8, Sched. 23, s. 52.

True age governs

(3)  Where the age of a person affects the commencement or termination of the insurance, the true age governs. R.S.O. 1990, c. I.8, s. 312 (3).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 52](http://www.ontario.ca/laws/statute/S12008" \l "sched23s52) - 01/07/2016

Beneficiaries

Designation of beneficiary

**313** (1)  Subject to subsection (1.2), an insured may in a contract or by a declaration designate the insured, the insured’s personal representative or a beneficiary to receive insurance money as a person to whom or for whose benefit insurance money is to be payable. 2012, c. 8, Sched. 23, s. 53 (1).

Electronic declaration

(1.0.1)  Despite anything to the contrary in the Succession Law Reform Act, a declaration under this section may be provided electronically. 2019, c. 7, Sched. 33, s. 10.

Same, Authority rule requirements

(1.0.2)  An electronic declaration under this section must comply with such requirements as may be prescribed by the Authority rules. 2019, c. 7, Sched. 33, s. 10.

Designation may be altered, revoked

(1.1)  Subject to section 314.1, an insured may by declaration alter or revoke a designation referred to in subsection (1). 2012, c. 8, Sched. 23, s. 53 (1).

Limits imposed by insurer

(1.2)  Subject to the Authority rules, an insurer may restrict or exclude in a contract the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable. 2012, c. 8, Sched. 23, s. 53 (1); 2017, c. 34, Sched. 21, s. 23.

Where contract of group insurance is replaced

(1.3)  A contract of group insurance replacing another contract of group insurance on some or all of the group persons insured under the replaced contract may provide that a designation applicable to the replaced contract of a group person insured, a group person insured’s personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable shall be deemed to apply to the replacement contract. 2012, c. 8, Sched. 23, s. 53 (1).

Same

(1.4)  Where a contract of group insurance replacing another contract of group insurance provides that a designation referred to in subsection (1.3) shall be deemed to apply to the replacement contract,

(a) each certificate in respect of the replacement contract must indicate that the designation under the replaced contract has been carried forward and that the group person insured should review the existing designation to ensure it reflects the group person insured’s current intentions; and

(b) as between the insurer under the replacement contract and a claimant under that contract, that insurer is liable to the claimant for any errors or omissions by the previous insurer in respect of the recording of the designation carried forward under the replacement contract. 2012, c. 8, Sched. 23, s. 53 (1).

Where a settlement option applies

(1.5)  Where a beneficiary becomes entitled to insurance money and all or part of that insurance money remains with the insurer under a settlement option provided for in the contract or permitted by the insurer, that portion of the insurance money remaining with the insurer shall be deemed to be insurance money held pursuant to a contract on the life of the beneficiary, and, subject to the provisions of the settlement option, the beneficiary has the same rights and interests with respect to the insurance money that an insured has under a contract of life insurance. 2012, c. 8, Sched. 23, s. 53 (1).

Designation in invalid will

(2)  A designation in an instrument purporting to be a will is not ineffective by reason only of the fact that the instrument is invalid as a will or that the designation is invalid as a bequest under the will. R.S.O. 1990, c. I.8, s. 313 (2).

Priorities

(3)  Despite the Succession Law Reform Act, a designation in a will is of no effect against a designation made later than the making of the will. R.S.O. 1990, c. I.8, s. 313 (3); 2012, c. 8, Sched. 23, s. 53 (2).

Revocation

(4)  If a designation is contained in a will and subsequently the will is revoked by operation of law or otherwise, the designation is thereby revoked. R.S.O. 1990, c. I.8, s. 313 (4).

Idem

(5)  If a designation is contained in an instrument that purports to be a will and subsequently the instrument, if it had been valid as a will, would have been revoked by operation of law or otherwise, the designation is thereby revoked. R.S.O. 1990, c. I.8, s. 313 (5).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 53 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s53s1) - 01/07/2016

[2017, c. 34, Sched. 21, s. 23](http://www.ontario.ca/laws/statute/S17034" \l "sched21s23) - 08/06/2019

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2019, c. 7, Sched. 33, s. 10](http://www.ontario.ca/laws/statute/S19007" \l "sched33s10) - 08/06/2019

Death of beneficiary or insured, etc.

Meaning of “heirs”, etc.

**314** (1)  A designation in favour of the “heirs”, “next of kin” or “estate”, or the use of words of like import in a designation shall be deemed to be a designation of the personal representative. R.S.O. 1990, c. I.8, s. 314 (1).

Death of beneficiary before insured

(2)  Where a beneficiary predeceases the person insured or group person insured, as the case may be, and no disposition of the share of the deceased beneficiary in the insurance money is provided in the contract or by declaration, the share is payable,

(a) to the surviving beneficiary; or

(b) if there is more than one surviving beneficiary, to the surviving beneficiaries in equal shares; or

(c) if there is no surviving beneficiary, to the insured or group person insured, as the case may be, or his or her personal representative. R.S.O. 1990, c. I.8, s. 314 (2).

Right to sue

(3)  A beneficiary may enforce for the beneficiary’s own benefit, and a trustee appointed under section 315 may enforce as trustee, the payment of insurance money payable to him, her or it, but the insurer may set up any defence that it could have set up against the insured or the insured’s personal representative. 2012, c. 8, Sched. 23, s. 54.

Two or more designated beneficiaries

(4)  Where two or more beneficiaries are designated otherwise than alternatively but no division of the insurance money is made, the insurance money is payable to them in equal shares. 2012, c. 8, Sched. 23, s. 54.

Disclaimer by beneficiary

(5)  A beneficiary may disclaim the beneficiary’s right to insurance money by filing notice in writing with the insurer at its head or principal office in Canada. 2012, c. 8, Sched. 23, s. 54.

Same

(6)  A notice of disclaimer filed under subsection (5) is irrevocable. 2012, c. 8, Sched. 23, s. 54.

Same

(7)  Subsection (2) applies in the case of a disclaiming beneficiary or in the case of a beneficiary determined by a court to be disentitled to insurance money as if the disclaiming or disentitled beneficiary predeceased the person whose life or well-being, or whose life and well-being, are insured. 2012, c. 8, Sched. 23, s. 54.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 54](http://www.ontario.ca/laws/statute/S12008" \l "sched23s54) - 01/07/2016

Irrevocable designation

**314.1**(1)  An insured may in a contract or by a declaration, other than a declaration that is part of a will, filed with the insurer at its head or principal office in Canada during the lifetime of the person whose life or well-being, or whose life and well-being, are insured, designate a beneficiary irrevocably, and in that event the insured, while the beneficiary is living, may not alter or revoke the designation without the consent of the beneficiary, and the insurance money is not subject to the control of the insured or the claims of the insured’s creditors and does not form part of the insured’s estate. 2012, c. 8, Sched. 23, s. 55.

Failure to file designation with insurer

(2)  If an insured purports to designate a beneficiary irrevocably in a will or in a declaration that is not filed with the insurer, the designation has the same effect as if the insured had not purported to make it irrevocable. 2012, c. 8, Sched. 23, s. 55.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 55](http://www.ontario.ca/laws/statute/S12008" \l "sched23s55) - 01/07/2016

Trustee for beneficiary

**315** (1)  An insured may in a contract or by a declaration appoint a trustee for a beneficiary, and may alter or revoke the appointment by a declaration. R.S.O. 1990, c. I.8, s. 315.

Payment to trustee discharges insurer

(2)  A payment made by an insurer to a trustee for a beneficiary discharges the insurer to the extent of the amount of the payment. 2012, c. 8, Sched. 23, s. 56.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 56](http://www.ontario.ca/laws/statute/S12008" \l "sched23s56) - 01/07/2016

Documents affecting title and assignment of contracts

Documents affecting right to insurance money

**316** (1)  Until an insurer receives at its head or principal office in Canada an instrument or an order of any court of competent jurisdiction affecting the right to receive insurance money, or a notarial copy or a copy verified by statutory declaration of any such instrument or order, it may make payment of the insurance money and shall be as fully discharged to the extent of the amount paid as if there were no such instrument or order. R.S.O. 1990, c. I.8, s. 316 (1).

Saving

(2)  Subsection (1) does not affect the rights or interests of any person other than the insurer. R.S.O. 1990, c. I.8, s. 316 (2).

Interest of assignee

(3)  Where an assignee of a contract gives notice in writing of the assignment to the insurer at its head or principal office in Canada the assignee has priority of interest as against,

(a) any assignee other than one who gave notice earlier in like manner; and

(b) a beneficiary other than one designated irrevocably as provided in section 314.1 before the assignee gave notice to the insurer of the assignment in the manner provided for in this subsection. R.S.O. 1990, c. I.8, s. 316 (3); 2012, c. 8, Sched. 23, s. 57 (1).

Effect of assignment

(3.1)  Where a contract is assigned as security, the rights of a beneficiary under the contract are affected only to the extent necessary to give effect to the rights and interests of the assignee. 2012, c. 8, Sched. 23, s. 57 (2).

Assignee deemed to be insured

(4)  Where a contract is assigned unconditionally and otherwise than as security, the assignee has all the rights and interests given by the contract and by this Part to the insured, and shall be deemed to be the insured. R.S.O. 1990, c. I.8, s. 316 (4).

Same

(4.1)  Unless the document by which a contract is assigned specifies otherwise, an assignment described in subsection (4) made on or after the date this section comes into force revokes,

(a) a designation of a beneficiary made before or after that date and not made irrevocably; and

(b) a nomination referred to in section 317.3 made before or after that date. 2012, c. 8, Sched. 23, s. 57 (2).

Prohibition against assignment

(5)  A provision in a contract to the effect that the rights or interests of the insured, or in the case of a contract of group insurance or of creditor’s group insurance, the group person insured or debtor insured, are not assignable is valid. 2012, c. 8, Sched. 23, s. 57 (3).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 57 (1-3)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s57) - 01/07/2016

Insurance money free from other claims, etc.

Claims by creditors

**317** (1)  Where a beneficiary is designated, any insurance money payable to the beneficiary is not, from the time of the happening of the event upon which it becomes payable, part of the estate of the insured and is not subject to the claims of the creditors of the insured. R.S.O. 1990, c. I.8, s. 317 (1).

Contract exempt from seizure

(2)  While there is in effect a designation of beneficiary in favour of any one or more of a spouse, child, grandchild or parent of the person insured or group person insured, the insurance money and the rights and interests of the insured in the insurance money and in the contract so far as either relate to accidental death benefits are exempt from execution or seizure. R.S.O. 1990, c. I.8, s. 317 (2); 1999, c. 6, s. 31 (12); 2005, c. 5, s. 35 (16); 2012, c. 8, Sched. 23, s. 58; 2021, c. 4, Sched. 11, s. 19.

**Section Amendments with date in force (d/m/y)**

1999, c. 6, s. 31 (12) - 01/03/2000

[2005, c. 5, s. 35 (16)](http://www.ontario.ca/laws/statute/S05005" \l "s35s16) - 09/03/2005

[2012, c. 8, Sched. 23, s. 58](http://www.ontario.ca/laws/statute/S12008" \l "sched23s58) - 01/07/2016

[2021, c. 4, Sched. 11, s. 19](http://www.ontario.ca/laws/statute/S21004" \l "sched11s19) - 19/04/2021

Assignment of insurance

**317.1**(1)  The insured may assign, exercise rights under or in respect of, surrender or otherwise deal with the contract as provided in the contract or in this Part or as may be agreed on with the insurer if a beneficiary,

(a) is not designated irrevocably; or

(b) is designated irrevocably but has attained the age of 18 years and consents. 2012, c. 8, Sched. 23, s. 59.

Where there is an irrevocable designation of beneficiary

(2)  Despite subsection 314.1 (1), if a beneficiary is designated irrevocably and has not consented as described in clause (1) (b), the insured may exercise any rights in respect of the contract that are prescribed by Authority rule. 2012, c. 8, Sched. 23, s. 59; 2017, c. 34, Sched. 21, s. 24.

Same

(3)  Subject to the terms of a consent under clause (1) (b) or an order of the court under subsection (4), if there is an irrevocable designation of a beneficiary under a contract, a person acquiring an interest in the contract takes that interest subject to the rights of that beneficiary. 2012, c. 8, Sched. 23, s. 59.

Same

(4)  When a beneficiary who is designated irrevocably is unable to provide consent under clause (1) (b) because of legal incapacity, an insured may apply to the court for an order permitting the insured to deal with the contract without that consent. 2012, c. 8, Sched. 23, s. 59.

Same

(5)  The court may grant an order under subsection (4) on any notice and terms it considers just. 2012, c. 8, Sched. 23, s. 59.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 59](http://www.ontario.ca/laws/statute/S12008" \l "sched23s59) - 01/07/2016

[2017, c. 34, Sched. 21, s. 24](http://www.ontario.ca/laws/statute/S17034" \l "sched21s24) - 08/06/2019

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Entitlement to dividends

**317.2**(1)  Despite the irrevocable designation of a beneficiary, the insured is entitled, before his or her death, to the dividends or bonuses declared on a contract unless the contract provides otherwise. 2012, c. 8, Sched. 23, s. 59.

Same

(2)  Unless the insured directs otherwise, the insurer may apply the dividends or bonuses declared on the contract for the purposes of keeping the contract in force. 2012, c. 8, Sched. 23, s. 59.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 59](http://www.ontario.ca/laws/statute/S12008" \l "sched23s59) - 01/07/2016

Transfer of ownership

**317.3**(1)  Despite the Succession Law Reform Act, if in a contract or declaration it is provided that a person named in the contract or declaration has, on the death of the insured, the rights and interests of the insured in the contract,

(a) the rights and interests of the insured in the contract do not, on the death of the insured, form part of the insured’s estate; and

(b) on the death of the insured, the person named in the contract or declaration has the rights and interests given to the insured by the contract and by this Part and shall be deemed to be the insured. 2012, c. 8, Sched. 23, s. 60.

Successive owners

(2)  Where a contract or declaration referred to in subsection (1) provides that, on the death of the insured, two or more persons named in the contract or declaration have successively on the death of each of them the rights and interests of the insured in the contract, this section applies successively, with all necessary modifications, to each of those persons and their rights and interests in the contract. 2012, c. 8, Sched. 23, s. 60.

Saving

(3)  Despite a nomination referred to in subsection (1), the insured, before his or her death, may,

(a) assign, exercise rights under or in respect of, surrender or otherwise deal with the contract as if the nomination had not been made; and

(b) subject to the terms of the contract, alter or revoke the nomination by declaration. 2012, c. 8, Sched. 23, s. 60.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 60](http://www.ontario.ca/laws/statute/S12008" \l "sched23s60) - 01/07/2016

Group person insured enforcing rights

**318** A group person insured may, in his or her own name, enforce a right given by a contract to him or her, or to a person insured thereunder as a person dependent upon or related to him or her, subject to any defence available to the insurer against him or her or such person insured or against the insured. R.S.O. 1990, c. I.8, s. 318.

Enforcement of right re creditor’s group insurance

**318.1**(1)  A debtor insured or a debtor who is jointly liable for the debt with the debtor insured may enforce in his or her own name the creditor’s rights in respect of a claim arising in relation to the debtor insured, subject to any defence available to the insurer against the creditor or the debtor insured. 2012, c. 8, Sched. 23, s. 61.

Payment by insurer to creditor

(2)  Subject to subsection (3), if an insurer pays insurance money in respect of a claim under subsection (1), the insurer shall pay the insurance money to the creditor. 2012, c. 8, Sched. 23, s. 61.

Excess may be paid to debtor insured

(3)  If the debtor insured provides evidence satisfactory to the insurer that the insurance money exceeds the debt then owing to the creditor, the insurer may pay the excess directly to that debtor insured. 2012, c. 8, Sched. 23, s. 61.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 61](http://www.ontario.ca/laws/statute/S12008" \l "sched23s61) - 01/07/2016

Simultaneous deaths

**319** Unless a contract or a declaration otherwise provides, where a person insured or group person insured and a beneficiary die at the same time or in circumstances rendering it uncertain which of them survived the other, the insurance money and any applicable interest are payable as if the beneficiary had predeceased the person insured or group person insured. R.S.O. 1990, c. I.8, s. 319; 2012, c. 8, Sched. 23, s. 62.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 62](http://www.ontario.ca/laws/statute/S12008" \l "sched23s62) - 01/07/2016

Payment into court

**320** (1)  Where the insurer admits liability for the insurance money or any part thereof and it appears to the insurer that,

(a) there are adverse claimants;

(b) the whereabouts of the person entitled is unknown;

(c) there is no person capable of giving or authorized to give a valid discharge therefor who is willing to do so;

(d) there is no person entitled to the insurance money; or

(e) the person to whom the insurance money is payable would be disentitled on public policy or other grounds,

the insurer may apply without notice to the court for an order for payment of money into court, and the court may upon such notice, if any, as it deems necessary, make an order accordingly.

R.S.O. 1990, c. I.8, s. 320 (1); 2012, c. 8, Sched. 23, s. 63.

Costs of proceedings

(2)  The court may fix without assessment the costs incurred upon or in connection with any application or order made under subsection (1), and may order the costs to be paid out of the insurance money or by the insurer or otherwise as it considers just. R.S.O. 1990, c. I.8, s. 320 (2).

Discharge of insurer

(3)  A payment made pursuant to an order under subsection (1) discharges the insurer to the extent of the payment. R.S.O. 1990, c. I.8, s. 320 (3).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 63](http://www.ontario.ca/laws/statute/S12008" \l "sched23s63) - 01/07/2016

Where beneficiary a minor

**321** (1)  Where an insurer admits liability for insurance money payable to a minor and there is no person capable of giving and authorized to give a valid discharge therefor who is willing to do so, the insurer may at any time after thirty days from the date of the happening of the event upon which the insurance money becomes payable, pay the money into court to the credit of the minor. R.S.O. 1990, c. I.8, s. 321 (1); 2012, c. 8, Sched. 23, s. 64 (1).

(2)  Repealed: 2012, c. 8, Sched. 23, s. 64 (2).

Procedure

(3)  No order is necessary for payment into court under subsection (1), but the accountant or other proper officer shall receive the money upon the insurer filing with him or her an affidavit showing the amount payable and the name, date of birth and residence of the minor, and upon such payment being made the insurer shall forthwith notify the Children’s Lawyer and deliver to him or her a copy of the affidavit. R.S.O. 1990, c. I.8, s. 321 (3); 1994, c. 27, s. 43 (2).

Insurer discharged by payment into court

(4)  Payment of the money into court in accordance with this section discharges the insurer to the extent of the payment. 2012, c. 8, Sched. 23, s. 64 (3).

Authorized payments

(5)  An insurer may, despite subsection (1), pay insurance money and applicable interest payable to a minor to,

(a) the guardian of the property of the minor, appointed under section 47 of the Children’s Law Reform Act; or

(b) a person referred to in subsection 51 (1) of the Children’s Law Reform Act, if the payment does not exceed the amount set out in that subsection. 2012, c. 8, Sched. 23, s. 64 (3).

**Section Amendments with date in force (d/m/y)**

1994, c. 27, s. 43 (2) - 03/04/1995

[2012, c. 8, Sched. 23, s. 64 (1-3)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s64s1) - 01/07/2016

Beneficiary under legal incapacity

**322** Despite section 321, where it appears to an insurer that a representative of a beneficiary who is a minor or otherwise under a legal incapacity may accept payments on behalf of the beneficiary under the law of the jurisdiction in which the beneficiary resides, the insurer may make payment to the representative, and the payment discharges the insurer to the extent of the amount paid. 2012, c. 8, Sched. 23, s. 65.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 65](http://www.ontario.ca/laws/statute/S12008" \l "sched23s65) - 01/07/2016

Payments not exceeding $10,000

**323** Even though insurance money is payable to a person, the insurer may if the contract so provides, but subject always to the rights of an assignee, pay an amount not exceeding $10,000 to,

(a) a relative by blood or connection by marriage of a person insured or the group person insured; or

(b) any person appearing to the insurer to be equitably entitled thereto by reason of having incurred expense for the maintenance, medical attendance or burial of a person insured or the group person insured, or to have a claim against the estate of a person insured or the group person insured in relation thereto,

and any such payment discharges the insurer to the extent of the amount paid. R.S.O. 1990, c. I.8, s. 323; 2012, c. 8, Sched. 23, s. 66; 2016, c. 23, s. 55 (5).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 66](http://www.ontario.ca/laws/statute/S12008" \l "sched23s66) - 01/07/2016

[2016, c. 23, s. 55 (5)](http://www.ontario.ca/laws/statute/S16023" \l "s55s5) - 01/01/2017

Place of payment

**324** (1)  Subject to subsections (2), (4) and (5), insurance money is payable in Ontario. 2012, c. 8, Sched. 23, s. 67 (1).

Exception for group insurance

(2)  In the case of a contract of group insurance, money is payable in the province or territory of Canada in which the group person insured was resident at the time he or she became insured. R.S.O. 1990, c. I.8, s. 324 (2).

Dollars

(3)  Unless a contract otherwise provides, a reference therein to dollars means Canadian dollars whether the contract by its terms provides for payment in Canada or elsewhere. R.S.O. 1990, c. I.8, s. 324 (3).

Payment outside Ontario

(4)  Where a person entitled to receive insurance money is not resident in Ontario, the insurer may pay the insurance money to that person or to any person who is entitled to receive it on that person’s behalf under the law of the jurisdiction in which the payee resides and any such payment discharges the insurer to the extent of the amount paid. 2012, c. 8, Sched. 23, s. 67 (2).

Payment to personal representative

(5)  Where insurance money is by the contract payable to a person who has died or to his or her personal representative and such deceased person was not at the date of his or her death domiciled in Ontario, the insurer may pay the insurance money to the personal representative of such person appointed under the law of his or her domicile, and any such payment discharges the insurer to the extent of the amount paid. R.S.O. 1990, c. I.8, s. 324 (5).

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 67 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s67s1) - 01/07/2016

Action in Ontario

**325** Regardless of the place where a contract was made, a claimant who is a resident of Ontario may bring an action in Ontario if the insurer was authorized to transact insurance in Ontario at the time the contract was made or at the time the action is brought. R.S.O. 1990, c. I.8, s. 325.

Insurer giving information

**326** An insurer does not incur any liability for any default, error or omission in giving or withholding information as to any notice or instrument that it has received and that affects the insurance money. R.S.O. 1990, c. I.8, s. 326.

Undue prominence

**327** The insurer shall not in the policy give undue prominence to any provision or statutory condition as compared to other provisions or statutory conditions, unless this Part provides otherwise or the effect of that provision or statutory condition is to increase the premium or decrease the benefits otherwise provided for in the policy. R.S.O. 1990, c. I.8, s. 327; 2014, c. 7, Sched. 14, s. 6.

**Section Amendments with date in force (d/m/y)**

[2014, c. 7, Sched. 14, s. 6](http://www.ontario.ca/laws/statute/S14007" \l "sched14s6) - 24/07/2014

Relief from forfeiture

**328** Where there has been imperfect compliance with a statutory condition as to the proof of loss to be given by the insured or another matter or thing required to be done or omitted by the insured with respect to the loss and a consequent forfeiture or avoidance of the insurance in whole or in part, or there has been a termination of the policy by a notice that was not received by the insured because of the insured’s absence from the address to which the notice was addressed, and the court considers it inequitable that the insurance should be forfeited or on that ground, or terminated, the court, on terms it considers just, may,

(a) relieve against the forfeiture or avoidance; or

(b) if the application for relief is made within 90 days of the date of the delivery or mailing of the notice of termination, relieve against the termination. 2012, c. 8, Sched. 23, s. 68; 2019, c. 7, Sched. 33, s. 11.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 68](http://www.ontario.ca/laws/statute/S12008" \l "sched23s68) - 01/07/2016

[2019, c. 7, Sched. 33, s. 11](http://www.ontario.ca/laws/statute/S19007" \l "sched33s11) - 01/01/2022

Presumption against agency

**329** An officer, agent or employee of an insurer, or a person soliciting insurance, whether or not an agent of the insurer, shall not be considered to be the agent of the insured, person insured, group person insured or debtor insured, to that person’s prejudice, in respect of any question arising out of a contract. 2012, c. 8, Sched. 23, s. 69.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 69](http://www.ontario.ca/laws/statute/S12008" \l "sched23s69) - 01/07/2016

Part viii (ss. 330-333) Repealed: 1999, c. 12, Sched. I, s. 4 (23).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (23) - 22/12/1999

Part ix (ss. 334-338) Repealed: 1999, c. 12, Sched. I, s. 4 (23).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (23) - 22/12/1999

PART X  
FRATERNAL SOCIETIES

Definitions, Part X

**339** In this Part,

“rates of contribution” means the regular net premiums, dues, rates or contributions receivable from the members for the purpose of the payment at maturity of the society’s certificates or contracts of insurance; (“taux de contribution”)

“society” means a fraternal society. (“société”) R.S.O. 1990, c. I.8, s. 339.

Application of Part

**340** (1)  Subject to subsections (2) and (3), this Part applies only to fraternal societies incorporated under the laws of Ontario.

Application of ss. 341 to 344, s. 371

(2)  Sections 341 to 344 and section 371 apply to all fraternal societies carrying on the business of insurance in Ontario.

Application of s. 345 (2)

(3)  Subsection 345 (2) applies only to fraternal societies incorporated elsewhere than in Ontario. 1999, c. 12, Sched. I, s. 4 (24).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (24) - 22/12/1999

What fraternal societies required to be licensed

**341** Fraternal societies required to be licensed under this Act include,

(a) a company, society, association or organization incorporated before the 10th day of March, 1890, under chapter 172 of The Revised Statutes of Ontario, 1887, or a predecessor thereof;

(b) a society incorporated under chapter 183 of The Revised Statutes of Ontario, 1914, or a predecessor thereof, that undertakes insurance against death;

(c) an association of the civil servants or employees of Canada incorporated by or under the authority of an Act of the Parliament of Canada;

(d) a fraternal society incorporated after the 1st day of January, 1924, under the Corporations Act or a predecessor thereof. R.S.O. 1990, c. I.8, s. 341.

Cases in which societies not to be licensed

**342** No fraternal society shall be licensed,

(a) if it undertakes insurance contracts with persons other than its own members and their spouses and children;

(b) if it engages in or carries on any business other than life insurance or accident and sickness insurance;

(c) if it has upon its books fewer than 75 members in good standing; or

(d) if it is in effect the property of its officers or collectors, or of any other person for the person’s own benefit, or is conducted as a mercantile or business enterprise, or for the purpose of mercantile profit, or if its funds are under the control of persons or officers appointed for life and not under that of the insured. 1999, c. 12, Sched. I, s. 4 (25, 26); 2002, c. 18, Sched. H, s. 4 (31); 2005, c. 5, s. 35 (17).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (25) - 22/12/1999

1999, c. 12, Sched. I, s. 4 (26) - 01/03/2000

[2002, c. 18, Sched. H, s. 4 (31)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s31) - 30/04/2007

[2005, c. 5, s. 35 (17)](http://www.ontario.ca/laws/statute/S05005" \l "s35s17) - 09/03/2005

Societies deemed not to be fraternal societies

**343** The following shall be deemed not to be fraternal societies within the meaning of this Part and shall not be required or entitled to be licensed as such:

1. Societies known as mutual benefit societies as defined in section 1.

2. Pension fund societies incorporated under the Corporations Act or a predecessor thereof.

3. A corporation not otherwise provided for in this Act that has by or under the authority of an Act of the Parliament of Canada created a fund for paying a gratuity on the happening of death, sickness, infirmity, casualty, accident, disability or any change of physical or mental condition.

4. A corporation not otherwise provided for in this Act that has by or under the authority of an Act of the Parliament of Canada an insurance and provident society or association, or an insurance or guarantee fund in connection with the corporation.

5. A corporation that undertakes or offers to undertake contracts of insurance prohibited by section 342.

6. A corporation in which the insurance fund is used for the purposes of a mercantile or business enterprise, or for mercantile profit, or a society formed on the lodge system, whose insurance fund is held other than as a trust fund for the members insured.

7. A society in which the persons insured do not exercise, either directly or through representatives elected for a term not exceeding four years, effective control over the insurance fund of the society, or in which the officers or other persons having the disposition, control or possession of the insurance fund are elected or appointed for a longer period than four years.

8. Any corporation that undertakes contracts of insurance but is not formed exclusively for that purpose and that does not for the purposes of such contracts keep distinct and separate funds, securities, books and vouchers. R.S.O. 1990, c. I.8, s. 343; 1997, c. 19, s. 10 (30).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (30) - 10/10/1997

Guarantee and endowment insurance, exception to s. 342 (b)

**344** Clause 342 (b) does not apply to contracts guaranteeing the fidelity of officers, servants or employees of the branches or subdivisions of a corporation. R.S.O. 1990, c. I.8, s. 344.

Central body for Ontario or representative may be dealt with

**345** (1)  Where two or more lodges or branches of a society, though separately incorporated, are under the financial or administrative control of a central governing body in Ontario or a duly authorized provincial representative of the society, such governing body, if incorporated, or such provincial representative of the society may, if the Chief Executive Officer thinks proper, be dealt with as the society. R.S.O. 1990, c. I.8, s. 345 (1); 2018, c. 8, Sched. 13, s. 22.

When central body for Ontario incorporated

(2)  In the case of a fraternal society incorporated elsewhere than in Ontario, the central governing or controlling body in Ontario, if incorporated by virtue of the law of Ontario, may, if the Chief Executive Officer thinks proper, be dealt with as the society. R.S.O. 1990, c. I.8, s. 345 (2); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

By-laws and rules

To be filed with Chief Executive Officer

**346** (1)  Every fraternal society shall, with its application for licence, file in the office of the Chief Executive Officer duly certified copies in duplicate of those articles or provisions of the subsisting constitution, by-laws or rules that contain material terms not set out in the instrument of contract adopted by the society, and shall, from time to time, file in the office of the Chief Executive Officer duly certified copies in duplicate of every amendment, revision or consolidation of such articles or provisions of the constitution, by-laws and rules within thirty days after the passing or adoption of the amendment, revision or consolidation. R.S.O. 1990, c. I.8, s. 346 (1); 2018, c. 8, Sched. 13, s. 22.

Binding when passed by society

(2)  The constitution, by-laws or rules and any amendment, revision or consolidation of them passed by the society shall, despite the declaration or other instrument filed under any general or special Act, be deemed to be the rules in force on and after the date of passing by the society until a subsequent amendment, revision or consolidation is in like manner passed and so on from time to time, and are binding and obligatory upon all members of the society and upon all their beneficiaries and legal representatives and upon everyone entitled to any benefit under any certificate of the society, but the passing of any rule of the society or of any amendment or revision of a rule does not make valid any provision of such rule that is inconsistent with this Act. 1999, c. 12, Sched. I, s. 4 (27).

(3)-(6)  Repealed: 1999, c. 12, Sched. I, s. 4 (27).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (27) - 22/12/1999

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Amendment of rules, Chief Executive Officer’s direction

**347** Where because of a provision in any of its rules a society otherwise entitled to be licensed ought not, in the opinion of the Chief Executive Officer, to be licensed, it is not entitled to a licence until it has repealed or amended such rules in accordance with the direction of the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 347; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Rules deliverable on demand

**348** (1)  A copy of all rules of a society relating to its insurance contracts and to the management and application of its insurance funds shall be delivered by the society to any member requesting it on payment of a reasonable fee. R.S.O. 1990, c. I.8, s. 348 (1); 1999, c. 12, Sched. I, s. 4 (28).

Fraudulent delivery

(2)  An officer or agent of a society who, with intent to mislead or defraud, gives a person a copy of rules other than the rules then in force on the pretence that they are the rules then in force is guilty of an offence. R.S.O. 1990, c. I.8, s. 348 (2).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (28) - 22/12/1999

**349** Repealed: 1999, c. 12, Sched. I, s. 4 (29) - 22/12/1999.

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (29) - 22/12/1999

Limitation of member’s liability in fraternal society

**350** (1)  The liabilities of a member under the member’s contract at any date is limited to the assessments, fees and dues that became payable within the preceding twelve months and of which at such date notice had been given in accordance with the constitution and rules of the society. R.S.O. 1990, c. I.8, s. 350 (1).

Withdrawal of member

(2)  A member may at any time withdraw from the society by delivering or sending by ordinary mail to the society notice in writing of the intention to withdraw and paying or tendering the assessments, fees and dues mentioned in subsection (1). R.S.O. 1990, c. I.8, s. 350 (2); 1999, c. 12, Sched. I, s. 4 (30).

Release from liability

(3)  After such withdrawal, the member becomes thereby released from all further liability under the member’s contract and continues to be entitled to any insurance benefits paid for under the contract. R.S.O. 1990, c. I.8, s. 350 (3); 1999, c. 12, Sched. I, s. 4 (31).

Exception

(4)  This section is subject to any rules to the contrary passed by the society. 1999, c. 12, Sched. I, s. 4 (32).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (30-32) - 22/12/1999

**351** Repealed: 1999, c. 12, Sched. I, s. 4 (33).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (33) - 22/12/1999

Conditions of forfeiture restricted

**352** (1)  Where it is stipulated that the benefit of the contract will be suspended or reduced or forfeited for any other reason than for non-payment of money, such condition is not valid unless it is held to be just and reasonable under the circumstances of the case.

Condition as to abstinence

(2)  In any contract of which total abstinence from intoxicating liquors is made an express condition, such condition shall be deemed to be just and reasonable. R.S.O. 1990, c. I.8, s. 352.

How notice may be given to members

**353** (1)  Subject to subsection (2), a notice required to be given to a member for any purpose of this Act or of the rules of the society may be effectually given if written or printed notice is delivered, or is sent by registered mail to the member, or is left at the member’s last known place of residence or of business or by publication in the official paper of the society. R.S.O. 1990, c. I.8, s. 353 (1).

Notice of reduction of benefit or increase in premium

(2)  A notice of the reduction of any benefit payable under a contract of insurance or of the increase of the premium rate for any benefit under a contract of insurance shall be delivered to the member by a method which has been approved by the Chief Executive Officer. 1999, c. 12, Sched. I, s. 4 (34); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (34) - 22/12/1999

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Head offices of Ontario societies

**354** A society incorporated under any Act of the Legislature is not entitled to a licence unless its head office is located and maintained in Ontario. R.S.O. 1990, c. I.8, s. 354.

Actuary’s report

**355** In addition to the annual statement required to be filed under this Act, each society shall file with the Chief Executive Officer, not later than four months after the end of each fiscal year, a report of the society’s actuary certifying whether the society’s rates of benefit are reasonable, and whether the amounts of insurance or annuity to be issued by the society are reasonable, having regard to,

(a) the conditions and circumstances for the issuance of policies by the society;

(b) the sufficiency of the rates of contribution to provide for those benefits and those amounts of insurance; and

(c) the reasonableness of the loan values, cash values, and other equities that may be provided under the policies. 1999, c. 12, Sched. I, s. 4 (35); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (35) - 22/12/1999

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Where assets of society insufficient

**356** (1)  If it appears to the Chief Executive Officer from the statement and reports filed with him or her or from an examination or valuation made under this Act that the assets of a licensed fraternal society applicable to the payment of its insurance contracts are insufficient to provide for the payment of its contracts of insurance at maturity without deduction or abatement and without increase in its existing rates of contribution, the Chief Executive Officer shall require the society to make, within the specified time but not exceeding four years, such increase in its rates of contribution or such reduction in the benefits payable under its contracts of insurance or otherwise as will enable the society to provide for the payment of its contracts of insurance at maturity. R.S.O. 1990, c. I.8, s. 356 (1); 1997, c. 28, s. 117 (1); 2018, c. 8, Sched. 13, s. 22.

(2)  Repealed: 1997, c. 28, s. 117 (2).

Society to act upon request

(3)  On receipt of such request, the society shall take the steps prescribed by its laws or constitution for putting into effect such changes as may be approved by the actuary appointed by the society for the purpose aforesaid. R.S.O. 1990, c. I.8, s. 356 (3).

Special meeting to consider request of Chief Executive Officer

(4)  Where in the opinion of the governing executive authority of the society a special meeting of the society is desirable for the purpose of considering the request of the Chief Executive Officer, the authority may call a special meeting of the supreme legislative body of the society upon such notice as the authority considers reasonable and as the Chief Executive Officer may approve, and such meeting so called shall be deemed to have been regularly constituted despite anything in its constitution and laws. R.S.O. 1990, c. I.8, s. 356 (4); 1997, c. 28, s. 117 (3); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 117 (1-3) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Reduction of benefits, or increase of rates

**357** A fraternal society incorporated under the laws of Ontario may by amendment of its constitution and laws reduce the benefits payable under its contracts of insurance or some of them, or increase the rates of contribution payable by its members as a whole or some class or classes thereof, or make such other changes as are necessary to comply with the aforesaid request of the Chief Executive Officer and such amendments when adopted by a majority of the votes duly cast by the members of the supreme legislative body of the society at a regular or special meeting of the supreme legislative body of the society duly called are binding upon the members of the society and upon their beneficiaries or legal representatives and upon all persons deriving legal rights from any member or beneficiary, despite anything in its constitution and laws before such amendments or in its Act or instrument of incorporation, or in any contract, policy or certificate of insurance heretofore or hereafter issued by the society. R.S.O. 1990, c. I.8, s. 357; 1997, c. 28, s. 118; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 118 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Default of society in complying with request of Chief Executive Officer

**358** (1)  Where a society does not within the time allowed comply with the request of the Chief Executive Officer as prescribed by subsection 356 (2), the Chief Executive Officer shall thereupon appoint a readjustment committee of three persons of whom at least one must be an actuary who shall at as early a date as practicable investigate the assets, liabilities, rates of contribution and plans of insurance of the society and prepare a report containing such amendments to the society’s constitution and laws reducing the benefits payable under its contracts of insurance or some of them or increasing the rates of contribution payable by its members as a whole or some class or classes thereof, or such other amendments as the readjustment committee considers necessary in order to provide for the payment of all the contracts of insurance of the society as they mature in accordance with the amendments. R.S.O. 1990, c. I.8, s. 358 (1); 1997, c. 28, s. 119; 2018, c. 8, Sched. 13, s. 22.

Amendments in report of committee to be part of society’s constitution

(2)  The readjustment committee shall file such report in the office of the Chief Executive Officer and deliver to the society a certified copy thereof and, immediately upon such report being filed with the Chief Executive Officer, the amendments contained therein become part of the constitution and laws of the society and are valid and binding upon all its members and upon their beneficiaries or personal representatives and upon all persons deriving legal rights from any member or beneficiary despite anything in its constitution and laws before such amendments or in its Act or instrument of incorporation or in any policy or certificate of insurance issued by it. R.S.O. 1990, c. I.8, s. 358 (2); 2018, c. 8, Sched. 13, s. 22.

Date to be fixed in report

(3)  The readjustment committee shall in the amendments fix a date not more than six months after the date of filing of the report when the reduction of benefits or increase in the rate of contribution provided for by such amendments will be in full force and effect. R.S.O. 1990, c. I.8, s. 358 (3).

Expenses

(4)  The society shall bear the expense of the investigation and report and shall furnish the readjustment committee with required information. R.S.O. 1990, c. I.8, s. 358 (4).

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 119 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Separate accounts for each class of insurance

**359** A society shall maintain a separate account in respect of each class of insurance for which it is authorized to insure risks. 1999, c. 12, Sched. I, s. 4 (36).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (36) - 22/12/1999

**360** Repealed: 1999, c. 12, Sched. I, s. 4 (37).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (37) - 22/12/1999

Epidemic or unforeseen contingency

**361** In the event of an epidemic or other unforeseen contingency impairing the funds of a society, the governing executive authority of the society may impose a special assessment or special assessments upon the members of the society or upon such class or classes thereof and with such incidence as in the opinion of the governing executive authority is necessary and equitable, and such special assessment or assessments are binding on the members of the society despite anything to the contrary in its Act or instrument of incorporation or its constitution and laws, or in any certificate of insurance heretofore or hereafter issued by the society. R.S.O. 1990, c. I.8, s. 361.

General or expense fund

**362** The governing executive authority of a society may make such additional levies from time to time upon all members of the society as are necessary, in the opinion of the governing executive authority, to properly carry on the work of the society and prevent any deficit in its general or expense fund, and such additional levies are binding on its members despite anything to the contrary in its Act or instrument of incorporation, or in its constitution or laws, or in any certificate of insurance heretofore or hereafter issued by it. R.S.O. 1990, c. I.8, s. 362.

**363-368** Repealed: 1999, c. 12, Sched. I, s. 4 (37).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (37) - 22/12/1999

**369** Repealed: 1999, c. 12, Sched. I, s. 4 (38).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (38) - 22/12/1999

Exception as to annual statement

**370** Where the constitution, by-laws or rules of a fraternal society provide for a fiscal year other than the calendar year, the Chief Executive Officer may, in his or her discretion, accept statements from it showing its affairs as at the end of the fiscal year instead of as at the end of the calendar year. R.S.O. 1990, c. I.8, s. 370; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Policy disclosures

**371** A fraternal society shall make policy disclosures to members on the matters, at the times and in the form established by the Chief Executive Officer. 1999, c. 12, Sched. I, s. 4 (39); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (39) - 22/12/1999

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Part xi (ss. 372-374) Repealed: 1997, c. 19, s. 10 (31).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (31) - 10/10/1997

Part xii (ss. 375-376) Repealed: 1997, c. 19, s. 10 (31).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (31) - 10/10/1997

PART XIII  
RECIPROCAL INSURANCE EXCHANGES

Definitions, Part XIII

**377** In this Part, unless the context otherwise requires,

“attorney” means a person authorized to act for subscribers as provided in section 380; (“fondé de pouvoir”)

“subscribers” means the persons exchanging with each other reciprocal contracts of indemnity or insurance as provided in section 378. (“souscripteurs”) R.S.O. 1990, c. I.8, s. 377; 1999, c. 12, Sched. I, s. 4 (41).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (41) - 01/01/2001

Authority for exchange of reciprocal contracts of insurance

**378** (1)  It is lawful for a person to exchange with other persons in Ontario and elsewhere reciprocal contracts of indemnity or insurance for any class of insurance for which an insurance company may be licensed under this Act, except life insurance, accident and sickness insurance, and surety insurance. R.S.O. 1990, c. I.8, s. 378; 1993, c. 10, s. 36 (1); 1999, c. 12, Sched. I, s. 4 (42); 2002, c. 18, Sched. H, s. 4 (32).

(2)  Repealed: 2002, c. 18, Sched. H, s. 4 (33).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 36 (1, 2) - 01/01/1994; 1999, c. 12, Sched. I, s. 4 (42) - 01/01/2001

[2002, c. 18, Sched. H, s. 4 (32, 33)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s32) - 30/04/2007

Subscriber not to be deemed an insurer

**379** No person shall be deemed to be an insurer within the meaning of this Act by reason of exchanging with other persons reciprocal contracts of indemnity or insurance under this Act. R.S.O. 1990, c. I.8, s. 379; 1999, c. 12, Sched. I, s. 4 (43).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (43) - 01/01/2001

Contract executed on behalf of subscribers

Execution of contract

**380** (1)  Reciprocal contracts of indemnity or insurance may be executed on behalf of subscribers by any other person acting as attorney under a power of attorney, a copy of which has been duly filed as hereinafter provided. R.S.O. 1990, c. I.8, s. 380 (1); 1999, c. 12, Sched. I, s. 4 (44).

Who may maintain action in contract

(2)  Despite any condition or stipulation of any such power of attorney or of any such contract of indemnity or insurance, any action or proceeding in respect of any such contract may be maintained in any court of competent jurisdiction in Ontario. R.S.O. 1990, c. I.8, s. 380 (2); 1999, c. 12, Sched. I, s. 4 (45).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (44, 45) - 01/01/2001

Exchange agreement – required elements

**380.1**  An agreement between subscribers shall,

(a) provide for the establishment of an advisory board to be responsible for the supervision of the exchange;

(b) set out the powers and duties of the advisory board;

(c) describe how the exchange will establish the investment and lending policies, standards and procedures required under subsection 387 (3); and

(d) contain such other elements as may be prescribed. 2006, c. 33, Sched. O, s. 9.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 9](http://www.ontario.ca/laws/statute/S06033" \l "schedos9) - 05/05/2008

Filing by members of exchange

**381** (1)  Before the licence for a reciprocal insurance exchange is issued, the persons constituting the exchange shall, through their attorney, file with the Chief Executive Officer such information, documents and declarations, to be verified by oath, as may be prescribed by regulation. 1999, c. 12, Sched. I, s. 4 (46); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 381 (1) of the Act is amended by striking out “regulation” at the end and substituting “Authority rule”. (See: 2017, c. 34, Sched. 21, s. 25 (1))

Same

(2)  At such times as the Chief Executive Officer may require, an exchange shall file with the Chief Executive Officer such information, documents and declarations, to be verified by oath, as may be prescribed by regulation. 1999, c. 12, Sched. I, s. 4 (46); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 381 (2) of the Act is amended by striking out “regulation” at the end and substituting “Authority rule”. (See: 2017, c. 34, Sched. 21, s. 25 (2))

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (46) - 01/01/2001

[2017, c. 34, Sched. 21, s. 25 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s25s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Licence for exchange, approval of change

Issuance of licence

**382** (1)  Upon an exchange complying with this Part, the Chief Executive Officer may issue a licence to the exchange if he or she is satisfied that the exchange meets such requirements and criteria as may be prescribed by regulation. 1999, c. 12, Sched. I, s. 4 (47); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 382 (1) of the Act is amended by striking out “regulation” at the end and substituting “Authority rule”. (See: 2017, c. 34, Sched. 21, s. 26)

Change to agreement requires approval

(2)  A change to the agreement between subscribers governing the exchange of contracts of indemnity or insurance shall not be effective unless it is approved by the Chief Executive Officer. 1999, c. 12, Sched. I, s. 4 (47); 2018, c. 8, Sched. 13, s. 22.

Appeal

(3)  A decision of the Chief Executive Officer under subsection (1) or (2) may be appealed to the Tribunal. 1999, c. 12, Sched. I, s. 4 (47); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (32) - 10/10/1997; 1999, c. 12, Sched. I, s. 4 (47) - 01/01/2001

[2017, c. 34, Sched. 21, s. 26](http://www.ontario.ca/laws/statute/S17034" \l "sched21s26) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

**383** Repealed: 1999, c. 12, Sched. I, s. 4 (48).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (48) - 01/01/2001

Service of process

**384** Where the office from which such contracts are to be issued is not in Ontario, service upon the Chief Executive Officer of notice or process in any action or proceeding in Ontario in respect of a contract of indemnity or insurance effected by the exchange shall be deemed service upon the subscribers who are members of the exchange at the time of the service. R.S.O. 1990, c. I.8, s. 384; 1999, c. 12, Sched. I, s. 4 (49); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (49) - 01/01/2001

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**385** Repealed: 1999, c. 12, Sched. I, s. 4 (50).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (50) - 01/01/2001

Reserves to be held by exchange

Amount of cash or investments

**386** (1)  The exchange shall at all times maintain a sum in cash or investments amounting to not less than an amount that is,

(a) prescribed by the regulations; or

(b) determined in a manner prescribed by the regulations. 2006, c. 33, Sched. O, s. 10 (1); 2007, c. 7, Sched. 18, s. 1 (1).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 386 (1) of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules. (See: 2017, c. 34, Sched. 21, s. 27 (1))

Amount of surplus

(2)  There shall at all times be maintained a surplus of assets in excess of all liabilities, amounting to not less than such amount as may be prescribed by regulation or such amount as may be determined in the prescribed manner. 1999, c. 12, Sched. I, s. 4 (51).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 386 (2) of the Act is amended by striking out “regulation” and substituting “Authority rule” and by striking out “the prescribed manner” at the end and substituting “the manner prescribed by Authority rule”. (See: 2017, c. 34, Sched. 21, s. 27 (2))

(3), (4)  Repealed: 1999, c. 12, Sched. I, s. 4 (51).

Deficiency

(5)  If at any time the amounts on hand are less than the foregoing requirements, the subscribers or the attorney shall forthwith make up the deficiency. R.S.O. 1990, c. I.8, s. 386 (5).

Use of funds supplied to make up deficiency

(6)  Where funds, other than those that accrued from premiums or deposits of subscribers, are supplied to make up a deficiency as herein provided for, such funds shall be deposited and held for the benefit of subscribers under such terms and conditions as the Chief Executive Officer may require so long as a deficiency exists, and may thereafter be returned to the depositor. R.S.O. 1990, c. I.8, s. 386 (6); 2018, c. 8, Sched. 13, s. 22.

(7)  Repealed: 2006, c. 33, Sched. O, s. 10 (2).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (51) - 01/01/2001

[2006, c. 33, Sched. O, s. 10 (1, 2)](http://www.ontario.ca/laws/statute/S06033" \l "schedos10s1) - 05/05/2008

[2007, c. 7, Sched. 18, s. 1 (1)](http://www.ontario.ca/laws/statute/S07007" \l "sched18s1s1) - 05/05/2008

[2017, c. 34, Sched. 21, s. 27 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s27s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Investment of funds

**387** (1)  If the principal office of the exchange is in Ontario, the exchange may invest its funds in accordance with Part XVII as if the exchange,

(a) was an insurer to which that Part applied; and

(b) was licensed to transact any insurance other than life insurance. 2006, c. 33, Sched. O, s. 11.

Application of Part XVII

(2)  Part XVII applies to the exchange with necessary modifications. 2006, c. 33, Sched. O, s. 11.

Investment standards

(3)  The exchange shall establish and the funds of the exchange shall be invested in accordance with investment and lending policies, standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments and loans to avoid undue risk of loss and obtain a reasonable return. 2006, c. 33, Sched. O, s. 11.

Annual review by committee

(4)  The advisory board of an exchange shall review the investment and lending policies, standards and procedures at least once a year and shall make such revisions as may be necessary to ensure that they satisfy the requirements of subsection (3). 2006, c. 33, Sched. O, s. 11.

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (52) - 01/01/2001

[2006, c. 33, Sched. O, s. 11](http://www.ontario.ca/laws/statute/S06033" \l "schedos11) - 05/05/2008

Other insurance or reinsurance

Contracts for subscribers only

**388** (1)  No exchange shall undertake any liability on a contract of indemnity or insurance except on behalf of a subscriber. R.S.O. 1990, c. I.8, s. 388 (1); 1999, c. 12, Sched. I, s. 4 (53).

Reinsurance in another exchange

(2)  No attorney or exchange shall effect reinsurance of any risks undertaken by the exchange in any licensed reciprocal insurance exchange unless such exchange operates on the same underwriting standards. R.S.O. 1990, c. I.8, s. 388 (2); 1999, c. 12, Sched. I, s. 4 (54).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (53, 54) - 01/01/2001

Attorney not to act until licence granted

**389** (1)  No person shall act as attorney, or for or on behalf of an attorney, in the exchange of reciprocal contracts of indemnity or insurance, or in acts or transactions in connection therewith, until a licence has been issued and is in force. R.S.O. 1990, c. I.8, s. 389 (1); 1999, c. 12, Sched. I, s. 4 (55).

Offence

(2)  Every person who, in contravention of subsection (1), undertakes or effects or agrees or offers to undertake or effect an exchange of reciprocal contracts of indemnity or insurance, or any act or transaction in connection therewith, is guilty of an offence and on conviction is liable to a fine of not less than $50 and not more than $500. R.S.O. 1990, c. I.8, s. 389 (2); 1999, c. 12, Sched. I, s. 4 (56).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (55, 56) - 01/01/2001

Divestment order

**389.1**  (1)  The Chief Executive Officer may, by order, direct an exchange to dispose of any loan, investment or interest within the time specified in the order if,

(a) the loan, investment or interest was made or acquired in contravention of this Act or the regulations;

(b) the exchange fails to provide information or undertakings required by the Chief Executive Officer under this Part; or

(c) the Chief Executive Officer believes on reasonable grounds that the making or holding of the loan or investment or the holding of the interest is inconsistent with prudent investment standards. 2006, c. 33, Sched. O, s. 12; 2018, c. 8, Sched. 13, s. 22.

Appeal

(2)  The exchange may appeal the order of the Chief Executive Officer to the Tribunal. 2006, c. 33, Sched. O, s. 12; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 12](http://www.ontario.ca/laws/statute/S06033" \l "schedos12) - 05/05/2008

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Suspension or revocation of licence

**390** (1)  Upon examination, investigation or upon any other evidence, the Chief Executive Officer shall make a report if he or she finds a licensed exchange or attorney has contravened any provision of this Act. 1997, c. 28, s. 122; 2018, c. 8, Sched. 13, s. 22.

Notice to exchange or attorney

(2)  The Chief Executive Officer may give notice in writing, which shall include a copy of the report made under subsection (1), to the licensed exchange or attorney that the Chief Executive Officer intends to suspend or revoke the licence of the exchange. 1997, c. 28, s. 122; 2018, c. 8, Sched. 13, s. 22.

Request for hearing

(3)  Within 15 days after receiving the notice, the exchange or its attorney may request in writing that the Tribunal hold a hearing before the Chief Executive Officer takes any action described in the notice. 1997, c. 28, s. 122; 2018, c. 8, Sched. 13, s. 22.

Hearing

(4)  If, within the time period allowed, the exchange or its attorney requests a hearing, the Tribunal shall hold a hearing. 1997, c. 28, s. 122.

No request for hearing

(5)  If, within the time period allowed, the exchange or its attorney does not request a hearing, the Chief Executive Officer may suspend or revoke the licence of the exchange. 1997, c. 28, s. 122; 2018, c. 8, Sched. 13, s. 22.

Powers of Tribunal

(6)  At a hearing, if the Tribunal agrees with the Chief Executive Officer’s report, it may suspend or revoke the licence of the exchange. 1997, c. 28, s. 122; 2018, c. 8, Sched. 13, s. 23.

Effect of suspension or revocation

(7)  The suspension or revocation of a licence of an exchange does not affect the validity of any reciprocal contracts of indemnity or insurance affected prior to that time or the rights and obligations of subscribers under such contracts. 1997, c. 28, s. 122; 1999, c. 12, Sched. I, s. 4 (57).

Notice

(8)  The Chief Executive Officer shall give notice of a suspension or revocation on the website of the Authority as soon as reasonably possible after the suspension or revocation and the notice shall remain posted on the website for 30 days. 2019, c. 14, Sched. 9, s. 13.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 122 - 01/07/1998; 1999, c. 12, Sched. I, s. 4 (57) - 01/01/2001

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 13](http://www.ontario.ca/laws/statute/S19014" \l "sched9s13) - 31/07/2020

**391** Repealed: 1997, c. 43, Sched. F, s. 5 (1).

**Section Amendments with date in force (d/m/y)**

1997, c. 43, Sched. F, s. 5 (1) - 01/01/1998

Fire insurance in unlicensed exchanges may be effected outside Ontario

**392** Despite anything in this Act, any person may insure against fire any property situated in Ontario in an exchange not licensed under this Act, and any property so insured or to be insured may be inspected and any loss incurred in respect thereof adjusted, if such insurance is effected outside Ontario and without any solicitation in Ontario directly or indirectly on the part of the insurer. R.S.O. 1990, c. I.8, s. 392.

PART XIV  
AGENTS, BROKERS AND ADJUSTERS

Interpretation

Definition

**392.1**In this Part,

“licence for life insurance” means the class of licence described in paragraph 1 of subsection 392.2 (2). 2014, c. 9, Sched. 3, s. 15.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 15](http://www.ontario.ca/laws/statute/S14009" \l "sched3s15) - 01/01/2015

Licences of Insurance Agents

Insurance agent’s licence, scope of authority

**392.2**(1)  A person who holds a licence issued under this Part to act as an insurance agent in Ontario is authorized to act as such in accordance with the requirements of this Act, the regulations and the Authority rules and subject to the restrictions applicable to the class of licence issued to the person. 2014, c. 9, Sched. 3, s. 15; 2021, c. 8, Sched. 5, s. 2.

Classes of agent’s licence

(2)  The following classes of licence authorizing a person to act as an insurance agent in Ontario may be issued under this Part:

1. Licence for life insurance and accident and sickness insurance.

2. Licence for accident and sickness insurance.

3. Licence for all classes of insurance other than life insurance. 2014, c. 9, Sched. 3, s. 15.

Same

(3)  An agent’s licence is subject to such terms and conditions as may be prescribed for the applicable class of licence, such conditions as may be imposed by the Chief Executive Officer, and such requirements, including reporting requirements, as may be prescribed for that class of licence. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Authority of agent

(4)  A class of licence described in paragraph 2 or 3 of subsection (2) authorizes an agent to act for one insurer only, and the insurer itself must be licensed under this Act to undertake the applicable class of insurance. 2014, c. 9, Sched. 3, s. 15.

Same

(5)  The agent’s licence for a class of licence described in paragraph 2 or 3 of subsection (2) must specify the name of the insurer that has appointed the agent to act on its behalf. 2014, c. 9, Sched. 3, s. 15.

Offence

(6)  Every person who acts as an insurance agent in Ontario without the licence required by this Part, or does so while the person’s licence is suspended, is guilty of an offence. 2014, c. 9, Sched. 3, s. 15.

Representation restricted

(7)  An agent holding a class of licence described in paragraph 2 or 3 of subsection (2) shall not make any representation to the public, by advertisement or otherwise, that the agent is an agent of any insurer other than the one specified in the licence for the purposes of selling the classes of insurance specified in the licence. 2014, c. 9, Sched. 3, s. 15.

Insurance groups

(8)  Despite subsection (7), an agent may be licensed to act as an agent for an affiliated group of insurers that, in the opinion of the Chief Executive Officer, are carrying on business as a common undertaking and that affiliated group of insurers is deemed to be an insurer for the purpose of determining the agent’s authority to act as an agent under this Act. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Same

(9)  For the purposes of subsection (8), the following corporations and insurers are deemed to be an affiliated group of insurers carrying on business as a common undertaking:

1. Every mutual insurance corporation that participates in the Fire Mutuals Guarantee Fund.

2. Every insurer that is controlled by one or more mutual insurance corporations that participate in the Fire Mutuals Guarantee Fund as a result of investments made under Part XVII. 2014, c. 9, Sched. 3, s. 15.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 15](http://www.ontario.ca/laws/statute/S14009" \l "sched3s15) -01/01/2015

[2017, c. 34, Sched. 21, s. 28](http://www.ontario.ca/laws/statute/S17034" \l "sched21s28) - no effect - see: [2021, c. 8, Sched. 5, s. 13](http://www.ontario.ca/laws/statute/S21008" \l "sched5s13) - 27/04/2021

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2021, c. 8, Sched. 5, s. 2](http://www.ontario.ca/laws/statute/S21008" \l "sched5s2) - 01/04/2022

Application for agent’s licence

**392.3**(1)  A person who wishes to apply for a licence authorizing him, her or it to act as an insurance agent in Ontario shall submit an application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and material as he or she may require and pay the applicable fee. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Same

(2)  The applicant is also required to pay any outstanding administrative penalty imposed under Part XVIII.1. 2014, c. 9, Sched. 3, s. 15.

Notice of appointment of applicant

(3)  Unless the regulations specify otherwise, the application must include a notice from an insurer, on a form approved by the Chief Executive Officer, certifying that the insurer has appointed the applicant to act as the insurer’s agent in Ontario. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 392.3 (3) of the Act is amended by striking out “the regulations” and substituting “the Authority rules”. (See: 2021, c. 8, Sched. 5, s. 3)

Declaration by applicant

(4)  The application must include a declaration by the applicant, on a form approved by the Chief Executive Officer, respecting representations made in the application. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Withdrawal of application

(5)  The applicant may withdraw the application at any time before the licence is issued, but if the Chief Executive Officer has taken a step under section 407.1 in connection with the application, the applicant cannot withdraw the application without the Chief Executive Officer’s permission. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22, 23.

Conditions

(6)  If the Chief Executive Officer permits the applicant to withdraw the application, the Chief Executive Officer may impose conditions relating to the withdrawal. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 15](http://www.ontario.ca/laws/statute/S14009" \l "sched3s15) - 01/01/2015

[2017, c. 34, Sched. 21, s. 28](http://www.ontario.ca/laws/statute/S17034" \l "sched21s28) - no effect - see: [2021, c. 8, Sched. 5, s. 13](http://www.ontario.ca/laws/statute/S21008" \l "sched5s13) - 27/04/2021

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2021, c. 8, Sched. 5, s. 3](http://www.ontario.ca/laws/statute/S21008" \l "sched5s3) - not in force

Issuance, amendment and renewal of agent’s licence

**392.4**(1)  The Chief Executive Officer shall issue a licence to act as an insurance agent in Ontario to an applicant who applies in accordance with section 392.3 and who satisfies the prescribed requirements for the licence unless the Chief Executive Officer believes, on reasonable grounds, that the applicant is not suitable to be licensed having regard to such circumstances as may be prescribed and such other matters as the Chief Executive Officer considers appropriate. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Term of licence

(2)  A licence authorizing a person to act as an insurance agent expires at such time as the regulations provide, unless the licence is revoked or suspended under this Part. 2014, c. 9, Sched. 3, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 392.4 (2) of the Act is amended by striking out “the regulations” and substituting “the Authority rules”. (See: 2021, c. 8, Sched. 5, s. 4)

Proposal to refuse application

(3)  If the Chief Executive Officer proposes to refuse to issue a licence to the applicant, the Chief Executive Officer shall take the steps required by section 407.1. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Proposal to impose conditions

(4)  If the Chief Executive Officer proposes to issue the licence and, without the applicant’s consent, to impose conditions on the licence, the Chief Executive Officer shall take the steps required by section 407.1. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Amendment of licence

(5)  The Chief Executive Officer may, at any time, amend an agent’s licence. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Proposal to amend

(6)  If the Chief Executive Officer proposes to amend the licence without the agent’s consent, the Chief Executive Officer shall take the steps required by section 407.1. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Renewal of licence

(7)  An agent who wishes to apply for renewal of his, her or its licence shall submit an application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and material as he or she may require and pay the applicable fee. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Same

(8)  Subsections 392.3 (2) to (6) and subsections (1), (3) and (4) of this section apply, with necessary modifications, with respect to the application for renewal. 2014, c. 9, Sched. 3, s. 15.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 15](http://www.ontario.ca/laws/statute/S14009" \l "sched3s15) - 01/01/2015

[2017, c. 34, Sched. 21, s. 28](http://www.ontario.ca/laws/statute/S17034" \l "sched21s28) - no effect - see: [2021, c. 8, Sched. 5, s. 13](http://www.ontario.ca/laws/statute/S21008" \l "sched5s13) - 27/04/2021

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2021, c. 8, Sched. 5, s. 4](http://www.ontario.ca/laws/statute/S21008" \l "sched5s4) - not in force

Revocation or suspension of agent’s licence

**392.5**(1)  The Chief Executive Officer may revoke or suspend an agent’s licence to act as an insurance agent if the agent has failed to comply with this Act, the regulations, the Authority rules or a condition of the licence. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22; 2021, c. 8, Sched. 5, s. 5.

Same

(2)  The Chief Executive Officer may revoke or suspend an agent’s licence if any prescribed grounds for revoking or suspending a licence, or for refusing to issue a licence, exist. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Proposal to revoke or suspend

(3)  If the Chief Executive Officer proposes to revoke or suspend an agent’s licence under this section without the agent’s consent, the Chief Executive Officer shall take the steps required by section 407.1. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Expedited order to revoke or suspend

(4)  The Chief Executive Officer may, by order, revoke or suspend an agent’s licence in any of the following circumstances, without taking the steps required by section 407.1:

1. The agent fails to pay a fee required under this Act or an administrative penalty imposed under Part XVIII.1.

2. Such other circumstances as may be prescribed. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Effect of suspension

(5)  During a suspension, the agent is not authorized to act as an insurance agent in Ontario. 2014, c. 9, Sched. 3, s. 15.

Interim order suspending licence

(6)  If, in the Chief Executive Officer’s opinion, the interests of the public may be adversely affected by any delay in the revocation or suspension of an agent’s licence as a result of the steps required by section 407.1, the Chief Executive Officer may, without notice, make an interim order suspending the licence and may do so before or after giving the notice required by section 407.1 with respect to the proposal to revoke or suspend the licence. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22, 23.

Effect of interim order

(7)  An interim order suspending an agent’s licence takes effect immediately and remains in effect until the expiry of the period for requesting a hearing under section 407.1 about the Chief Executive Officer’s proposal to revoke or suspend the licence. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 23.

Same

(8)  Despite subsection (7), if the Chief Executive Officer does not give the agent the notice required by section 407.1 within 21 days after the day on which the interim order is made, the interim order expires at the end of the 21-day period. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Extension of interim order

(9)  If the agent requests a hearing about the Chief Executive Officer’s proposal to revoke or suspend the licence, the Chief Executive Officer may extend the interim order until the proposal is finally determined. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22, 23.

Revocation of order re: suspension

(10)  The Chief Executive Officer may, at any time, revoke a suspension order or an interim order suspending an agent’s licence. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Reinstatement of licence

(11)  If a licence is revoked for non-payment of a fee or administrative penalty described in paragraph 1 of subsection (4), the Chief Executive Officer may reinstate the licence upon payment of the fee or penalty. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 15](http://www.ontario.ca/laws/statute/S14009" \l "sched3s15) - 01/01/2015

[2017, c. 34, Sched. 21, s. 28](http://www.ontario.ca/laws/statute/S17034" \l "sched21s28) - no effect - see: [2021, c. 8, Sched. 5, s. 13](http://www.ontario.ca/laws/statute/S21008" \l "sched5s13) - 27/04/2021

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2021, c. 8, Sched. 5, s. 5](http://www.ontario.ca/laws/statute/S21008" \l "sched5s5) - 01/04/2022

Automatic suspension of agent’s licence

Notice by insurer

**392.6**(1)  An insurer shall forthwith give written notice to the Chief Executive Officer if the insurer has terminated the appointment of an agent to act on the insurer’s behalf, and the notice must indicate the reason for the termination. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Suspension

(2)  The agent’s licence is suspended upon termination of his or her appointment by the insurer. 2014, c. 9, Sched. 3, s. 15.

End of suspension

(3)  The suspension of the agent’s licence ends when an insurer notifies the Chief Executive Officer, on a form approved by the Chief Executive Officer, that the agent is appointed to act on its behalf and the applicable fee to amend the licence is paid. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Offence

(4)  An insurer who fails to give the notice required by subsection (1) within 30 days after terminating the agent’s appointment is guilty of an offence. 2014, c. 9, Sched. 3, s. 15.

Exceptions

(5)  This section does not apply in such circumstances as may be prescribed by regulation. 2014, c. 9, Sched. 3, s. 15.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 15](http://www.ontario.ca/laws/statute/S14009" \l "sched3s15) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Surrender of agent’s licence

**392.7**(1)  An agent may apply to the Chief Executive Officer for permission to surrender the agent’s licence. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Application

(2)  The applicant shall submit the application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and material as he or she may require and pay the applicable fee. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Decision re: surrender

(3)  The Chief Executive Officer shall allow the applicant to surrender the licence unless the Chief Executive Officer believes, on reasonable grounds, that the surrender of the licence is not in the public interest having regard to such criteria as may be prescribed and such other factors as the Chief Executive Officer considers appropriate. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Same

(4)  If the Chief Executive Officer allows the surrender of the licence, the Chief Executive Officer may impose conditions relating to the surrender. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Proposal to refuse the application to surrender

(5)  If the Chief Executive Officer proposes to refuse to allow the surrender of the licence, the Chief Executive Officer shall take the steps required by section 407.1. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

Proposal to impose conditions

(6)  If the Chief Executive Officer proposes to allow the surrender of the licence and, without the applicant’s consent, to impose conditions relating to the surrender, the Chief Executive Officer shall take the steps required by section 407.1. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 15](http://www.ontario.ca/laws/statute/S14009" \l "sched3s15) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Regulations re: agent’s licences

**392.8**(1)  The Lieutenant Governor in Council may make regulations relating to licences authorizing a person to act as an insurance agent in Ontario,

(a) prescribing the matters that are required or permitted under sections 392.2 to 392.7 to be prescribed or to be done by regulation;

(b) prescribing requirements, qualifications and terms and conditions for the issuance or renewal of licences;

(c) providing for the holding of examinations for applicants for licences or for renewals of licences;

(d) classifying applicants for licences and restricting or prohibiting the licensing of any class of applicant;

(e) providing that subsection 392.3 (3) and subsections 392.6 (1) to (4) do not apply in circumstances specified in the regulations in respect of a licence for life insurance;

(f) prescribing the grounds upon which a licence may be revoked, suspended or not renewed;

(g) governing reports by insurers to the Chief Executive Officer on the suitability of an applicant or licensee to act as an agent;

(h) requiring insurers that appoint agents to act on their behalf to establish and maintain a system to screen each agent and supervise activities of each agent;

(i) prescribing, for each class of licence, standards of practice and duties of agents, including prescribing a code of ethics;

(j) governing the discipline of agents;

(k) regulating the method of handling premiums collected and requiring and regulating accounts and records to be maintained by agents;

(l) requiring agents to supply information and make returns to the Chief Executive Officer;

(m) requiring an agent to furnish a bond or other security and fixing the amount, form, requirements and terms thereof;

(n) requiring that agents who hold a licence for life insurance carry errors and omissions insurance, furnish a fidelity bond or belong to a compensation fund, and fixing the amount, form, requirements and terms thereof;

(o) regulating the replacement of an existing contract of life insurance by another contract of life insurance;

(p) prescribing the duties of insurers and agents in connection with the replacement of life insurance contracts;

(q) respecting any matter necessary or advisable to carry out effectively the intent and purpose of sections 392.2 to 392.7. 2014, c. 9, Sched. 3, s. 15; 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 14.

(2)  Repealed: 2019, c. 14, Sched. 9, s. 20.

Scope of regulations

(3)  Regulations made under subsection (1) are in addition to the provisions of sections 392.2 to 392.7, even if the regulations concern a matter provided for in any of those sections. 2014, c. 9, Sched. 3, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 392.8 of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 29)

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 15](http://www.ontario.ca/laws/statute/S14009" \l "sched3s15) - 01/01/2015

[2017, c. 34, Sched. 21, s. 29](http://www.ontario.ca/laws/statute/S17034" \l "sched21s29) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 14 (1, 2), 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s14s1) - 10/12/2019

**393** Repealed: 2019, c. 14, Sched. 9, s. 20.

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 339 (1-8, 10) - 01/02/1995; 1997, c. 19, s. 10 (33) - 10/10/1997; 1997, c. 28, s. 123 (1-4) - 01/07/1998

[2002, c. 18, Sched. H, s. 4 (34)](http://www.ontario.ca/laws/statute/S02018" \l "schedhs4s34) - 30/04/2007

[2004, c. 31, Sched. 20, s. 8 (1, 2)](http://www.ontario.ca/laws/statute/S04031" \l "sched20s8s1) - 16/12/2004

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006; [2006, c. 33, Sched. O, s. 13](http://www.ontario.ca/laws/statute/S06033" \l "schedos13) - 05/05/2008

[2012, c. 8, Sched. 23, s. 70 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s70s1) - 01/01/2013

[2014, c. 9, Sched. 3, s. 16 (2-18)](http://www.ontario.ca/laws/statute/S14009" \l "sched3s16s2) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

Provisions Relating to Agents and Brokers Generally

Agent or broker deemed to be insurer’s agent

**394** (1)  An agent or broker shall, for the purpose of receiving any premium for a contract of insurance, be deemed to be the agent of the insurer despite any conditions or stipulations to the contrary.

Exception

(2)  This section does not apply to life insurance. R.S.O. 1990, c. I.8, s. 394.

Fraudulent representations

**395** An agent or broker who knowingly procures, by fraudulent representations, payment or the obligation for payment of any premium on an insurance policy is guilty of an offence. R.S.O. 1990, c. I.8, s. 395.

Personal liability of agent for unlawful contracts

**396** An agent or broker is personally liable to the insured on all contracts of insurance unlawfully made by or through the agent or broker directly or indirectly with any insurer not licensed to undertake insurance in Ontario in the same manner as if the agent or broker were the insurer. R.S.O. 1990, c. I.8, s. 396.

Licences of Insurance Adjusters

Licences of insurance adjusters

**397** (1)  The Chief Executive Officer may, upon the payment of the fee established by the Minister and of any outstanding administrative penalty imposed under Part XVIII.1, issue to any suitable person a licence to act as an adjustor, but a person licensed as an insurance agent under this Part or an insurance broker under the Registered Insurance Brokers Act shall not receive a licence to act as an insurance adjuster. 2019, c. 14, Sched. 9, s. 15.

Application to be filed with Chief Executive Officer

(2)  The applicant for the licence shall file with the Chief Executive Officer an application on a form approved by the Chief Executive Officer and shall provide any other information, material and evidence that the Chief Executive Officer may require. 2011, c. 9, Sched. 21, s. 5; 2014, c. 9, Sched. 3, s. 17 (1); 2018, c. 8, Sched. 13, s. 22.

Licence to be in force one year

(3)  If the Chief Executive Officer is satisfied with the statements and information required, the Chief Executive Officer shall issue the licence, which expires on the 30th day of June in each year unless sooner revoked or suspended. R.S.O. 1990, c. I.8, s. 397 (3); 2018, c. 8, Sched. 13, s. 22.

Withdrawal of application

(3.1)  Subsections 392.3 (5) and (6) apply, with necessary modifications, with respect to the withdrawal of an application for a licence. 2014, c. 9, Sched. 3, s. 17 (2).

Refusal to issue licence, etc.

(3.2)  Subsections 392.4 (3) and (4) apply, with necessary modifications, if the Chief Executive Officer proposes to refuse to issue a licence or proposes to impose conditions on the licence without the applicant’s consent. 2014, c. 9, Sched. 3, s. 17 (2); 2018, c. 8, Sched. 13, s. 22.

Amendment of licence

(3.3)  Subsections 392.4 (5) and (6) apply, with necessary modifications, with respect to the amendment of an adjuster’s licence. 2014, c. 9, Sched. 3, s. 17 (2).

Renewal of licence

(4)  An adjuster who wishes to apply for renewal of his, her or its licence shall submit an application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and material as he or she may require and pay the applicable fee. 2014, c. 9, Sched. 3, s. 17 (3); 2018, c. 8, Sched. 13, s. 22.

Same

(5)  Subsections 392.3 (2) and (4) to (6) and 392.4 (1), (3) and (4) apply, with necessary modifications, with respect to the application for renewal of an adjuster’s licence. 2014, c. 9, Sched. 3, s. 17 (3).

Revocation or suspension of licence

(6)  Section 392.5 (revocation or suspension of agent’s licence) applies, with necessary modifications, with respect to the revocation or suspension of an adjuster’s licence. 2014, c. 9, Sched. 3, s. 17 (3).

Surrender of licence

(6.1)  Section 392.7 (surrender of agent’s licence) applies, with necessary modifications, with respect to the surrender of an adjuster’s licence. 2014, c. 9, Sched. 3, s. 17 (3).

Offence

(7)  A person who acts as an adjuster without such a licence or during a suspension of the person’s licence is guilty of an offence. R.S.O. 1990, c. I.8, s. 397 (7).

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 124 - 01/07/1998

[2004, c. 31, Sched. 20, s. 9](http://www.ontario.ca/laws/statute/S04031" \l "sched20s9) - 16/12/2004

[2011, c. 9, Sched. 21, s. 5](http://www.ontario.ca/laws/statute/S11009" \l "sched21s5) - 12/05/2011

[2012, c. 8, Sched. 23, s. 71 (1, 2)](http://www.ontario.ca/laws/statute/S12008" \l "sched23s71s1) - 01/01/2013

[2014, c. 9, Sched. 3, s. 17 (1-3)](http://www.ontario.ca/laws/statute/S14009" \l "sched3s17s1) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 15](http://www.ontario.ca/laws/statute/S19014" \l "sched9s15) - 10/12/2019

Prohibition against public adjusters of motor accident claims

**398** (1)  Subject to subsections (2) and (3), no person shall, on the person’s own behalf or on behalf of another person, directly or indirectly,

(a) solicit the right to negotiate, or negotiate or attempt to negotiate, for compensation, the settlement of a claim for loss or damage arising out of a motor vehicle accident resulting from bodily injury to or death of any person or damage to property on behalf of a claimant; or

(b) hold himself, herself or itself out as an adjuster, investigator, consultant or otherwise as an adviser, on behalf of any person having a claim against an insured or an insurer for which indemnity is provided by a motor vehicle liability policy, including a claim for Statutory Accident Benefits. R.S.O. 1990, c. I.8, s. 398 (1); 2002, c. 22, s. 130 (1, 2).

Exception

(2)  This section does not apply to a barrister or solicitor acting in the usual course of the practice of law. R.S.O. 1990, c. I.8, s. 398 (2).

Non-application to prescribed persons

(3)  Subsection (1) does not apply to a prescribed person or class of persons who comply with prescribed terms and conditions. 2002, c. 22, s. 130 (3).

**Section Amendments with date in force (d/m/y)**

[2002, c. 22, s. 130 (1-3)](http://www.ontario.ca/laws/statute/S02022" \l "s130s1) - 01/11/2003

Partnership Licences of Agents and Adjusters

Licences to partnerships

**399** (1)  A licence to act as an agent or an adjuster may be issued under section 392.4 or 397 to a partnership, except as otherwise provided in this section or in the regulations. 2014, c. 9, Sched. 3, s. 18 (1).

Statement to be filed by each partner

(2)  The application for a licence shall include the name of each member of the partnership and shall include a request that the licence be issued in the name of the partnership, and the licence may be revoked or suspended as to one or more members of the partnership. 2012, c. 8, Sched. 23, s. 72; 2014, c. 9, Sched. 3, s. 18 (2).

(2.1)  Repealed: 2014, c. 9, Sched. 3, s. 18 (3).

Termination of partnership

(3)  If the partnership is terminated before the expiration of the licence, the partners shall forthwith give notice to the Chief Executive Officer. 1994, c. 11, s. 340; 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 16.

Revocation

(3.1)  If notice is given under subsection (3), the partnership’s licence shall be revoked. 1994, c. 11, s. 340.

Offence

(4)  A member of a partnership licensed under this section who contravenes any of its provisions is guilty of an offence. R.S.O. 1990, c. I.8, s. 399 (4).

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 340 - 01/02/1995

[2004, c. 31, Sched. 20, s. 10](http://www.ontario.ca/laws/statute/S04031" \l "sched20s10) - 16/12/2004

[2012, c. 8, Sched. 23, s. 72](http://www.ontario.ca/laws/statute/S12008" \l "sched23s72) - 01/01/2013

[2014, c. 9, Sched. 3, s. 18](http://www.ontario.ca/laws/statute/S14009" \l "sched3s18) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 16](http://www.ontario.ca/laws/statute/S19014" \l "sched9s16) - 10/12/2019

Corporation Licences of Agents and Adjusters

Licences to corporations

**400** (1)  A licence to act as an agent or an adjuster may be issued under section 392.4 or 397 to a corporation, except as otherwise provided in this section or in the regulations. 2014, c. 9, Sched. 3, s. 19 (1).

When licences not to be issued

(2)  Licences as agents shall not be issued to a corporation if it appears to the Chief Executive Officer that the application is made for the purpose of acting as agent wholly or chiefly in the insurance of property owned by the corporation or by its shareholders or members, or in the placing of insurance for one person, firm, corporation, estate or family. 2001, c. 8, s. 43 (1); 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 17.

(3)-(5)  Repealed: 2001, c. 8, s. 43 (2).

Authority of corporation, etc.

(6)  A corporation that holds a licence to act as an agent or adjuster, and every individual who is appointed to act as an agent or adjuster on behalf of and in the name of the corporation, is subject to the provisions of this Act that apply with respect to agents and adjusters. 2014, c. 9, Sched. 3, s. 19 (2).

Exception for certain employees

(7)  Despite subsection (6), an employee of the corporation who does not receive commissions and who performs only office duties on behalf of the corporation in connection with the activities of an agent or adjuster may perform those duties under the authority of the corporation’s licence. 2014, c. 9, Sched. 3, s. 19 (2).

(8)  Repealed: 2014, c. 9, Sched. 3, s. 19 (2).

Chief Executive Officer may require information

(9)  If the principal business of a corporation licensed under this section is not the business of an insurance agent or adjuster, the Chief Executive Officer may require from such a corporation such information as he or she considers necessary in respect to the corporation, its officers and affairs and may make such examination of its books and affairs as he or she considers necessary for the purposes of this Act. R.S.O. 1990, c. I.8, s. 400 (9); 1994, c. 11, s. 341 (3); 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 17.

Dissolution of corporation

(10)  If a corporation licensed under this section is dissolved or its instrument of incorporation is revoked, the corporation shall forthwith give notice to the Chief Executive Officer. 1994, c. 11, s. 341 (4); 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 17.

Revocation

(10.1)  If notice is given under subsection (10), the corporation’s licence shall be revoked. 1994, c. 11, s. 341 (4).

Personal liability of officers

(11)  An officer of the corporation who contravenes any of the provisions of this section is guilty of an offence and is personally liable therefor, although such contravention is committed in the name and on behalf of the corporation, and the corporation is liable for any such contravention the responsibility for which cannot be placed upon any such officer. R.S.O. 1990, c. I.8, s. 400 (11); 2014, c. 9, Sched. 3, s. 19 (3).

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 341 - 01/02/1995

[2001, c. 8, s. 43](http://www.ontario.ca/laws/statute/S01008" \l "s43s1) - 29/06/2001

[2004, c. 31, Sched. 20, s. 11](http://www.ontario.ca/laws/statute/S04031" \l "sched20s11) - 16/12/2004

[2012, c. 8, Sched. 23, s. 73](http://www.ontario.ca/laws/statute/S12008" \l "sched23s73) - 01/01/2013

[2014, c. 9, Sched. 3, s. 19](http://www.ontario.ca/laws/statute/S14009" \l "sched3s19s1) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 17](http://www.ontario.ca/laws/statute/S19014" \l "sched9s17) - 10/12/2019

Provisions Relating to Agents, Brokers and Adjusters Generally

Acting as agent or adjuster without authority

**401** A person who, not being duly licensed as an agent or adjuster, represents or holds himself, herself or itself out to the public as being such an agent or adjuster, or as being engaged in the insurance business by means of advertisements, cards, circulars, letterheads, signs, or other methods, or, being duly licensed as such agent or adjuster, advertises as aforesaid or carries on such business in any other name than that stated in the licence, is guilty of an offence. R.S.O. 1990, c. I.8, s. 401.

Money held in trust by agent

Agent to be deemed to hold premium in trust for insurer

**402** (1)  An agent or broker who acts in negotiating, or renewing or continuing a contract of insurance, other than life insurance, with a licensed insurer, and who receives any money or substitute for money as a premium for such a contract from the insured, shall be deemed to hold such premium in trust for the insurer, and, if the agent or broker fails to pay the premium over to the insurer within fifteen days after written demand made upon the agent or broker therefor, less the commission of the agent or broker and any deductions to which, by the written consent of the company, the agent or broker is entitled, such failure is proof, in the absence of evidence to the contrary, that the agent or broker has used or applied the premium for a purpose other than paying it over to the insurer.

Agent to be deemed to hold money in trust for payee under policy

(2)  An agent or broker who acts in negotiating or renewing or continuing a contract of insurance with a licensed insurer, and who receives any money or substitute for money for payment to a person in respect of the contract of insurance shall be deemed to hold such money in trust for the person entitled thereto, and, if the agent or broker fails to pay the money over to such person within fifteen days after written demand made upon the agent or broker therefor, less the commission of the agent or broker and any deductions to which the agent or broker is entitled, such failure is proof, in the absence of evidence to the contrary, that the agent or broker has used or applied the money for a purpose other than paying it over to the person entitled. R.S.O. 1990, c. I.8, s. 402.

No compensation to be paid by insurer not licensed

**403** (1)  No insurer, and no officer, employee or agent thereof, and no broker, shall directly or indirectly pay or allow, or agree to pay or allow, compensation or anything of value to any person for placing or negotiating insurance on lives, property or interests in Ontario, or negotiating the continuance or renewal thereof, or for attempting so to do, who, at the date thereof, is not an agent or broker and whoever contravenes this subsection is guilty of an offence. R.S.O. 1990, c. I.8, s. 403 (1); 1994, c. 11, s. 342.

(2)  Repealed: 1999, c. 12, Sched. I, s. 4 (58).

Exceptions

(3)  Nothing in this section affects any payment by way of dividend, bonus, profit or savings that is provided for by the policy, or shall be construed so as to prevent an insurer compensating a salaried employee of its head office or a branch office in respect of insurance issued by the employing insurer upon the life of such employee or upon the employee’s property or interests in Ontario or so as to require that such employee shall be licensed as an agent under this Act to affect such insurance. R.S.O. 1990, c. I.8, s. 403 (3).

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 342 - 01/02/1995; 1999, c. 12, Sched. I, s. 4 (58) - 22/12/1999

**404** Repealed: 1994, c. 11, s. 343.

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 343 - 01/02/1995

**405** Repealed: 1994, c. 11, s. 343.

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 343 - 01/02/1995

**406** Repealed: 1993, c. 10, s. 37.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 37 - 01/01/1994

Limited or conditional licence

**407** A licence may be issued to an agent or adjuster subject to such limitations and conditions as the Chief Executive Officer may prescribe. R.S.O. 1990, c. I.8, s. 407; 1994, c. 11, s. 344; 2018, c. 8, Sched. 13, s. 22; 2019, c. 14, Sched. 9, s. 18.

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 344 - 01/02/1995

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 18](http://www.ontario.ca/laws/statute/S19014" \l "sched9s18) - 10/12/2019

Notice of Proposal by Chief Executive Officer

Chief Executive Officer’s proposal to refuse application, etc.

**407.1**(1)  This section applies if the Chief Executive Officer proposes to do any of the following things:

1. Refuse to issue a licence under this Part.

2. Issue a licence and, without the applicant’s consent, impose conditions.

3. Amend a licence without the licensee’s consent.

4. Refuse to renew a licence.

5. Renew a licence and, without the applicant’s consent, amend the conditions to which the licence is subject.

6. Revoke a licence without the licensee’s consent.

7. Suspend a licence without the licensee’s consent, except by an interim order authorized under this Part.

8. Refuse to allow the surrender of a licence.

9. Allow the surrender of a licence and, without the licensee’s consent, impose conditions relating to the surrender. 2014, c. 9, Sched. 3, s. 20; 2018, c. 8, Sched. 13, s. 22.

Notice of proposal

(2)  The Chief Executive Officer shall give written notice of the proposal to the applicant or licensee, including the reasons for the proposal; the Chief Executive Officer shall also inform the applicant or licensee that he, she or it can request a hearing by the Tribunal about the proposal and shall advise the applicant or licensee about the process for requesting a hearing. 2014, c. 9, Sched. 3, s. 20; 2018, c. 8, Sched. 13, s. 22.

Hearing requested

(3)  If the applicant or licensee requests a hearing in writing within 15 days after the notice under subsection (2) is given, the Tribunal shall hold a hearing. 2014, c. 9, Sched. 3, s. 20.

Order

(4)  The Tribunal may, by order, direct the Chief Executive Officer to carry out the proposal, with or without changes, or substitute its opinion for that of the Chief Executive Officer, and the Tribunal may impose such conditions as it considers appropriate in the circumstances. 2014, c. 9, Sched. 3, s. 20; 2018, c. 8, Sched. 13, s. 22.

Appeal

(5)  A party to a hearing held by the Tribunal may appeal the order of the Tribunal to the Divisional Court. 2014, c. 9, Sched. 3, s. 20.

Effect of appeal

(6)  An order of the Tribunal takes effect immediately, but if the order is appealed, the Tribunal may grant a stay of the order until the appeal is finally determined. 2014, c. 9, Sched. 3, s. 20.

Hearing not requested

(7)  If the applicant or licensee does not request a hearing, or does not make the request in accordance with subsection (3), the Chief Executive Officer may carry out the proposal. 2014, c. 9, Sched. 3, s. 20; 2018, c. 8, Sched. 13, s. 22.

Continued jurisdiction of Chief Executive Officer, Tribunal

(8)  If, after the Chief Executive Officer gives notice under subsection (2),

(a) an applicant withdraws the application to which the proposal relates; or

(b) the licence to which the proposal relates is suspended or expires,

the Chief Executive Officer and the Tribunal retain continuing jurisdiction with respect to the proposal and may take any step and make any order that they could have made relating to the proposal, as if the application had not been withdrawn or as if the licence had not been suspended or had not expired, and the parties may appeal any order of the Tribunal. 2014, c. 9, Sched. 3, s. 20; 2018, c. 8, Sched. 13, s. 22.

Same

(9)  The continuing jurisdiction of the Chief Executive Officer and the Tribunal under subsection (8) is terminated when the rights of the parties have been exhausted or have expired and when all proceedings relating to the proposal have concluded. 2014, c. 9, Sched. 3, s. 20; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, art. 74](http://www.ontario.ca/laws/statute/S12008" \l "sched23sartp74) - 01/01/2013

[2014, c. 9, Sched. 3, s. 20](http://www.ontario.ca/laws/statute/S14009" \l "sched3s20) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**407.2**Repealed: 2019, c. 14, Sched. 9, s. 20.

**Section Amendments with date in force (d/m/y)**

[2014, c. 9, Sched. 3, s. 20](http://www.ontario.ca/laws/statute/S14009" \l "sched3s20) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

PART XV  
RATES AND RATING BUREAUS

Meaning of “rating bureau”, Part XV

**408** In this Part,

“rating bureau” means an association or body, incorporated or unincorporated, created or organized for the purpose of fixing or promulgating rates of premium payable upon contracts of insurance in Ontario, or the terms or conditions of such contracts, or for these and other purposes, or that assumes to fix or promulgate such rates, terms or conditions by agreement among the members thereof or otherwise. R.S.O. 1990, c. I.8, s. 408.

Duties of rating bureaus and insurers

Filing of constitution, by-laws, etc.

**409** (1)  A rating bureau shall, forthwith after adoption, file in the office of the Chief Executive Officer duly certified copies of its constitution, articles of association and by-laws, and a list of its members and their addresses, and thereafter shall file in the office of the Chief Executive Officer every amendment, revision or consolidation of its constitution, articles of association and by-laws, and notice of the admission of new members and the withdrawal of former members, within thirty days after the passing or adoption of such amendment, revision or consolidation, or after the admission or withdrawal of such members. R.S.O. 1990, c. I.8, s. 409 (1); 2018, c. 8, Sched. 13, s. 22.

Return of rates

(2)  A rating bureau and a licensed insurer shall make a return under oath to the Chief Executive Officer in such form and at such times as the Chief Executive Officer may require, showing every schedule of rates fixed, made or charged by them, together with such further or other information concerning such rates as the Chief Executive Officer may require. R.S.O. 1990, c. I.8, s. 409 (2); 2018, c. 8, Sched. 13, s. 22.

Changes in rates

(3)  A rating bureau and a licensed insurer shall give to the Chief Executive Officer at least ten days notice of any change in the schedules of rates or rules applicable thereto filed with the Chief Executive Officer under subsection (2), and shall file with the Chief Executive Officer amended schedules duly verified under oath showing particulars of all such changes before their effective date. R.S.O. 1990, c. I.8, s. 409 (3); 2018, c. 8, Sched. 13, s. 22.

Offence for deviation from filed rate

(4)  A rating bureau or licensed insurer that, having filed its schedules of rates under this section, fixes, makes or charges a rate or receives a premium that deviates from the schedules of rates fixed and filed with the Chief Executive Officer for, and the rules applicable to, any risk or class of risks is guilty of an offence. R.S.O. 1990, c. I.8, s. 409 (4); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Application re risk classification system, rates

**410** (1)  Every insurer shall apply to the Chief Executive Officer for approval of,

(a) the risk classification system it intends to use in determining the rates for each coverage and category of automobile insurance; and

(b) the rates it intends to use for each coverage and category of automobile insurance. 1996, c. 21, s. 44; 1997, c. 28, s. 125; 2018, c. 8, Sched. 13, s. 22.

Exception

(1.1)  Subsection (1) does not apply with respect to the Personal Vehicles — Private Passenger Automobile category of automobile insurance while subsection 4 (1) of the Automobile Insurance Rate Stabilization Act, 2003 is in force. 2013, c. 2, Sched. 8, s. 26.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 410 (1.1) of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 30 (1))

Exception

(2)  An insurer is not required to apply for approval of a risk classification system that the insurer is required to use under the regulations. 1996, c. 21, s. 44.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 410 (2) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 30 (2))

Note: On a day to be named by proclamation of the Lieutenant Governor, section 410 of the Act is amended by adding the following subsection: (See: 2017, c. 34, Sched. 21, s. 30 (3))

Order requiring application for approval

(2.1)  The Superintendent may order an insurer to apply to the Superintendent for approval of,

(a) the risk classification system it intends to use, as of the date specified in the order, in determining the rates for each coverage and category of automobile insurance; and

(b) the rates it intends to use, as of the date specified in the order, for each coverage and category of automobile insurance. 2017, c. 34, Sched. 21, s. 30 (3).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 410 (2.1) of the Act is amended by striking out “Superintendent” wherever it appears and substituting in each case “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 12)

Material to be furnished

(3)  An application for approval of a risk classification system or rates shall be in a form approved by the Chief Executive Officer and shall be filed together with such information, material and evidence as the Chief Executive Officer may specify. 1996, c. 21, s. 44; 1997, c. 28, s. 125; 2018, c. 8, Sched. 13, s. 22.

Additional information

(4)  The Chief Executive Officer may require an applicant to provide such information, material and evidence as the Chief Executive Officer considers necessary in addition to the information, material and evidence required to be provided in or with the application. 1996, c. 21, s. 44; 1997, c. 28, s. 125; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 410 of the Act is amended by adding the following subsections: (See: 2017, c. 34, Sched. 21, s. 30 (4))

Superintendent’s powers

(4.1)  After considering an application and any additional information, material or evidence relating to the application, the Superintendent may do one or more of the following:

1. Approve all or part of the application.

2. Refuse to approve all or part of the application.

3. Require the applicant to reduce or otherwise vary one or more of its current or proposed rates.

4. Require the applicant to vary one or more of the elements of its current or proposed risk classification systems. 2017, c. 34, Sched. 21, s. 30 (4).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 410 (4.1) of the Act is amended by striking out “Superintendent” and substituting “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 12)

Criteria for refusal to approve, etc.

(4.2)  The Superintendent shall refuse to approve all or part of an application and may require the applicant to vary one or more of the elements of its current or proposed risk classification system or to reduce or vary one or more of its current or proposed rates if, in the Superintendent’s opinion, having considered the criteria set out in the Authority rules, the proposed risk classification system or proposed rate is not just and reasonable in the circumstances. 2017, c. 34, Sched. 21, s. 30 (4).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 410 (4.2) of the Act is amended by striking out “Superintendent” and substituting “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 12)

Decision final

(4.3)  A decision of the Superintendent is final for all purposes. 2017, c. 34, Sched. 21, s. 30 (4).

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 410 (4.3) of the Act is amended by striking out “Superintendent” and substituting “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 12)

Definition

(5)  In this section,

“insurer” includes the Facility Association. 1996, c. 21, s. 44.

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 44 - 01/11/1996; 1997, c. 28, s. 125 - 01/07/1998

[2013, c. 2, Sched. 8, s. 26](http://www.ontario.ca/laws/statute/S13002" \l "sched8s26) - 16/08/2013

[2017, c. 34, Sched. 21, s. 30 (1-4)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s30s1) - not in force

[2018, c. 8, Sched. 13, s. 12](http://www.ontario.ca/laws/statute/S18008" \l "sched13s12) - not in force; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices); [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Approval of expedited applications, s. 410

**411** (1)  An applicant under section 410 may choose to have this section apply to the application if the application meets the following criteria:

1. The average of the proposed rates for each coverage and category of automobile insurance does not exceed the average of the existing rates by more than a percentage prescribed by the regulations for that class of applicant, coverage and category, and the proposed rates meet such other criteria as are prescribed by the regulations for the purposes of this section.

2. The proposed risk classification system for each coverage and category of automobile insurance does not contain elements prescribed by the regulations for the purposes of this section. 1996, c. 21, s. 44.

Deemed approval after 30 days

(2)  An application to which this section applies shall be deemed to have been approved by the Chief Executive Officer 30 days after it is filed, unless the Chief Executive Officer within that 30-day period advises the applicant orally or otherwise that the Chief Executive Officer has not approved the application. 1996, c. 21, s. 44; 1997, c. 28, s. 125; 2018, c. 8, Sched. 13, s. 22.

Earlier approval

(3)  The Chief Executive Officer may approve the application before the expiry of the 30-day period. 1996, c. 21, s. 44; 1997, c. 28, s. 125; 2018, c. 8, Sched. 13, s. 22.

Notice of failure to approve

(4)  If the Chief Executive Officer notifies an insurer orally that he or she has not approved the application, the Chief Executive Officer shall promptly mail a written notice to the applicant confirming that fact. 1996, c. 21, s. 44; 1997, c. 28, s. 125; 2018, c. 8, Sched. 13, s. 22.

Effect of notice

(5)  If the Chief Executive Officer notifies the insurer that he or she has not approved the application, the insurer may,

(a) submit a new application to the Chief Executive Officer; or

(b) resubmit the same application to the Chief Executive Officer, in which case section 412 applies to the application and this section does not apply. 1996, c. 21, s. 44; 1997, c. 28, s. 125; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 411 of the Act is repealed and the following substituted: (See: 2017, c. 34, Sched. 21, s. 31)

Reconsideration by Superintendent

**411** (1)  The Superintendent may notify an insurer that the Superintendent intends to make an order with respect to the risk classification system or rate for a coverage or category of automobile insurance of the insurer if, in the Superintendent’s opinion, having considered the criteria set out in the Authority rules, the current risk classification system or current rate is not just and reasonable in the circumstances. 2017, c. 34, Sched. 21, s. 31.

Written submissions

(2)  The Superintendent shall give the insurer an opportunity to make written submissions with respect to the matter. 2017, c. 34, Sched. 21, s. 31.

Orders

(3)  After considering the written submissions, if any, the Superintendent may make the order described in the notice or may make a revised order. 2017, c. 34, Sched. 21, s. 31.

Order final

(4)  An order of the Superintendent under subsection (3) is final for all purposes. 2017, c. 34, Sched. 21, s. 31.

Definition

(5)  In this section,

“insurer” includes the Facility Association. 2017, c. 34, Sched. 21, s. 31.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 411 of the Act, as re-enacted by section 31 of Schedule 21 to the Stronger, Fairer Ontario Act (Budget Measures), 2017, is amended by striking out “Superintendent” wherever it appears and substituting in each case “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 13)

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 44 - 01/11/1996; 1997, c. 28, s. 125 - 01/07/1998

[2017, c. 34, Sched. 21, s. 31](http://www.ontario.ca/laws/statute/S17034" \l "sched21s31) - not in force

[2018, c. 8, Sched. 13, s. 13](http://www.ontario.ca/laws/statute/S18008" \l "sched13s13) - not in force; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices); [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Approval of other applications, s. 410

**412** (1)  An application under section 410 to which section 411 does not apply shall be deemed to have been approved by the Chief Executive Officer 60 days after it is filed, unless the Chief Executive Officer within that 60-day period advises the applicant orally or otherwise that the Chief Executive Officer has not approved the application. 1996, c. 21, s. 45; 1997, c. 28, s. 126 (1); 2018, c. 8, Sched. 13, s. 22.

Same

(2)  The Chief Executive Officer may approve the application before the expiry of the 60-day period. 1996, c. 21, s. 45; 2002, c. 22, s. 131; 2018, c. 8, Sched. 13, s. 22.

Extension of time

(3)  The Chief Executive Officer may extend the period for approval for a period not exceeding 60 days. 1996, c. 21, s. 45; 1997, c. 28, s. 126 (1); 2018, c. 8, Sched. 13, s. 22.

Notice of failure to approve

(4)  If the Chief Executive Officer notifies an applicant orally that he or she has not approved an application, the Chief Executive Officer shall promptly mail a written notice to the applicant confirming that fact. 1996, c. 21, s. 45; 1997, c. 28, s. 126 (1); 2018, c. 8, Sched. 13, s. 22.

No approval

(5)  The Chief Executive Officer shall not approve the application if a hearing is required by the regulations or if the Chief Executive Officer considers that it is in the public interest for the Tribunal to hold a hearing on the application. 1997, c. 28, s. 126 (2); 2018, c. 8, Sched. 13, s. 22.

Refusal to approve

(6)  The Chief Executive Officer shall refuse to approve an application under section 410 if he or she considers that,

(a) the proposed risk classification system or rates are not just and reasonable in the circumstances;

(b) the proposed risk classification system is not reasonably predictive of risk or does not distinguish fairly between risks; or

(c) the proposed rates would impair the solvency of the applicant or are excessive in relation to the financial circumstances of the insurer. 1997, c. 28, s. 126 (2); 2018, c. 8, Sched. 13, s. 22.

Relevant information

(7)  In deciding on an application under section 410, the Chief Executive Officer may take into account financial and other information and any other matters that directly or indirectly affect the applicant’s proposed rates or the applicant’s ability to underwrite insurance using the proposed risk classification system. 1997, c. 28, s. 126 (2); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 412 of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 32)

**Section Amendments with date in force (d/m/y)**

1996, c. 21, s. 45 - 01/11/1996; 1997, c. 28, s. 126 (1, 2) - 01/07/1998

[2002, c. 22, s. 131](http://www.ontario.ca/laws/statute/S02022" \l "s131) - 01/10/2003

[2017, c. 34, Sched. 21, s. 32](http://www.ontario.ca/laws/statute/S17034" \l "sched21s32) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Hearing

**412.1**  (1)  If the Chief Executive Officer notifies an applicant under section 412 that he or she has not approved the application, the applicant may, within 15 days after receiving the notification, appeal in writing the decision to the Tribunal. 1997, c. 28, s. 127; 2018, c. 8, Sched. 13, s. 22.

Powers of Tribunal

(2)  If the applicant appeals the Chief Executive Officer’s decision within the time period allowed, the Tribunal shall hold a hearing, at which the Tribunal may approve or refuse to approve the application or may vary the risk classification system or the rates, and the approval may be subject to the conditions or restrictions that the Tribunal considers appropriate in the circumstances. 1997, c. 28, s. 127; 2018, c. 8, Sched. 13, s. 23.

Additional information

(3)  The Tribunal may require the applicant to provide the information, material and evidence that the Tribunal considers necessary in addition to the information, material and evidence that the applicant is required to provide in or with the application. 1997, c. 28, s. 127.

Criteria and relevant information

(4)  Subsections 412 (6) and (7) apply with necessary modifications to a hearing held by the Tribunal under this section. 1997, c. 28, s. 127.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 412.1 of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 32)

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 127 - 01/07/1998

[2017, c. 34, Sched. 21, s. 32](http://www.ontario.ca/laws/statute/S17034" \l "sched21s32) - not in force

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Exemptions from approval process

**413** (1)  The Chief Executive Officer may exempt insurers, other than the Facility Association, from making an application under section 410 in respect of designated categories or coverages of automobile insurance. R.S.O. 1990, c. I.8, s. 413 (1); 1996, c. 21, s. 46 (1); 1997, c. 28, s. 128 (1); 2018, c. 8, Sched. 13, s. 22.

Filing

(2)  An insurer shall file the risk classification systems and rates it intends to use for the exempted categories or coverages of automobile insurance in a form approved by the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 413 (2); 1993, c. 10, s. 40 (1); 1997, c. 28, s. 128 (1); 2018, c. 8, Sched. 13, s. 22.

Effective date

(3)  Subject to subsections (3.1) and (3.2), the insurer may use a risk classification system or rates filed under this section after the expiration of 30 days following the date they were filed, unless before the expiration of that period, the Chief Executive Officer advises the insurer orally or otherwise that the risk classification system or the rates filed by the insurer are not approved. 1997, c. 28, s. 128 (2); 2018, c. 8, Sched. 13, s. 22.

Extension of period

(3.1)  Before the expiration of the thirty-day period referred to in subsection (3), the Chief Executive Officer may extend the period for a further period specified by the Chief Executive Officer of not more than thirty days. 1993, c. 10, s. 40 (2); 1997, c. 28, s. 128 (3); 2018, c. 8, Sched. 13, s. 22.

Abridgement of period

(3.2)  The Chief Executive Officer may authorize the insurer to use a risk classification system or rates filed under this section before the expiration of the period referred to in subsection (3) or (3.1). 1993, c. 10, s. 40 (2); 1997, c. 28, s. 128 (3); 2018, c. 8, Sched. 13, s. 22.

Notice of failure to approve

(3.3)  If the Chief Executive Officer notifies an insurer orally that a risk classification system or rates filed by the insurer are not approved, the Chief Executive Officer shall promptly mail a written notice to the insurer confirming that fact. 1997, c. 28, s. 128 (4); 2018, c. 8, Sched. 13, s. 22.

Appeal

(3.4)  If the Chief Executive Officer notifies an insurer under subsection (3) or (3.3) that the risk classification system or rates are not approved, the insurer may, within 15 days after receiving the notification, appeal in writing the decision to the Tribunal. 1997, c. 28, s. 128 (4); 2018, c. 8, Sched. 13, s. 22.

Hearing by Tribunal

(3.4.1)  If an insurer appeals the Chief Executive Officer’s decision within the 15-day period, the Tribunal shall hold a hearing. 2002, c. 22, s. 132 (1); 2018, c. 8, Sched. 13, s. 23.

Revocation of exemption

(4)  If the Chief Executive Officer revokes an exemption, insurers are required to apply within thirty days after the revocation for approval under section 410 of the risk classification systems and rates it is using for the categories or coverages of automobile insurance affected by the revocation. R.S.O. 1990, c. I.8, s. 413 (4); 1993, c. 10, s. 40 (3); 1996, c. 21, s. 46 (3); 1997, c. 28, s. 128 (5); 2018, c. 8, Sched. 13, s. 22.

Idem

(5)  An insurer may continue to use the risk classification systems and rates filed before the Chief Executive Officer revoked the exemption until the insurer’s application under subsection (4) is determined. R.S.O. 1990, c. I.8, s. 413 (5); 1993, c. 10, s. 40 (4); 1997, c. 28, s. 128 (5); 2018, c. 8, Sched. 13, s. 22.

Powers of the Chief Executive Officer, etc.

(6)  For the purposes of this section, subsections 410 (4), 412 (6) and (7) and 412.1 (2), (3) and (4) apply, with necessary modifications, as if the insurer had made an application under section 410. 2002, c. 22, s. 132 (2).

Note: On a day to be named by proclamation of the Lieutenant Governor, section 413 of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 32)

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 40 (1-4) - 01/01/1994; 1996, c. 21, s. 46 (1, 3) - 01/11/1996; 1997, c. 28, s. 128 (1-5) - 01/07/1998

[2002, c. 22, s. 132](http://www.ontario.ca/laws/statute/S02022" \l "s132s1) - 01/10/2003

[2017, c. 34, Sched. 21, s. 32](http://www.ontario.ca/laws/statute/S17034" \l "sched21s32) - not in force

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Risk classification and rate determination regulations

**413.1**  (1)  No insurer shall, as a result of the application of a regulation made under paragraph 36 or 36.1 of subsection 121 (1), increase or decrease the rate for a class of risks in respect of a coverage or category of automobile insurance by more than the maximum monetary amount or percentage prescribed under paragraph 36.2 of subsection 121 (1). 1993, c. 10, s. 41.

Application for phase-in of regulations

(2)  If a regulation made under paragraph 36 or 36.1 of subsection 121 (1) would require an insurer to increase or decrease the rate for a class of risks in respect of a coverage or category of automobile insurance by more than the maximum monetary amount or percentage prescribed under paragraph 36.2 of subsection 121 (1), the insurer shall apply to the Chief Executive Officer for approval of a plan that will phase in the increase or decrease over a period specified in the application by exempting the insurer, in whole or in part, from the regulations made under paragraphs 36 to 36.2 of subsection 121 (1) for the specified period. 1993, c. 10, s. 41; 1997, c. 28, s. 129 (1); 2018, c. 8, Sched. 13, s. 22.

Material to be furnished

(3)  The application shall be in a form approved by the Chief Executive Officer and shall be filed together with such information, material and evidence as the Chief Executive Officer may specify. 1993, c. 10, s. 41; 1997, c. 28, s. 129 (1); 2018, c. 8, Sched. 13, s. 22.

Additional information

(4)  The Chief Executive Officer may require the applicant to provide such information, material and evidence as the Chief Executive Officer considers necessary in addition to the information, material and evidence required to be provided in or with the application. 1993, c. 10, s. 41; 1997, c. 28, s. 129 (1); 2018, c. 8, Sched. 13, s. 22.

Approval

(5)  The application may be approved by the Chief Executive Officer only if, in the opinion of the Chief Executive Officer,

(a) the plan will permit the regulations under paragraphs 36 and 36.1 of subsection 121 (1) to apply to the applicant without any exemption at the end of the period specified in the application;

(b) the period of time during which an exemption will apply to the applicant is reasonable;

(c) the plan will cause a minimum of disruption in the automobile insurance market;

(d) the plan will not impair the solvency of the applicant; and

(e) the plan is in the public interest. 1993, c. 10, s. 41; 1997, c. 28, s. 129 (1); 2018, c. 8, Sched. 13, s. 22.

Variation

(6)  The Chief Executive Officer may, with the consent of the applicant or after receiving written submissions, approve an application under subsection (5) subject to the variations and subject to the terms and conditions that the Chief Executive Officer considers appropriate. 1997, c. 28, s. 129 (2); 2018, c. 8, Sched. 13, s. 22.

Reconsideration

(7)  The Chief Executive Officer may notify the insurer at any time that he or she intends to make an order with respect to a plan approved under subsection (5) if the Chief Executive Officer is of the opinion that any of the criteria specified in clauses (5) (a) to (e) may not be satisfied. 1997, c. 28, s. 129 (2); 2018, c. 8, Sched. 13, s. 22.

Request for hearing

(7.1)  The insurer may, within 15 days after receiving the notice in subsection (7), request in writing that the Tribunal hold a hearing before the Chief Executive Officer makes the order described in the notice. 1997, c. 28, s. 129 (2); 2018, c. 8, Sched. 13, s. 22.

Hearing

(7.2)  If the insurer requests a hearing within the time period allowed, the Tribunal shall hold a hearing. 1997, c. 28, s. 129 (2).

No request for hearing

(7.3)  If the insurer does not request a hearing within the time period allowed, the Chief Executive Officer may make the order described in the notice. 1997, c. 28, s. 129 (2); 2018, c. 8, Sched. 13, s. 22.

Revocation or variation of approved plan

(8)  Following a hearing under subsection (7.2) or section 412, the Tribunal may revoke the approval of a plan approved under subsection (5) or make the variations to the plan that the Tribunal considers appropriate. 1997, c. 28, s. 129 (2).

Definition

(9)  In this section,

“insurer” includes the Facility Association. 1993, c. 10, s. 41.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 413.1 of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 32)

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 41 - 01/01/1994; 1997, c. 28, s. 129 (1, 2) - 01/07/1998

[2017, c. 34, Sched. 21, s. 32](http://www.ontario.ca/laws/statute/S17034" \l "sched21s32) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Affiliated automobile insurers

Concurrent filing, applications under s. 410, 413 or 413.1

**414** (1)  The Chief Executive Officer may require that affiliated insurers who write automobile insurance in Ontario file their applications under section 410, 413 or 413.1 concurrently. R.S.O. 1990, c. I.8, s. 414 (1); 1993, c. 10, s. 42 (1); 1996, c. 21, s. 47; 1997, c. 28, s. 130; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 414 (1) of the Act is amended by striking out “413 or 413.1”. (See: 2017, c. 34, Sched. 21, s. 33)

Insurer’s application, consideration of affiliate’s systems and rates

(2)  The Chief Executive Officer may consider the risk classification systems and the rates of the affiliates of an insurer when deciding upon the insurer’s application. R.S.O. 1990, c. I.8, s. 414 (2); 1993, c. 10, s. 42 (2); 1997, c. 28, s. 130; 2018, c. 8, Sched. 13, s. 22.

New affiliates

(2.1)  If two or more insurers become affiliated, they shall notify the Chief Executive Officer within thirty days in the form approved by the Chief Executive Officer and the Chief Executive Officer may require the insurers to provide such additional information, material and evidence as the Chief Executive Officer considers necessary. 1993, c. 10, s. 42 (3); 1997, c. 28, s. 130; 2018, c. 8, Sched. 13, s. 22.

Interpretation

(3)  For the purpose of this section, an insurer is considered to be affiliated with another insurer if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same person. R.S.O. 1990, c. I.8, s. 414 (3).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 42 (1-3) - 01/01/1994; 1996, c. 21, s. 47 - 01/11/1996; 1997, c. 28, s. 130 - 01/07/1998

[2017, c. 34, Sched. 21, s. 33](http://www.ontario.ca/laws/statute/S17034" \l "sched21s33) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Reconsideration, systems and rates

**415** (1)  Despite any approval or exemption under section 411, 412, 412.1 or 413, the Chief Executive Officer may notify the insurer at any time that he or she intends to make an order with respect to any risk classification system or rates for any coverage or category of automobile insurance of an insurer if the Chief Executive Officer is of the opinion that,

(a) the risk classification system or rates are not just and reasonable in the circumstances;

(b) the risk classification system is not reasonably predictive of risk or does not distinguish fairly between risks; or

(c) the rates would impair the solvency of the insurer or are excessive in relation to the financial circumstances of the insurer. 1993, c. 10, s. 43; 1996, c. 21, s. 48 (1); 1997, c. 28, s. 131 (1); 2018, c. 8, Sched. 13, s. 22.

Request for hearing

(1.1)  The insurer may, within 15 days after receiving the notice in subsection (1), request in writing that the Tribunal hold a hearing before the Chief Executive Officer takes any action described in the notice. 1997, c. 28, s. 131 (2); 2018, c. 8, Sched. 13, s. 22.

Hearing on request

(1.2)  If the insurer requests a hearing within the time period allowed, the Tribunal shall hold a hearing. 1997, c. 28, s. 131 (2).

No request for hearing

(1.3)  If the insurer does not request a hearing within the time period allowed, the Chief Executive Officer may make the order described in the notice. 1997, c. 28, s. 131 (2); 2018, c. 8, Sched. 13, s. 22.

Application under s. 410

(2)  Instead of notifying the insurer under subsection (1), the Chief Executive Officer may require the insurer to make an application under section 410. 1997, c. 28, s. 131 (3); 2018, c. 8, Sched. 13, s. 22.

Application of s. 411

(2.1)  Section 411 does not apply to an application that the Chief Executive Officer requires under subsection (2). 1997, c. 28, s. 131 (3); 2018, c. 8, Sched. 13, s. 22.

Variation

(3)  Following a hearing held under subsection (1.2), the Tribunal may vary the risk classification system that the insurer may use or the rates that it may charge. 1997, c. 28, s. 131 (4).

Deemed approval

(4)  For the purposes of section 417, a risk classification system and rates varied under subsection (3) shall be deemed to be a risk classification system and rates approved by the Tribunal. 1993, c. 10, s. 43; 1997, c. 28, s. 131 (5).

Definition

(5)  In this section,

“insurer” includes the Facility Association. 1993, c. 10, s. 43.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 415 of the Act is repealed. (See: 2017, c. 34, Sched. 21, s. 34)

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 43 - 01/01/1994; 1996, c. 21, s. 48 (1) - 01/11/1996; 1997, c. 28, s. 131 - 01/07/1998

[2017, c. 34, Sched. 21, s. 34](http://www.ontario.ca/laws/statute/S17034" \l "sched21s34) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Ministerial policy, statements, systems and rates

**416** (1)  The Minister may issue policy statements on matters related to risk classification systems and automobile insurance rates. 1993, c. 10, s. 44.

When effective

(2)  A policy statement takes effect on the day it is published in The Ontario Gazette. R.S.O. 1990, c. I.8, s. 416 (2).

Effect of statement

(3)  The Chief Executive Officer and the Tribunal shall have regard to the policy statements issued under this section in making decisions under this Part. R.S.O. 1990, c. I.8, s. 416 (3); 1997, c. 28, s. 132; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 44 - 01/01/1994; 1997, c. 28, s. 132 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Automobile insurance, systems and rates

Risk classification systems

**417** (1)  No insurer shall use a risk classification system in classifying risks for a coverage or category of automobile insurance unless the system,

(a) is approved by the Chief Executive Officer or Tribunal as the case may be;

(b) is authorized under section 413; or

(c) is required under the regulations. 1993, c. 10, s. 45; 1997, c. 28, s. 133 (1); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 417 (1) of the Act is repealed and the following substituted: (See: 2017, c. 34, Sched. 21, s. 35)

Automobile insurance, systems and rates

Risk classification systems

(1)  No insurer shall use a rate for a coverage or category of automobile insurance or a risk classification system in classifying risks for a coverage or category of automobile insurance unless the rate or the system,

(a) is approved by the Superintendent; or

(b) is required under the Authority rules. 2017, c. 34, Sched. 21, s. 35.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 417 (1) of the Act, as re-enacted by section 35 of Schedule 21 to the Stronger, Fairer Ontario Act (Budget Measures), 2017, is amended by striking out “Superintendent” and substituting “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 14)

Rates

(2)  No insurer shall use a rate for a coverage or category of automobile insurance that is not approved by the Chief Executive Officer or Tribunal as the case may be or authorized under section 413. R.S.O. 1990, c. I.8, s. 417 (2); 1997, c. 28, s. 133 (2); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 417 (2) of the Act is repealed and the following substituted: (See: 2017, c. 34, Sched. 21, s. 35)

Rates

(2)  No insurer shall use a rate for a coverage or category of automobile insurance that is not approved by the Superintendent or required under the Authority rules. 2017, c. 34, Sched. 21, s. 35.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 417 (2) of the Act, as re-enacted by section 35 of Schedule 21 to the Stronger, Fairer Ontario Act (Budget Measures), 2017, is amended by striking out “Superintendent” and substituting “Chief Executive Officer”. (See: 2018, c. 8, Sched. 13, s. 14)

Definition

(3)  In this section,

“insurer” includes the Facility Association. R.S.O. 1990, c. I.8, s. 417 (3).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 45 - 01/01/1994; 1997, c. 28, s. 133 - 01/07/1998

[2017, c. 34, Sched. 21, s. 35](http://www.ontario.ca/laws/statute/S17034" \l "sched21s35) - not in force

[2018, c. 8, Sched. 13, s. 14](http://www.ontario.ca/laws/statute/S18008" \l "sched13s14) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Risk classification systems, emergency vehicles

**417.0.1**  (1)  No insurer shall use a risk classification system in classifying risks for a coverage or category of automobile insurance that permits an insurer to consider for purposes of a contract of automobile insurance, other than a contract covering the emergency vehicle, an accident arising out of a person’s use or operation of an emergency vehicle while on duty. 2004, c. 11, s. 1.

Meaning of emergency vehicle

(2)  Subsection (1) applies to the following emergency vehicles:

1. A fire department vehicle.

2. A police vehicle while used by a person in the lawful performance of his or her duties as a police officer.

3. An emergency response vehicle.

4. An ambulance. 2004, c. 11, s. 1; 2004, c. 31. Sched. 20, s. 12 (1).

Rates, accidents involving emergency vehicles

(3)  No insurer shall use a rate for a coverage or category of automobile insurance that is contrary to subsection (1). 2004, c. 11, s. 1.

Limitation

(4)  This section does not apply when a person is operating his or her personal automobile. 2004, c. 11, s. 1.

Definitions

(5)  In this section,

“ambulance” means an ambulance as defined in subsection 1 (1) of the Ambulance Act; (“ambulance”)

“automobile” means an automobile within the meaning of Part VI; (“automobile”)

“contract of automobile insurance” means a contract of automobile insurance within the meaning of Part VI; (“contrat d’assurance-automobile”)

“emergency response vehicle” means a vehicle within the meaning of the Highway Traffic Act operated by an ambulance service, other than an ambulance, that is used to provide emergency response services, and that has been assigned an emergency response vehicle number by the Director of the Emergency Health Services Branch of the Ministry of Health and Long-Term Care; (“véhicule d’intervention en cas d’urgence”)

“fire department vehicle” includes an emergency crash extrication vehicle owned and operated by a rescue organization approved by the Minister in writing for the purposes of this Part and a vehicle designated in writing by the Fire Marshal of Ontario as a “fire department vehicle”; (“véhicule de pompiers”)

“insurer” includes the Facility Association; (“assureur”)

“Minister” means the Minister of Community Safety and Correctional Services or such other member of the Executive Council as may be assigned the administration of this Act under the Executive Council Act. (“ministre”) 2004, c. 11, s. 1; 2004, c. 31, Sched. 20, s. 12 (2).

**Section Amendments with date in force (d/m/y)**

[2004, c. 11, s. 1](http://www.ontario.ca/laws/statute/S04011" \l "s1) - 24/06/2004; [2004, c. 31, Sched. 20, s. 12](http://www.ontario.ca/laws/statute/S04031" \l "sched20s12s1)- 16/12/2004

**417.1**  Repealed: 2013, c. 2, Sched. 8, s. 27.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 46 - 01/01/1994; 1997, c. 28, s. 134 - 01/07/1998

[2013, c. 2, Sched. 8, s. 27](http://www.ontario.ca/laws/statute/S13002" \l "sched8s27) - 16/08/2013

Inquiry

**418** (1)  The Chief Executive Officer may inquire into any question that an insurer, insured or a rating bureau may bring before him or her with regard to insurance rates fixed by a rating bureau or charged by an insurer and also with regard to any other question arising out of the relationship or proposed relationship of the parties with reference to the insurance in question. R.S.O. 1990, c. I.8, s. 418 (1); 2018, c. 8, Sched. 13, s. 22.

Report

(2)  The Chief Executive Officer shall not make an order pursuant to an inquiry under this section, but the result of the inquiry shall be reported in the Chief Executive Officer’s annual report. R.S.O. 1990, c. I.8, s. 418 (2); 2018, c. 8, Sched. 13, s. 22, 23.

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

PART XVI  
AMALGAMATIONs and TRANSFERs

Meaning of “transfer”, Part XVI

**419** In this Part,

“transfer” means an arrangement whereby contracts made in Ontario by a licensed insurer incorporated or organized under the laws of Ontario or any class or group of such contracts are undertaken by or transferred to another insurer either by novation, transfer or assignment or as a result of amalgamation of the insurers. 1997, c. 19, s. 10 (35).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (35) - 10/10/1997

Application

Reinsurance not affected

**420** (1)  Nothing in this Part affects reinsurance of individual risks made by insurers in the ordinary course of business. R.S.O. 1990, c. I.8, s. 420 (1); 1997, c. 19, s. 10 (36).

Amalgamation: compliance with law where incorporated

(2)  In the case of the amalgamation of insurers, if one of the contracting insurers is an insurer not incorporated or organized under the law of Ontario, the Chief Executive Officer shall not approve the transfer until it has been established to his or her satisfaction that the insurers party to the transfer have fully complied with the requirements of the law of the legislative authority under which the insurer was incorporated or organized, but a certificate of the supervising insurance official appointed by such legislative authority that such insurer has fully complied with the requirements of the law of the authority is sufficient evidence to the Chief Executive Officer of that fact. R.S.O. 1990, c. I.8, s. 420 (2); 1997, c. 19, s. 10 (37); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (36, 37) - 10/10/1997

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Transfer agreements, requirements

**421** (1)  The details of the transfer shall be in writing setting out in full the terms and conditions of the transfer, but no transfer agreement shall be entered into without the prior permission of the Chief Executive Officer and the transfer is not binding or effective until approved by the Chief Executive Officer. 1997, c. 19, s. 10 (38); 2018, c. 8, Sched. 13, s. 22.

Irregularity not to invalidate

(2)  Upon the approval of the Chief Executive Officer, the transfer is valid and binding despite any irregularity in procedure or any failure to comply with the procedural provisions of this Part. R.S.O. 1990, c. I.8, s. 421 (2); 1997, c. 19, s. 10 (39); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (38, 39) - 10/10/1997

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Transfer agreements, application for approval

**422** The insurers who enter into such a transfer agreement, within 30 days from the date of its execution or such longer period of time as the Chief Executive Officer may direct, shall apply to the Chief Executive Officer for approval of the transfer. 1997, c. 19, s. 10 (40); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (40) - 10/10/1997

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**423** Repealed: 1997, c. 19, s. 10 (41).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (41) - 10/10/1997

**424** Repealed: 1997, c. 19, s. 10 (41).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (41) - 10/10/1997

Documents to be filed with Chief Executive Officer

**425** Upon the filing of the application, the insurers party to the transfer shall deposit with the Chief Executive Officer,

(a) a certified copy of the transfer agreement;

(b) a statement of the nature and terms of the transfer;

(c) certified copies of the statements of assets and liabilities of the insurers party to the transfer agreement;

(d) certified copies of the actuarial or other reports upon which the transfer agreement is founded;

(e) a declaration under the hands of the president or principal officer and manager or secretary of each insurer that to the best of their knowledge and belief every payment made or to be made to any person whatsoever on account of the transfer is therein fully set forth and that no other payments beyond those set forth have been made or are to be made either in money, policies, bonds, valuable securities or other property by or with the knowledge of any of the parties to the transfer;

(f) evidence of the service of the notices required by section 426, if any;

(g) such other information and reports as the Chief Executive Officer may require. R.S.O. 1990, c. I.8, s. 425; 1997, c. 19, s. 10 (42); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (42) - 10/10/1997

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Approval or rejection of transfer

**426** (1)  After receiving the application, the Chief Executive Officer may invite written submissions and, after considering all the submissions, approve or reject the transfer. 1997, c. 28, s. 141 (1); 2018, c. 8, Sched. 13, s. 22.

Notice

(2)  Subject to subsection (3), the Chief Executive Officer shall determine what notice is adequate for the purposes of subsection (1) and shall direct who shall give the notice. 1997, c. 28, s. 141 (1); 2018, c. 8, Sched. 13, s. 22.

Notice, life insurance

(3)  In the case of life insurance,

(a) the notice shall be served on the shareholders or members and on all policyholders in Ontario;

(b) the notice shall include,

(i) a statement of the nature and terms of the transfer,

(ii) an abstract containing the material facts embodied in the transfer agreement under which the transfer is proposed to be effected, and

(iii) copies of the actuarial or other reports upon which the transfer agreement is founded, including a report by an independent actuary; and

(c) the Chief Executive Officer may also direct that the transfer agreement be open to inspection by policyholders, shareholders or members at the principal offices of the insurers in Ontario for a period of time specified by the Chief Executive Officer. 1997, c. 28, s. 141 (1); 2018, c. 8, Sched. 13, s. 22; 2020, c. 34, Sched. 7, s. 15.

Appeal

(4)  The insurers or a person who has made written submissions under subsection (1) may appeal a decision of the Chief Executive Officer under that subsection to the Tribunal. 1997, c. 28, s. 141 (1); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 141 (1) - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2020, c. 34, Sched. 7, s. 15](http://www.ontario.ca/laws/statute/S20034" \l "sched7s15) - 08/12/2020

**427** Repealed: 1997, c. 19, s. 10 (44).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (44) - 10/10/1997

**428** Repealed: 1997, c. 19, s. 10 (44).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (44) - 10/10/1997

**429** Repealed: 1997, c. 19, s. 10 (44).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (44) - 10/10/1997

**430** Repealed: 1997, c. 19, s. 10 (44).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (44) - 10/10/1997

Transfer of contracts where insurer leaves Ontario

**431** Where under an agreement between an insurer, in this section called the “continuing insurer”, and another insurer, in this section called the “retiring insurer”, in anticipation of the retiring insurer ceasing to do business in Ontario, the continuing insurer assumes liability under contracts of insurance specified in the agreement issued by the retiring insurer and the retiring insurer ceases to carry on business in Ontario, an insured or other person entitled to rights under those contracts may enforce the rights as though those contracts had been issued by the continuing insurer. R.S.O. 1990, c. I.8, s. 431.

PART XVII  
INVESTMENTS

Transition to New Investment Rules

Interpretation

**431.1**  (1)  In this section,

“changeover date” means the day on which the new investment rules first apply to an insurer in accordance with this section as it read immediately before the day subsection 16 (2) of Schedule 7 to the Better for People, Smarter for Business Act, 2020 came into force; (“date de changement”)

“new investment rules” means,

(a) the provisions of this Act and the Corporations Act that are amended or enacted by the specified provisions of Schedule O to the Budget Measures Act, 2006 (No. 2) on the coming into force of the specified provisions, and

(b) regulations made under the provisions of this Act and the Corporations Act amended or enacted as described in clause (a); (“nouvelles règles de placement”)

“old investment rules” means,

(a) the provisions of this Act and the Corporations Act that are amended or repealed by the specified provisions of Schedule O to the Budget Measures Act, 2006 (No. 2) as they read immediately before the coming into force of the specified provisions, and

(b) regulations made under the provisions of this Act and the Corporations Act amended or repealed as described in clause (a); (“anciennes règles de placement”)

“specified provisions” means all provisions of Schedule O to the *Budget Measures Act, 2006 (No. 2)* other than section 3 and subsection 8 (1) of that Schedule. (“dispositions déterminées”) 2006, c. 33, Sched. O, s. 14; 2020, c. 34, Sched. 7, s. 16 (1).

(2)-(8)  Repealed: 2020, c. 34, Sched. 7, s. 16 (2).

Clarification – new rules apply as amended

(9)  For greater certainty, once the new investment rules apply to an insurer, the new investment rules continue to apply as they may be subsequently amended from time to time. 2006, c. 33, Sched. O, s. 14.

Clarification – application of unrelated provisions

(10)  This section does not affect the application to an insurer of,

(a) any provision of this Act or the Corporations Act if the provision is not amended, enacted or repealed by the specified provisions of Schedule Oto the Budget Measures Act, 2006 (No. 2); and

(b) regulations made under the provisions of this Act or the Corporations Act described in clause (a). 2006, c. 33, Sched. O, s. 14.

Exemption

(11)  The Lieutenant Governor in Council may make regulations exempting any insurer from the application of the new investment rules and specifying that the old investment rules continue to apply to an insurer so exempted. 2006, c. 33, Sched. O, s. 14.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 14](http://www.ontario.ca/laws/statute/S06033" \l "schedos14) - 05/05/2008

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2020, c. 34, Sched. 7, s. 16 (1, 2)](http://www.ontario.ca/laws/statute/S20034" \l "sched7s16s1) - 08/12/2020

Interpretation and Application

Interpretation

**432** (1)  In this Part and except as otherwise provided,

“affiliate” means, in respect of a particular entity, another entity who is affiliated with the particular entity for the purposes of this Part; (“membre du même groupe”)

“commercial loan” means, in respect of an insurer,

(a) a loan made or acquired by the insurer other than,

(i) a loan to an individual in an amount that is equal to or less than the amount prescribed by the regulations,

(ii) a loan to the Government of Canada, the government of a province of Canada, a municipality or any agency of any of them, or to the government of a foreign country or any political subdivision of a foreign country or to any of their agencies,

(iii) a loan to an entity that is an international agency prescribed by the regulations or to another entity prescribed by the regulations,

(iv) a loan that is guaranteed by, or fully secured by securities issued by, any government, a municipality or an agency or other entity referred to in subclause (ii) or (iii),

(v) a loan that is secured by a mortgage on residential real property where the amount of the loan, together with the amount then outstanding of any mortgage having an equal or prior claim against the same property, does not exceed 80 per cent of the value of the property at the time the loan is made or acquired or such other amount as may be determined under the regulations,

(vi) a loan that is secured by a mortgage on real property that is not residential property where,

(A) the amount of the loan, together with the amount then outstanding of any mortgage having an equal or prior claim against the property, does not exceed 80 per cent of the value of the property at the time the loan is made or acquired, or such other amount as may be determined under the regulations, and

(B) at the time the loan is made or acquired, the property provides an annual income sufficient to pay all annual expenses related to the property, including the payments owing under the mortgage and any mortgages having an equal or prior claim against the property,

(vii) a loan that is secured by a mortgage on residential real property where,

(A) the amount of the loan, together with the amount then outstanding of any mortgage having an equal or prior claim against the property, exceeds 80 per cent of the value of the property at the time the loan is made or acquired, or such other amount as may be determined under the regulations, and

(B) repayment of the amount of the loan that exceeds 80 per cent of the value of the property, or such other amount as may be determined under the regulations, is guaranteed or insured by a government agency or is insured by an insurance company licensed under this Act or the Insurance Companies Act (Canada) to undertake mortgage insurance,

(viii) a loan that is secured by a mortgage on real property that is not residential property where,

(A) the amount of the loan, together with the amount then outstanding of any mortgage having an equal or prior claim against the property, exceeds 80 per cent of the value of the property at the time the loan is made or acquired, or such other amount as may be determined under the regulations,

(B) repayment of the amount of the loan that exceeds 80 per cent of the value of the property, or such other amount as may be determined under the regulations, is guaranteed or insured by a government agency or is insured by an insurance company licensed under this Act or the Insurance Companies Act (Canada) to undertake mortgage insurance, and

(C) at the time the loan is made or acquired, the real property provides an annual income sufficient to pay all annual expenses related to the property, including the payments owing under the mortgage and any mortgages having an equal or prior claim against the real property,

(ix) a loan that is secured by a mortgage where the mortgage is taken back by the insurer as security on the disposition of real property by the insurer,

(x) a loan that,

(A) consists of a deposit made by the insurer with another financial institution,

(B) is fully secured by a deposit with a financial institution,

(C) is fully secured by debt obligations guaranteed by a financial institution other than the insurer, or

(D) is fully secured by a guarantee of a financial institution other than the insurer,

(xi) an advance on the security of or against the cash surrender value of a policy, or

(xii) a loan to an entity controlled by the insurer,

(b) an investment in debt obligations other than,

(i) debt obligations that are guaranteed by a financial institution other than the insurer, that are fully secured by deposits with a financial institution or that are fully secured by debt obligations that are guaranteed by a financial institution other than the insurer,

(ii) debt obligations issued by the Government of Canada, the government of a province of Canada, a municipality, or any of their agencies, or by the government of a foreign country or any of its agencies, or by an international agency prescribed by the regulations or another entity prescribed by the regulations,

(iii) debt obligations that are guaranteed by, or fully secured by securities issued by, a government, a municipality or an agency referred to in subclause (ii),

(iv) debt obligations that are widely distributed, or

(v) debt obligations of an entity controlled by the insurer,

(c) an investment in shares of a corporation or in ownership interests in an unincorporated entity other than,

(i) shares or ownership interests that are widely distributed,

(ii) shares or ownership interests of an entity controlled by the insurer, or

(iii) participating shares; (“prêt commercial”)

Note: On a day to be named by proclamation of the Lieutenant Governor, the definition of “commercial loan” in subsection 432 (1) of the Act is amended by striking out “prescribed by the regulations” wherever it appears and substituting in each case “prescribed by the Authority rules” and by striking out “determined under the regulations” wherever it appears and substituting in each case “determined under the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 36 (1))

“guarantee” includes a letter of credit; (“garantie”)

“loan” includes an acceptance, advance on the security of or against the cash surrender value of a policy, an endorsement or another guarantee, a deposit, a financial lease, a conditional sales contract, a repurchase agreement and any other similar arrangement for obtaining funds or credit, but does not include investments in securities; (“prêt”)

“permitted entity” means, in respect of an insurer, a financial institution or another entity that is prescribed by the regulations to be a permitted entity with respect to the insurer; (“entité admissible”)

Note: On a day to be named by proclamation of the Lieutenant Governor, the definition of “permitted entity” in subsection 432 (1) of the Act is amended by striking out “by the regulations” and substituting “by the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 36 (2))

“person” includes an entity; (“personne”)

“prescribed subsidiary” means, in respect of an insurer, a subsidiary of the insurer that is a prescribed subsidiary or a member of a prescribed class of subsidiaries under the regulations. (“filiale prescrite”) 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, the definition of “prescribed subsidiary” in subsection 432 (1) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 36 (3))

Affiliated entities

(2)  Two entities are affiliated for the purposes of this Part if one of them is controlled by the other or if both of them are controlled by the same person. 2006, c. 33, Sched. O, s. 15.

Control, corporations

(3)  For the purposes of this Part, a corporation is controlled by a person if,

(a) voting shares of the corporation carrying more than 50 per cent of the votes for the election of directors are held, other than by way of only security for a debt, by or for the benefit of the person; and

(b) the votes carried by those shares are sufficient, if exercised, to elect a majority of the directors of the corporation. 2006, c. 33, Sched. O, s. 15.

Control, unincorporated entities

(4)  For the purposes of this Part, an unincorporated entity other than a limited partnership is controlled by a person if the person,

(a) has more than 50 per cent of the beneficial ownership interests, however designated, in the entity; and

(b) is able to direct the business and affairs of the entity. 2006, c. 33, Sched. O, s. 15.

Control, limited partnership

(5)  For the purposes of this Part, a limited partnership is controlled by its general partner. 2006, c. 33, Sched. O, s. 15.

Deemed control

(6)  A person that controls a particular entity is deemed to control any entity that is controlled or deemed to be controlled by the particular entity. 2006, c. 33, Sched. O, s. 15.

Same

(7)  A person is deemed to control a particular entity if the aggregate of all securities of the particular entity that are beneficially owned by that person or by an entity controlled by that person would be sufficient, if they were held by that person, to permit the person to control the particular entity. 2006, c. 33, Sched. O, s. 15.

Subsidiary

(8)  An entity is a subsidiary of another entity if it is controlled by the other entity. 2006, c. 33, Sched. O, s. 15.

Substantial investment

(9)  For the purposes of this Part, a person has a substantial investment in an entity,

(a) in the case of an entity that is a corporation, if the person and any entities controlled by the person beneficially own, in total,

(i) voting shares of the corporation carrying more than 10 per cent of the voting rights attached to all of the outstanding voting shares of the corporation, or

(ii) shares of the corporation representing more than 25 per cent of the shareholders’ equity of the corporation; and

(b) in the case of an entity that is unincorporated, if the aggregate of any ownership interests into which the entity is divided, however designated, that are beneficially owned by the person and any entities controlled by the person exceeds 25 per cent of all the ownership interests into which the entity is divided. 2006, c. 33, Sched. O, s. 15.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 36 (1-3)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s36s1) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Application

**433** (1)  This Part applies only to insurers that are incorporated and licensed under the laws of Ontario. 2006, c. 33, Sched. O, s. 15.

Exceptions

(2)  This Part does not apply to insurers with respect to,

(a) the holding of an asset in a separate and distinct fund under section 109;

(b) the holding of a security interest in real property unless the security interest belongs to a class of security interests that are prescribed by the regulations to be interests in real property;

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 433 (2) (b) of the Act is amended by striking out “the regulations” and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 37 (1))

(c) the holding of a security interest in a security issued by an entity;

(d) a contribution to the assets of the Fire Mutuals Guarantee Fund. 2006, c. 33, Sched. O, s. 15.

Separate and distinct funds under s. 109

(3)  Any reference in this Part or the regulations to the assets or liabilities of an insurer does not include a reference to,

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 433 (3) of the Act is amended by striking out “the regulations” in the portion before clause (a) and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 37 (2))

(a) assets held in a separate and distinct fund under section 109; or

(b) liabilities of the insurer under the policies and for the amounts in respect of which a fund referred to in clause (a) is maintained. 2006, c. 33, Sched. O, s. 15.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 47 - 01/01/1994; 1994, c. 11, s. 345 (1, 2) - 01/02/1995; 1997, c. 28, s. 143 - 01/07/1998

[2001, c. 8, s. 44](http://www.ontario.ca/laws/statute/S01008" \l "s44s1) - 29/06/2001

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 37 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s37s1) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Investment Standards

Investment standards

**434** (1)  The directors of an insurer shall establish and the insurer shall adhere to investment and lending policies, standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments and loans to avoid undue risk of loss and obtain a reasonable return. 2006, c. 33, Sched. O, s. 15.

Annual review by directors

(2)  The directors of every insurer shall review the insurer’s investment and lending policies and standards at least once a year and shall make such revisions as may be necessary to ensure that the investment policies and standards satisfy the requirements of subsection (1). 2006, c. 33, Sched. O, s. 15.

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 346 - 01/02/1995

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

Acquiring, Holding or Increasing Substantial Investments

General restriction on substantial investment

**435** No insurer shall acquire, hold or increase a substantial investment in any entity except in accordance with this Part and the regulations. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 435 of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 38)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 38](http://www.ontario.ca/laws/statute/S17034" \l "sched21s38) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Substantial investment in permitted entity

**435.1**(1)  Subject to subsection (4), an insurer may acquire, hold or increase a substantial investment in a permitted entity,

(a) if the insurer is permitted by the regulations to acquire, hold or increase the substantial investment; and

(b) with the approval of the Chief Executive Officer, if the regulations specify that the approval of the Chief Executive Officer is required. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Criteria

(2)  In determining whether to give an approval, the Chief Executive Officer may consider such matters as he or she considers relevant and shall consider the following:

1. The business record and experience of the insurer and the permitted entity.

2. The impact of any integration of the business and operations of the permitted entity with the business and operations of the insurer.

3. The future business plans for the operation and growth of the permitted entity.

4. Whether, in the Chief Executive Officer’s opinion, the investment would expose the insurer to undue risk.

5. Whether, in the Chief Executive Officer’s opinion, the investment would hinder the supervision and regulation of the insurer. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22, 23.

Appeal

(3)  An insurer may appeal a decision of the Chief Executive Officer not to give an approval under this section to the Tribunal. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Provision of undertakings and information

(4)  Prior to acquiring or increasing a substantial investment under this section, an insurer shall provide the Chief Executive Officer with all undertakings and information required by the regulations and such additional undertakings and information as the Chief Executive Officer may request, including an undertaking from the permitted entity to provide access to the Chief Executive Officer to the permitted entity’s books and records. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Same

(5)  An insurer that controls a permitted entity shall provide the Chief Executive Officer with all undertakings and information required by the regulations and such additional undertakings and information as the Chief Executive Officer may request, including an undertaking from the permitted entity to provide access to the Chief Executive Officer to the permitted entity’s books and records. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 435.1 of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 39)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 39](http://www.ontario.ca/laws/statute/S17034" \l "sched21s39) - not in force

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Indirect substantial investment

**435.2**An insurer may acquire, hold or increase a substantial investment in an entity in any of the following circumstances:

1. The insurer, in accordance with this Part and the regulations, acquires control of a financial institution or another permitted entity that is prescribed for the purposes of this section that has a substantial investment in the entity.

2. The insurer controls a financial institution or another permitted entity that is prescribed for the purposes of this section, is permitted to do so under this Part and the regulations, and that financial institution or other permitted entity acquires shares or ownership interests that result in a substantial investmentin the entity. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 435.2 of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules” and by striking out “prescribed” wherever it appears and substituting in each case “prescribed by the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 40)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 40](http://www.ontario.ca/laws/statute/S17034" \l "sched21s40) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Acquiring Shares or Ownership Interests Through Loan Workouts and Realization of Security Interests

Loan workouts

**435.3**(1)  If an insurer or any of its prescribed subsidiaries has made a loan to an entity and, under the terms of the agreement between the insurer or subsidiary and the entity in respect of the loan and any other documents governing the terms of the loan, a default has occurred, the insurer may acquire,

(a) all or any of the shares of the entity, if the entity is a corporation;

(b) all or any of the ownership interests in the entity, if the entity is unincorporated;

(c) subject to any conditions set out in the Authority rules, all or any of the shares or all or any of the ownership interests in another entity that is an affiliate of the entity; or

(d) subject to any conditions set out in the Authority rules, all or any of the shares of a corporation that is primarily engaged in holding shares of, ownership interests in or assets acquired from the entity or any of the entity’s affiliates. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 15.

Required disposition

(2)  If an insurer acquires or increases a substantial investment in an entity as a result of an acquisition permitted under subsection (1), the insurer shall do all things necessary to ensure that the insurer does not have a substantial investment in the entity at the end of five years after acquiring it. 2006, c. 33, Sched. O, s. 15.

Same – time extension

(3)  The Chief Executive Officer may, on such terms and conditions as he or she considers appropriate, extend the period of time that would otherwise apply under subsection (2). 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Exceptions

(4)  Subsection (2) does not apply,

(a) in such circumstances as may be prescribed by the regulations; or

(b) if the insurer would be entitled to acquire or increase the substantial investment under section 435.1 or 435.2 or the regulations and the insurer obtains the approval of the Chief Executive Officer before the date on which the insurer would otherwise be required to take action under subsection (2). 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 435.3 (4) of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 41)

Criteria

(5)  In determining whether to give an approval under clause (4) (b), the Chief Executive Officer shall consider such criteria as are set out in the regulations. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Conditions

(6)  If the Chief Executive Officer gives an approval under clause (4) (b), he or she may specify that the approval is subject to any terms or conditions that he or she considers appropriate in the circumstances. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 41](http://www.ontario.ca/laws/statute/S17034" \l "sched21s41) - not in force

[2018, c. 8, Sched. 13, s. 15, 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s15) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Acquisition of shares or ownership interests on realization of security interest

**435.4**(1)  An insurer may acquire an investment in a corporation, an ownership interest in an unincorporated entity or an interest in real property if the investment or interest is acquired through the realization of a security interest held by the insurer. 2006, c. 33, Sched. O, s. 15.

Required disposition

(2)  If an insurer acquires or increases a substantial investment in an entity as a result of an acquisition permitted under subsection (1), the insurer shall do all things necessary to ensure that the insurer does not have a substantial investment in the entity at the end of five years after acquiring it. 2006, c. 33, Sched. O, s. 15.

Same – time extension

(3)  The Chief Executive Officer may, on such terms and conditions as he or she considers appropriate, extend the period of time that would otherwise apply under subsection (2). 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Exceptions

(4)  Subsection (2) does not apply,

(a) in such circumstances as may be prescribed by the regulations; or

(b) if the insurer would be entitled to acquire or increase the substantial investment under section 435.1 or 435.2 or the regulations and the insurer obtains the approval of the Chief Executive Officer before the date on which the insurer would otherwise be required to take action under subsection (2). 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 435.4 (4) of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 42)

Criteria

(5)  In determining whether to give an approval under clause (4) (b), the Chief Executive Officer shall consider such criteria as are set out in the regulations. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Conditions

(6)  If the Chief Executive Officer gives an approval under clause (4) (b), he or she may specify that the approval is subject to any terms or conditions that he or she considers appropriate in the circumstances. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 42](http://www.ontario.ca/laws/statute/S17034" \l "sched21s42) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Acquiring Substantial Investments in other Specified Circumstances

**435.5**Repealed: 2019, c. 14, Sched. 9, s. 20.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 43](http://www.ontario.ca/laws/statute/S17034" \l "sched21s43) - no effect - see [2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

Authorized investments

**435.6**(1)  Subject to subsection (2), an insurer may acquire, hold or increase a substantial investment in an entity,

(a) with the approval of the Chief Executive Officer, in payment or part payment for securities sold by the insurer or a subsidiary of the insurer;

(b) with the approval of the Chief Executive Officer, under an arrangement made in good faith for the reorganization of a corporation whose securities were previously owned by the insurer or a subsidiary of the insurer;

(c) with the approval of the Chief Executive Officer, under an amalgamation where one of the amalgamating parties is a corporation whose securities were previously owned by the insurer or a subsidiary of the insurer;

(d) with the approval of the Chief Executive Officer, for the purpose of protecting the investments of the insurer or a subsidiary of the insurer;

(e) on an amalgamation of the insurer with another insurer or by virtue of the purchase by the insurer of the assets of another insurer as permitted under this Act or the regulations; or

(f) in such other circumstances as may be prescribed by the regulations. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 435.6 (1) (f) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 44 (1))

Required disposition

(2)  If an insurer acquires or increases a substantial investment in an entity in accordance with subsection (1), the insurer shall do all things necessary to ensure that the insurer does not have a substantial investment in the entity at the end of two years after acquiring it. 2006, c. 33, Sched. O, s. 15.

Same

(3)  The Chief Executive Officer may, on such terms and conditions as he or she considers appropriate, extend the period of time that would otherwise apply under subsection (2). 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Exceptions

(4)  Subsection (2) does not apply,

(a) in such circumstances as may be prescribed by the regulations; or

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 435.6 (4) (a) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 44 (2))

(b) if the insurer would be entitled to acquire or increase the substantial investment under section 435.1 or 435.2 or the regulations and the insurer obtains the approval of the Chief Executive Officer before the date on which the insurer would otherwise be required to take action under subsection (2). 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Criteria

(5)  In determining whether to give an approval under clause (1) (a), (b), (c) or (d) or clause (4) (b), the Chief Executive Officer shall consider such criteria as are set out in the regulations. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Conditions

(6)  If the Chief Executive Officer gives an approval referred to in subsection (5), he or she may specify that the approval is subject to any terms or conditions that he or she considers appropriate in the circumstances. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 44 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s44s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Portfolio and Lending Limits

Restrictions on loans, etc.

**435.7**An insurer shall not make an investment or loan or acquire an interest in any property if doing so would cause the insurer to contravene any provision of this Act or any restrictions or conditions prescribed by the regulations. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 435.7 of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 45)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 45](http://www.ontario.ca/laws/statute/S17034" \l "sched21s45) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Exclusion from portfolio limits

**435.8**(1)  Subject to subsection (3), the value of all loans, investments and interests in property acquired by an insurer or a prescribed subsidiary in accordance with section 435.3 as a result of a loan workout, in accordance with section 435.4 as a result of a realization of a security interest or in such other circumstances as may be prescribed, shall not be included in calculating the value of the loans, investments and interests in property acquired by the insurer or subsidiary for the purposes of sections 435.9 to 435.12,

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 435.8 (1) of the Act is amended by adding “by the Authority rules” after “as may be prescribed” in the portion before clause (a). (See: 2017, c. 34, Sched. 21, s. 46 (1))

(a) for a period of 12 years after the day on which interest is acquired, in the case of an interest in real property; or

(b) for a period of five years after the day the loan, investment or interest in property was acquired, in the case of a loan, investment or interest in property other than real property. 2006, c. 33, Sched. O, s. 15.

Time extension

(2)  The Chief Executive Officer may, on such terms and conditions as he or she considers appropriate, extend the period of time that would otherwise apply under subsection (1). 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Exception

(3)  Subsection (1) does not apply to a loan, investment or interest in property if the requirements prescribed by the regulations are satisfied. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 435.8 (3) of the Act is amended by striking out “the regulations” and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 46 (2))

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 46 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s46s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Lending limits

**435.9**(1)  Repealed: 2019, c. 14, Sched. 9, s. 20.

Other insurers

(2)  An insurer that is a fraternal society or is not licensed to transact the business of life insurance shall not, and shall not permit its prescribed subsidiaries to, make or acquire a commercial loan or a loan to an individual or acquire control of a permitted entity that holds commercial loans, loans to individuals or both types of loans, if the aggregate value of all commercial loans and loans to individuals that are held by the insurer and its prescribed subsidiaries exceeds, or the making or acquisition of the loan or the acquisition of control of the permitted entity would cause the aggregate value of all commercial loans and loans to individuals that are held by the insurer and its prescribed subsidiaries to exceed, an amount determined under the regulations. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 435.9 of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 47)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 47](http://www.ontario.ca/laws/statute/S17034" \l "sched21s47) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

Limit on interests in real property

**435.10**(1)  An insurer shall not, and shall not permit its prescribed subsidiaries to, purchase or otherwise acquire an interest in real property or make an improvement to any real property in which the insurer or any of its prescribed subsidiaries has an interest if the aggregate value of all interests of the insurer and its prescribed subsidiaries in real property exceeds, or the acquisition of the interest or the making of the improvement would cause that aggregate value to exceed, an amount determined under the regulations. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 435.10 (1) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 48)

Exception

(2)  Subsection (1) does not apply if,

(a) the insurer is a mutual insurance corporation that participates in the Fire Mutuals Guarantee Fund;

(b) the real property in question is the head office or intended head office of the mutual insurance corporation; and

(c) the mutual insurance corporation obtains the approval of the Chief Executive Officer to purchase or otherwise acquire an interest in or make an improvement to the real property. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Criteria

(3)  In determining whether to give an approval under clause (2) (c), the Chief Executive Officer shall consider such criteria as are set out in the regulations. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Conditions

(4)  If the Chief Executive Officer gives an approval under clause (2) (c), he or she may specify that the approval is subject to any terms or conditions that he or she considers appropriate in the circumstances. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 48](http://www.ontario.ca/laws/statute/S17034" \l "sched21s48) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Limit on equity acquisitions

**435.11**(1)  If this section applies to an insurer, the insurer shall not, and shall not permit its prescribed subsidiaries to,

(a) purchase or otherwise acquire any participating shares of any corporation or any ownership interests in any unincorporated entity, other than those of a permitted entity in which the insurer has, or by virtue of the acquisition would have, a substantial investment; or

(b) acquire control of an entity that holds shares or ownership interests referred to in clause (a). 2006, c. 33, Sched. O, s. 15.

Same

(2)  This section applies to an insurer only if the aggregate value of all participating shares, excluding participating shares of permitted entities in which the insurer has a substantial investment, and all ownership interests in unincorporated entities, other than ownership interests in permitted entities in which the insurer has a substantial investment, that are beneficially owned by the insurer and its prescribed subsidiaries exceeds, or the purchase or acquisition described in subsection (1) would cause that aggregate value to exceed, an amount determined under the regulations. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 435.11 (2) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 49)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 49](http://www.ontario.ca/laws/statute/S17034" \l "sched21s49) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Aggregate investment limit

**435.12**(1)  If this section applies to an insurer, the insurer shall not, and shall not permit its prescribed subsidiaries to,

(a) purchase or otherwise acquire,

(i) participating shares of a corporation, other than those of a permitted entity in which the insurer has, or by virtue of the acquisition would have, a substantial investment,

(ii) ownership interests in an unincorporated entity, other than ownership interests in a permitted entity in which the insurer has, or by virtue of the acquisition would have, a substantial investment, or

(iii) interests in real property; or

(b) make an improvement to real property in which the insurer or any of its prescribed subsidiaries has an interest. 2006, c. 33, Sched. O, s. 15.

Same

(2)  This section applies to an insurer if the aggregate value of all participating shares and ownership interests referred to in subclauses (1) (a) (i) and (ii) that are beneficially owned by the insurer and its prescribed subsidiaries and all interests of the insurer in real property referred to in subclause (1) (a) (iii) exceeds, or the acquisition or the making of the improvement would cause that aggregate value to exceed, an amount determined under the regulations. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 435.12 (2) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 50)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 50](http://www.ontario.ca/laws/statute/S17034" \l "sched21s50) - not in force

[CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Divestment order

**435.13**(1)  The Chief Executive Officer may, by order, direct an insurer to dispose of any loan, investment or interest within the time specified in the order if,

(a) the loan, investment or interest was made or acquired in contravention of this Act or the regulations;

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 435.13 (1) (a) of the Act is amended by striking out “or the regulations” at the end and substituting “the regulations or the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 51)

(b) the insurer fails to provide information or undertakings required by the Chief Executive Officer under this Part; or

(c) the Chief Executive Officer believes on reasonable grounds that the making or holding of the loan or investment or the holding of the interest is inconsistent with prudent investment standards. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Appeal

(2)  The insurer may appeal the order of the Chief Executive Officer to the Tribunal. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 51](http://www.ontario.ca/laws/statute/S17034" \l "sched21s51) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Limit on asset transactions

**435.14**(1)  An insurer shall not, and shall not permit its subsidiaries to enter into transactions acquiring assets from or transferring assets to an individual or entity in any 12-month period if the value of the assets exceeds 10 per cent of the value of the insurer’s total assets. 2006, c. 33, Sched. O, s. 15.

Calculation of total assets

(2)  For the purposes of subsection (1), the value of assets that are acquired or transferred and the total value of the insurer’s assets shall be calculated in accordance with the regulations. 2006, c. 33, Sched. O, s. 15.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 435.14 (2) of the Act is amended by striking out “the regulations” at the end and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 52 (1))

Exception

(3)  Subsection (1) does not apply if,

(a) the insurer obtains the approval of the Chief Executive Officer for the acquisition or transfer;

(b) the asset is a debt obligation described in subclause (b) (i), (ii), (iii), (iv) or (v) of the definition of “commercial loan” in subsection 432 (1); or

(c) the acquisition or transfer satisfies the rules prescribed by the regulations or occurs in circumstances prescribed by the regulations. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 435.14 (3) (c) of the Act is amended by striking out “the regulations” wherever it appears and substituting in each case “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 52 (2))

Criteria

(4)  In determining whether to give an approval under clause (3) (a), the Chief Executive Officer shall consider such criteria as are set out in the regulations. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

Conditions

(5)  If the Chief Executive Officer gives an approval under clause (3) (a), he or she may specify that the approval is subject to any terms or conditions that he or she considers appropriate in the circumstances. 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 52 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s52s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Transitional provisions

Interpretation

**436** (1)  In this section,

“changeover date” has the same meaning as in section 431.1; (“date de changement”)

“old investment rules” has the same meaning as in section 431.1. (“anciennes règles de placement”) 2006, c. 33, Sched. O, s. 15.

Existing loans and investments

(2)  Nothing in this Part or in the regulations requires an insurer to,

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 436 (2) of the Act is amended by striking out “the regulations” in the portion before clause (a) and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 53 (1))

(a) terminate a loan made before its changeover date;

(b) terminate a loan made on or after its changeover date as a result of a commitment made before that day;

(c) dispose of an investment made before its changeover date; or

(d) dispose of an investment made on or after its changeover dateas a result of a commitment made before that day. 2006, c. 33, Sched. O, s. 15.

Requirements re existing loans, investments

(3)  Every insurer is, in respect of a loan or investment referred to in subsection (2), subject to the old investment rules. 2006, c. 33, Sched. O, s. 15.

No increase to existing loans, investments

(4)  Despite subsection (2), if a loan or investment described in that subsection would be precluded or limited by this Part, the amount of the loan or investment may not be increased on or after the insurer’s changeover date. 2006, c. 33, Sched. O, s. 15.

Exception – substantial investments

(5)  Despite subsection (4), if an insurer held an investment before its changeover date that is a substantial investment, the insurer may increase that substantial investment on or after its changeover date as a result of an acquisition permitted under subsection 435.3 (1), 435.4 (1) or 435.6 (1). 2006, c. 33, Sched. O, s. 15.

Required disposition

(6)  Except as otherwise provided in the regulations, if an insurer increases an investment as described in subsection (5), the insurer shall do all things necessary to ensure that its investment in the relevant entity is no greater than it was on its changeover date,

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 436 (6) of the Act is amended by striking out “the regulations” in the portion before clause (a) and substituting “the Authority rules”. (See: 2017, c. 34, Sched. 21, s. 53 (2))

(a) in respect of an acquisition permitted under subsection 435.3 (1) or 435.4 (1), at the end of five years after acquiring the shares or ownership interests;

(b) in respect of an acquisition permitted under subsection 435.6 (1), at the end of two years after acquiring the shares or ownership interests. 2006, c. 33, Sched. O, s. 15.

Same

(7)  The Chief Executive Officer may on such terms and conditions as he or she considers appropriate, extend the period of time that would otherwise apply under subsection (6). 2006, c. 33, Sched. O, s. 15; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (45, 46) - 10/10/1997; 1999, c. 6, s. 31 (13) - 01/03/2000

[2005, c. 5, s. 35 (18)](http://www.ontario.ca/laws/statute/S05005" \l "s35s18) - 09/03/2005

[2006, c. 33, Sched. O, s. 15](http://www.ontario.ca/laws/statute/S06033" \l "schedos15) - 05/05/2008

[2017, c. 34, Sched. 21, s. 53 (1, 2)](http://www.ontario.ca/laws/statute/S17034" \l "sched21s53s1) - not in force

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019; [CTS 04 SE 18 - 1](https://www.ontario.ca/laws/consolidated-statutes-change-notices)

Investments, value and formal requirements

Value of assets retained in Canada

**437** (1)  At all times, every insurer shall retain in Canada assets of a value capable of discharging all of its liabilities to its policyholders in Canada and all other outstanding obligations in Canada. 1997, c. 19, s. 10 (46).

Records

(2)  Every insurer shall maintain an up-to-date record identifying all investments held by the insurer and the location of the investments. 1997, c. 19, s. 10 (46).

Procedures

(3)  Every insurer shall also institute and record procedures to be followed in the handling and safeguarding of its investments and shall, at all times, ensure strict compliance with those procedures. 1997, c. 19, s. 10 (46).

Safe-keeping

(4)  Every insurer shall ensure that its investments are kept,

(a) securely and in a manner that prevents unauthorized access to them; and

(b) in the custody of the insurer or of an entity qualified to act as custodian of securities or as a depository or clearing agency for securities under guidelines issued by the Chief Executive Officer. 1997, c. 19, s. 10 (46); 2018, c. 8, Sched. 13, s. 22.

Same

(5)  An insurer shall not place investments in the custody of an entity referred to in clause (4) (b) unless the insurer has entered into a written custodial agreement with the entity. 1997, c. 19, s. 10 (46).

Report to Chief Executive Officer

(6)  At the request of the Chief Executive Officer, an insurer shall report to the Chief Executive Officer on its compliance with subsections (1) to (5) and the Chief Executive Officer may, if not satisfied with the report, require a change which shall be complied with by the insurer, in the nature and content of the records kept, the location of the investments, the custodial arrangements or any other matter related to the safeguarding of the investments. 1997, c. 19, s. 10 (46); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (46) - 10/10/1997

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

**437.1-437.11**

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (59) - See: [Table of Public Statute Provisions Repealed Under Section 10.1 of the *Legislation Act, 2006*](http://www.ontario.ca/laws/public-statute-provisions-repealed-under-section-101-legislation-act-2006) - 31/12/2011

Part XVII.1  
Related Party transactions

Interpretation and Application

Definitions

**437.12**(1)  In this Part,

“guarantee” includes a letter of credit; (“garantie”)

“holding company” means, in respect of an entity, a corporation that controls the entity; (“société mère”)

“loan” includes a deposit, a financial lease, a conditional sales contract, a repurchase agreement and any other similar arrangement for obtaining funds or credit, but does not include investments in securities or the making of an acceptance, endorsement or other guarantee; (“prêt”, “emprunt”)

“person” includes an entity; (“personne”)

“senior officer” means, in respect of a corporation,

(a) an individual who is both a director and a full-time employee of the corporation,

(b) an individual who holds the office of chief executive officer, president, vice president, chief operating officer, secretary, treasurer, chief financial officer, controller, chief accountant, chief auditor or chief actuary of the corporation,

(c) the manager, in the case of a corporation that is a mutual insurance corporation,

(d) an individual who performs functions for the corporation similar to those performed by an individual referred to in clause (b) or (c),

(e) the head of the strategic planning unit of the corporation,

(f) the head of the unit of the corporation that provides legal services or human resources services to the corporation, or

(g) any other officer of the corporation who reports directly to the corporation’s board of directors, chief executive officer, president or chief operating officer. (“cadre dirigeant”) 2006, c. 33, Sched. O, s. 16.

Application of other provisions

(2)  Subsections 432 (3) to (9) apply for the purposes of this Part. 2006, c. 33, Sched. O, s. 16.

Significant interest

(3)  For the purposes of this Part, a person has a significant interest in a class of shares of a corporation if the total of all shares of the class beneficially owned by that person and by all entities controlled by that person exceeds 10 per cent of all outstanding shares of the class of shares. 2006, c. 33, Sched. O, s. 16.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

Related parties

**437.13**(1)  Each of the following persons is a related party in respect of an insurer:

1. Subject to subsection (4), a person that has a significant interest in a class of shares of the insurer.

2. An individual who is a director or senior officer of the insurer or of a holding company of the insurer or is acting in a similar capacity in respect of an unincorporated entity that controls the insurer.

3. The spouse of an individual described in paragraph 1 or 2 or a child under the age of 18 years of an individual described in paragraph 1 or 2.

4. An entity controlled by a person described in paragraph 1 or 2.

5. An entity in which the person that controls the insurer has a substantial investment.

6. An entity in which the spouse of an individual who controls the insurer has a substantial investment or in which a child under the age of 18 years of that individual has a substantial investment.

7. A person that is deemed to be a related party of the insurer under subsection (4) or is designated as a related party of the insurer under subsection (5) or (6). 2006, c. 33, Sched. O, s. 16.

Exceptions

(2)  Despite subsection (1), an entity is not a related party in respect of an insurer if,

(a) the insurer has a substantial investment in the entity, and,

(i) the entity would otherwise be a related party of the insurer only because a person who controls the insurer also controls the entity or has a substantial investment in the entity, and

(ii) the person referred to in subclause (i) does not control the entity or have a substantial investment in it otherwise than through the person’s controlling interest in the insurer;

(b) the entity is a holding company of the insurer and is an insurer incorporated and licensed under the laws of Ontario; or

(c) the entity is a holding company that is prescribed for the purposes of this clause and the circumstances prescribed in the regulations apply. 2006, c. 33, Sched. O, s. 16; 2007, c. 7, Sched. 18, s. 1 (2).

Note: On a day to be named by proclamation of the Lieutenant Governor, clause 437.13 (2) (c) of the Act is repealed and the following substituted: (See: 2018, c. 8, Sched. 13, s. 16)

(c) the entity is a holding company that is prescribed by the Authority rules for the purposes of this clause and the circumstances prescribed in the Authority rules apply.

Deemed not to be related party

(3)  The Chief Executive Officer may make an order providing that the holders of shares of a class of non-voting shares of an insurer are deemed not to be related parties of the insurer if the class of shares is designated in the order and, but for the order, the holders of the shares would have been related parties of the insurer by reason only of having a significant interest in the class of shares. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Deemed related party

(4)  If an insurer enters into or is deemed under section 437.17 to have indirectly entered into a transaction with a person in contemplation of the person becoming a related party of the insurer, the person is deemed to be a related party of the insurer for the purposes of this Part in respect of that transaction. 2006, c. 33, Sched. O, s. 16.

Designation of related party

(5)  The Chief Executive Officer may make an order designating a person to be a related party of an insurer for the purposes of this Part if the Chief Executive Officer is of the opinion that,

(a) an interest or relationship exists between the person and the insurer that can reasonably be expected to affect the exercise of the best judgment of the insurer with respect to a transaction; or

(b) the person is acting in concert with a related party of the insurer with respect to entering into a transaction with the insurer and it would be contrary to this Part or the regulations for the related party to enter into the transaction with the insurer. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Same

(6)  If the Chief Executive Officer makes an order designating a person as a related party of an insurer, the Chief Executive Officer may make an order designating as a related party of the insurer,

(a) an entity in which the person designated by the Chief Executive Officer has a substantial investment; and

(b) a subsidiary of an entity in which the person designated by the Chief Executive Officer has a substantial investment. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Appeal

(7)  The insurer to which an order under this section relates or a person that is designated a related party of the insurer by the order may appeal the order to the Tribunal. 2006, c. 33, Sched. O, s. 16.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

[2007, c. 7, Sched. 18, s. 1 (2)](http://www.ontario.ca/laws/statute/S07007" \l "sched18s1s2) - 05/05/2008

[2018, c. 8, Sched. 13, s. 16](http://www.ontario.ca/laws/statute/S18008" \l "sched13s16) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Transactions

**437.14**For the purposes of this Part, a transaction between an insurer and a person includes,

(a) a transfer of property between the insurer and the person;

(b) a loan by the insurer to the person;

(c) giving or renewing a guarantee that is on behalf of the person;

(d) making an investment in any securities of the person, if the person is an entity;

(e) taking an assignment of or otherwise acquiring a loan made by a third party to the person;

(f) taking or renewing a security interest in the securities of the person, if the person is an entity;

(g) fulfilling an obligation on behalf of the person, including paying interest on a loan or a deposit, making a payment under a policy and paying an advance under a policy;

(h) arranging for the insurer to be reinsured by the person against any risk undertaken by the insurer;

(i) renewing any loan owed by the person to the insurer or amending the terms of the loan; and

(j) amending the terms of any arrangement that is otherwise a transaction for the purposes of this Part. 2006, c. 33, Sched. O, s. 16.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

Application

**437.15**(1)  Subject to subsection (2), this Part applies only with respect to transactions entered into by an insurer incorporated and licensed under the laws of Ontario on and after the insurer’s changeover date within the meaning of section 431.1. 2006, c. 33, Sched. O, s. 16.

Transactions not subject to this Part

(2)  This Part does not apply to the following transactions:

1. Transactions involving assets held in a separate and distinct fund under section 109 where all the policies in respect of which the fund is maintained are held by one person or all the amounts in respect of which the fund is maintained are retained on the direction of one person.

2. The issue by an insurer of shares of any class if the shares are fully paid for in money or are issued,

i. in accordance with any provisions for the conversion of other issued and outstanding securities of the insurer into shares of that class,

ii. as a share dividend,

iii. in accordance with the terms of an amalgamation to which Part XVI applies,

iv. as consideration under the terms of a transfer agreement to which Part XVI applies, or

v. with the approval of the Chief Executive Officer, in exchange for shares of another corporation.

3. The payment of dividends, policy dividends or bonuses by an insurer.

4. The payment or provision by an insurer of salaries, fees, stock options, policy premiums, pension benefits, incentive benefits or other benefits or remuneration to individuals in their capacity as directors, officers or employees of the insurer if the payment is in consideration for the carrying out of duties that are not outside the ordinary course of business of the insurer. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Criteria

(3)  In determining whether to give an approval under subparagraph 2 v of subsection (2), the Chief Executive Officer shall consider such criteria as are set out in the regulations. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Conditions

(4)  If the Chief Executive Officer gives an approval under subparagraph 2 v of subsection (2), he or she may specify that the approval is subject to any terms or conditions that he or she considers appropriate in the circumstances. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Rules for Transactions with Related Parties

General rule re transactions with related party

**437.16**Except as otherwise permitted under this Part or the regulations, no insurer incorporated and licensed under the laws of Ontario shall directly or indirectly enter into a transaction with a person that is a related party of the insurer. 2006, c. 33, Sched. O, s. 16.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

Subsidiary’s transactions deemed to be those of insurer

**437.17**(1)  Except as otherwise provided in this Part or the regulations, an insurer is deemed for the purposes of this Part to have indirectly entered into any transaction entered into by a subsidiary of the insurer. 2006, c. 33, Sched. O, s. 16; 2009, c. 33, Sched. 16, s. 7 (5).

Exceptions

(2)  Subsection (1) does not apply if any of the following conditions are satisfied:

1. The subsidiary that entered into the transaction is a federal financial institution within the meaning of subsection 2 (1) of the Insurance Companies Act (Canada).

2. The transaction entered into by the subsidiary satisfies conditions prescribed by the regulations or the transaction was entered into under circumstances prescribed by the regulations. 2006, c. 33, Sched. O, s. 16.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

[2009, c. 33, Sched. 16, s. 7 (5)](http://www.ontario.ca/laws/statute/S09033" \l "sched16s7s5) - 15/12/2009

Transactions permitted with related parties

**437.18**(1)  Despite section 437.16 and subject to subsection (4), any of the following transactions between an insurer and a related party are not prohibited under this Part:

1. A transaction between an insurer and a related party where the value of the transaction is, in accordance with the regulations, nominal or immaterial to the insurer.

2. The reinsurance by a related party of an insurer against any risk undertaken by the insurer where,

i. the related party is an insurer within the meaning of section 1 that is licensed under this Act, or

ii. the reinsurance by the related party is approved by the Chief Executive Officer.

3. The reinsurance by an insurer of a related party against any risk undertaken by the related party.

4. A loan by an insurer to a related party, the acquisition by an insurer of a loan to a related party or the provision by an insurer of a guarantee of a loan to a related party if,

i. the related party is an individual and the loan is secured by a mortgage on the individual’s principal residence and any conditions prescribed by the regulations are satisfied, and

ii. in any case other than the one described in subparagraph i, the loan or guarantee satisfies the rules prescribed by the regulations.

5. A loan to an insurer from a related party or the issue of debt obligations by an insurer to a related party.

6. The issuing of policies by an insurer to a related party.

7. The purchase by an insurer from a related party of goods or services for use in the ordinary course of the insurer’s business.

8. Subject to section 435.14, the sale by an insurer of property to a related party if the consideration for the property is fully paid in money and there is an active market for the property.

9. The purchase or sale of assets other than real property by an insurer in the normal course of business from or to a related party that is a financial institution, if the purchase or sale is pursuant to arrangements that have been approved by the Chief Executive Officer.

10. The purchase or sale of assets by an insurer from or to a related party if the transaction is permitted under the regulations.

11. The acquisition or disposition of property by an insurer from or to a related party as part of or in the course of a restructuring if the Chief Executive Officer has approved the acquisition or disposition.

12. The provision by the insurer to a related party of services normally offered by the insurer to the public in the ordinary course of the insurer’s business, other than services that involve the making of loans or guarantees.

13. The entering into of a written contract by an insurer and by a financial institution or other entity referred to in clause 141 (5) (a) of the Corporations Act that is a related party if the contract relates to,

i. the provision of services by the insurer or by the financial institution or other entity, or

ii. the referral by the insurer of a person to the financial institution or other entity or the referral by the financial institution or other entity of a person to the insurer.

14. The entering into of a written contract by the insurer for a pension or benefit plan for directors or employees of the insurer or any subsidiary of the insurer or for the management or administration of the plan.

15. The provision by the insurer of management, advisory, accounting, information processing or other services in relation to any business carried on by a related party.

16. A transaction between an insurer and a related party that is permitted under section 437.19 or 437.20 or under the regulations. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Criteria

(2)  In determining whether to give an approval under subparagraph 2 ii, paragraph 9 or paragraph 11 of subsection (1), the Chief Executive Officer shall consider such criteria as are set out in the regulations. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Conditions

(3)  If the Chief Executive Officer gives an approval mentioned in subsection (2), he or she may specify that the approval is subject to any terms or conditions that he or she considers appropriate in the circumstances. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Market terms and conditions

(4)  Except as otherwise permitted under this Part or the regulations, every transaction between an insurer and a related party shall be on terms and conditions that are at least as favourable to the insurer as market terms and conditions. 2006, c. 33, Sched. O, s. 16.

Same

(5)  For the purposes of this Part, a transaction is on terms and conditions that are at least as favourable to the insurer as market terms and conditions if the following conditions are satisfied:

1. If the transaction involves the provision to the related party of a service or a loan facility normally offered by the insurer to the public in the ordinary course of business, the terms and conditions are no more or less favourable than the terms and conditions offered to the public by the insurer in the ordinary course of business.

2. In any other case,

i. if the transaction is one that could reasonably be expected to occur in an open market, the terms and conditions of the transaction, including any applicable price, rent or interest rate, are comparable to the terms and conditions that can reasonably be expected to apply in a fair transaction between parties dealing at arm’s length who are acting prudently, knowledgeably and willingly, or

ii. if the transaction is not one that can reasonably be expected to occur in an open market or between parties dealing at arm’s length, the terms and conditions of the transaction, including any applicable price, rent or interest rate, can reasonably be expected to provide the insurer with fair value, having regard to all of the circumstances of the transaction, and are consistent with the parties to the transaction acting prudently, knowledgeably and willingly. 2006, c. 33, Sched. O, s. 16.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 437.18 of the Act is amended by striking out “regulations” wherever it appears and substituting in each case “Authority rules”. (See: 2018, c. 8, Sched. 13, s. 17)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

[2018, c. 8, Sched. 13, s. 17](http://www.ontario.ca/laws/statute/S18008" \l "sched13s17) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Transactions with directors, senior officers, etc.

**437.19**(1)  Subject to subsection 437.18 (4) and to subsections (6) and (7), an insurer may enter into any transaction with,

(a) an individual who is a related party of the insurer only because the individual is,

(i) a director or senior officer of the insurer or of an entity that controls the insurer,

(ii) the spouse of a director or senior officer described in subclause (i), or

(iii) an individual under the age of 18 years who is the child of a director or senior officer described in subclause (i); or

(b) an entity that is a related party of the insurer only because the entity is controlled by an individual described in subclause (a) (i) or (ii). 2006, c. 33, Sched. O, s. 16.

Exception, loan to full-time senior officer

(2)  Despite subsection (1), an insurer may, with respect to a related party referred to in subsection (1) who is a full-time senior officer of the insurer, make or acquire a qualifying loan to the related party only if the aggregate principal amount of all outstanding qualifying loans to the related party that are held by the insurer and its subsidiaries, together with the principal amount of the proposed qualifying loan, does not exceed an amount prescribed by the regulations or determined in a manner prescribed by the regulations. 2006, c. 33, Sched. O, s. 16.

Qualifying loan

(3)  For the purposes of subsection (2), a qualifying loan is any loan other than,

(a) a loan on the security of a mortgage on a principal residence referred to in subparagraph 4 i of subsection 437.18 (1); and

(b) a margin loan. 2006, c. 33, Sched. O, s. 16.

Preferred terms, loan to senior officer

(4)  Despite subsection 437.18 (4), an insurer may make any of the following loans on terms and conditions that are more favourable to the borrower than market terms and conditions if the terms and conditions have been approved by the insurer’s conduct review committee:

1. A loan other than a margin loan to a senior officer of the insurer.

2. A loan on the security of a mortgage on a principal residence referred to in subparagraph 4 i of subsection 437.18 (1) that is made to the spouse of a senior officer of the insurer. 2006, c. 33, Sched. O, s. 16.

Preferred terms, other financial services

(5)  Despite subsection 437.18 (4), an insurer may offer financial services other than loans or guarantees to a senior officer of the insurer, to the spouse of a senior officer of the insurer or to a child of a senior officer who is less than 18 years of age on terms and conditions more favourable than market terms and conditions if,

(a) the financial services are offered by the insurer to employees of the insurer on the same favourable terms and conditions; and

(b) the insurer’s conduct review committee has approved the practice of making the financial services available on the favourable terms and conditions to senior officers of the insurer or to their spouses or children. 2006, c. 33, Sched. O, s. 16.

Regulations may limit transactions

(6)  An insurer shall not enter into a transaction described in subsection (1) if,

(a) the transaction is of a type or class prescribed by the regulations for the purposes of this subsection; and

(b) immediately following the transaction, the total value as determined under the regulations of all transactions prescribed for the purposes of this subsection would exceed the amount determined under the regulations. 2006, c. 33, Sched. O, s. 16.

Transactions requiring directors’ approval

(7)  An insurer shall not enter into a transaction described in subsection (1) if,

(a) the transaction is of a type or class prescribed by the regulations as requiring the approval of the directors of the insurer for the purposes of this subsection;

(b) immediately following the transaction, the total value as determined under the regulations of all transactions prescribed for the purposes of this subsection would exceed the amount determined under the regulations; and

(c) the directors have not approved the transaction in accordance with the regulations. 2006, c. 33, Sched. O, s. 16.

Margin loans

(8)  The Chief Executive Officer may establish, and insurers shall comply with, terms and conditions with respect to the making of margin loans by an insurer or a subsidiary of an insurer to a director or senior officer of the insurer. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 437.19 of the Act is amended by striking out “regulations” wherever it appears and substituting in each case “Authority rules”. (See: 2018, c. 8, Sched. 13, s. 18)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

[2018, c. 8, Sched. 13, s. 18](http://www.ontario.ca/laws/statute/S18008" \l "sched13s18) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Transactions exempt under Chief Executive Officer’s order

**437.20**(1)  The Chief Executive Officer may, by order, provide that a transaction between an insurer and a related party is not subject to one or more provisions in this Part and may impose such terms and conditions in respect of the transaction as the Chief Executive Officer considers advisable in the circumstances. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Conditions

(2)  The Chief Executive Officer shall not make an order under subsection (1) unless he or she is satisfied that the decision of the insurer to enter into the transaction has not been and is unlikely to be influenced in a significant way by a related party of the insurer and does not involve in a significant way the interests of any related party of the insurer. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Determining if related party involved

**437.21**(1)  If an insurer knows or has reason to believe that another party to a transaction or proposed transaction, other than a transaction described in paragraph 1 of subsection 437.18 (1), is a related party of the insurer, the insurer shall take all reasonable steps to obtain from the other party full disclosure in writing of any interest or relationship, direct or indirect, that would make the other party a related party of the insurer. 2006, c. 33, Sched. O, s. 16.

No liability if rely on information

(2)  An insurer and any director, officer, employee or agent of the insurer may rely on any information contained in any disclosure received by the insurer pursuant to subsection (1) and on any information otherwise acquired in respect of any matter that might be the subject of a disclosure referred to in subsection (1) and no action lies against the insurer or any director, officer, employee or agent of the insurer for anything done or omitted in good faith in reliance on that information. 2006, c. 33, Sched. O, s. 16.

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

Contravention

**437.22**(1)  If an insurer enters into a transaction contrary to this Part or the regulations, the insurer shall notify the Chief Executive Officer as soon as the insurer becomes aware of the contravention. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Order to void contract or grant other relief

(2)  If an insurer enters into a transaction contrary to this Part or the regulations, the insurer or the Chief Executive Officer may apply to the Superior Court of Justice for an order setting aside the transaction or for any other appropriate remedy, including an order directing that the related party of the insurer involved in the transaction account to the insurer for any profit or gain realized or that any director or senior officer of the insurer who authorized the transaction compensate the insurer for any loss or damage incurred by the insurer. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Same

(3)  An order may be made under subsection (2) despite anything in subsections 71 (4) and (5) of the Corporations Act. 2006, c. 33, Sched. O, s. 16.

Time limit

(4)  An application under subsection (2) in respect of a particular transaction may only be made within the period of three months following the day the notice referred to in subsection (1) in respect of the transaction is given to the Chief Executive Officer or, if no notice is given, the day the Chief Executive Officer becomes aware of the transaction. 2006, c. 33, Sched. O, s. 16; 2018, c. 8, Sched. 13, s. 22.

Directors’ liability, related party transactions

(5)  The directors of an insurer who vote for or consent to a resolution of the directors authorizing any transaction contrary to this Part are jointly and severally liable to restore to the insurer any amounts distributed or paid in connection with the transaction that are not otherwise recovered by the insurer and any amounts in relation to any loss suffered by the insurer in connection with the transaction. 2006, c. 33, Sched. O, s. 16.

Contribution

(6)  A director who has satisfied a judgment in relation to the liability of two or more directors under subsection (5) is entitled to contribution from the other directors who voted for or consented to the transaction on which the judgment was found. 2006, c. 33, Sched. O, s. 16.

Recovery

(7)  A director who is liable under subsection (5) is entitled to apply to the Superior Court of Justice for an order compelling a shareholder or other person to pay to the director an amount equal to the value of the loss suffered by the insurerin connection with the transaction. 2006, c. 33, Sched. O, s. 16.

Court order

(8)  Where an application is made to the court under subsection (7), the court, where it is satisfied that it is equitable to do so,

(a) may order a shareholder or other person to pay to the director an amount in respect of the loss referred to in subsection (7); and

(b) may make such other order as it thinks fit. 2006, c. 33, Sched. O, s. 16.

Due diligence

(9)  A director, officer or employee of an insureris not liable under this section if the director, officer or employee exercised the care, diligence and skill that a reasonably prudent person would have exercised in comparable circumstances, including reliance in good faith on,

(a) financial statements of the insurer that were represented to them by an officer of the insureror in a written report of an auditor of theinsurerfairly to reflect the financial condition of the insurer;or

(b) a report of a person whose profession lends credibility to a statement made by the person. 2006, c. 33, Sched. O, s. 16.

Note: On a day to be named by proclamation of the Lieutenant Governor, section 437.22 of the Act is amended by striking out “regulations” wherever it appears and substituting in each case “Authority rules”. (See: 2018, c. 8, Sched. 13, s. 19)

**Section Amendments with date in force (d/m/y)**

[2006, c. 33, Sched. O, s. 16](http://www.ontario.ca/laws/statute/S06033" \l "schedos16) - 05/05/2008

[2018, c. 8, Sched. 13, s. 19](http://www.ontario.ca/laws/statute/S18008" \l "sched13s19) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

part xviii  
unfair or deceptive acts or practices

Definitions, Part XVIII

**438** For the purposes of this Part,

“person” includes an individual, corporation, association, partnership, organization, reciprocal or insurance exchange, member of the society known as Lloyd’s, fraternal society, mutual benefit society or syndicate; (“personne”)

“unfair or deceptive acts or practices” means any activity or failure to act that is prescribed by the Authority rules as an unfair or deceptive act or practice. (“actes ou pratiques malhonnêtes ou mensongers”) R.S.O. 1990, c. I.8, s. 438; 1993, c. 10, s. 48; 1999, c. 12, Sched. I, s. 4 (60, 61); 2018, c. 8, Sched. 13, s. 20.

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 48 - 01/01/1994; 1999, c. 12, Sched. I, s. 4 (60) - 01/01/2001; 1999, c. 12, Sched. I, s. 4 (61) - 22/12/1999

[2018, c. 8, Sched. 13, s. 20](http://www.ontario.ca/laws/statute/S18008" \l "sched13s20) - 14/03/2022

Unfair or deceptive acts, etc., prohibited

**439** No person shall engage in any unfair or deceptive act or practice. R.S.O. 1990, c. I.8, s. 439.

Chief Executive Officer may investigate

**440** (1)  The Chief Executive Officer may examine and investigate the affairs of every person engaged in the business of insurance in Ontario in order to determine whether such person has been, or is, engaged in any unfair or deceptive act or practice. R.S.O. 1990, c. I.8, s. 440; 2018, c. 8, Sched. 13, s. 22.

Same, former insurers, etc.

(2)  The Chief Executive Officer may examine and investigate the affairs of every person who has been but is no longer engaged in the business of insurance in Ontario in order to determine whether the person has been, or is, engaged in any unfair or deceptive act or practice. 2013, c. 2, Sched. 8, s. 29 (1); 2018, c. 8, Sched. 13, s. 22.

Same, service provider’s licences

(3)  The Chief Executive Officer may examine and investigate the affairs of every person who holds a service provider’s licence issued under Part VI, or who held such a licence, in order to determine whether the person has been, or is, engaged in any unfair or deceptive act or practice. 2013, c. 2, Sched. 8, s. 29 (2); 2018, c. 8, Sched. 13, s. 22.

Same, prescribed persons

(4)  The Chief Executive Officer may examine and investigate the affairs of such other persons as may be prescribed, in such circumstances as may be prescribed, in order to determine whether the person has been, or is, engaged in any unfair or deceptive act or practice. 2013, c. 2, Sched. 8, s. 29 (3); 2018, c. 8, Sched. 13, s. 22.

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 440 (4) of the Act is amended by striking out “prescribed” wherever it appears and substituting in each case “prescribed by the Authority rules”. (See: 2018, c. 8, Sched. 13, s. 21)

Same, other persons

(5)  The Chief Executive Officer may examine and investigate the affairs of every other person who, in the opinion of the Chief Executive Officer, may have engaged in any unfair or deceptive act or practice in order to determine whether the person has been, or is, engaged in any unfair or deceptive act or practice. 2013, c. 2, Sched. 8, s. 29 (3); 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 29](http://www.ontario.ca/laws/statute/S13002" \l "sched8s29s1) - 16/08/2013

[2018, c. 8, Sched. 13, s. 21](http://www.ontario.ca/laws/statute/S18008" \l "sched13s21) - not in force; [2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Action on examination or investigation

Chief Executive Officer’s report

**441** (1)  Upon examination or investigation, or upon any other evidence, the Chief Executive Officer shall make a report if he or she is of the opinion that a person has committed or is committing any act, or has pursued or is pursuing any course of conduct, that is an unfair or deceptive act or practice or might reasonably be expected to result in a state of affairs that would constitute an unfair or deceptive act or practice. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

Notice

(2)  The Chief Executive Officer may give notice in writing, which shall include a copy of the report made under subsection (1), to the person that the Chief Executive Officer intends to order the person,

(a) to cease or refrain from doing any act or pursuing any course of conduct identified by the Chief Executive Officer;

(b) to cease engaging in the business of insurance or any aspect of the business of insurance specified by the Chief Executive Officer; or

(c) to perform the acts that, in the opinion of the Chief Executive Officer, are necessary to remedy the situation. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

Request for hearing

(3)  Within 15 days after receiving the notice, a person may request in writing that the Tribunal hold a hearing before the Chief Executive Officer takes any action described in the notice. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

Interim order

(4)  Despite subsection (3), if the Chief Executive Officer is of the opinion that the interests of the public may be prejudiced or adversely affected by any delay in the issuance of a permanent order, the Chief Executive Officer, without prior notice, may make an interim order as described in subsection (2) which shall take effect immediately on its making, and which shall become permanent on the 15th day after its making unless within that time the person requests a hearing before the Tribunal. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

Hearing

(5)  If, within the time period allowed, the person requests a hearing, the Tribunal shall hold a hearing. 1997, c. 28, s. 144.

Extension of order

(6)  If, within the time period allowed, the person requests a hearing and the Chief Executive Officer has made an interim order under subsection (4), the Chief Executive Officer may extend the interim order until the hearing is concluded and the order is confirmed, varied or revoked. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

No request for hearing

(7)  If the person does not request a hearing within the time period allowed, the Chief Executive Officer may make an order in accordance with the notice given under subsection (2) which shall take effect on the date set out in the order. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

Hearing

(8)  At a hearing, if the Tribunal is of the opinion that an order described in subsection (2) should be made, the Tribunal may make an order which shall take effect on the date set out in the order. 1997, c. 28, s. 144.

Modification

(9)  The Chief Executive Officer may modify any order made under this section after giving the person named in the order an opportunity to make written submissions. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

Appeal

(10)  The person named in an order modified by the Chief Executive Officer may appeal the order to the Tribunal. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

Revocation

(11)  The Chief Executive Officer may revoke any order made under this section. 1997, c. 28, s. 144; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 144 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

part xviii.1  
administrative penalties

Definitions

**441.1**For the purposes of this Part,

“person” has the same meaning as in section 438; (“personne”)

“requirement established under this Act” means,

(a) a requirement imposed by a provision of this Act that is prescribed for the purpose of section 441.3 or 441.4 or by a provision of a regulation or an Authority rule that is prescribed for the purpose of either of those sections,

(b) a condition of a licence,

(c) a requirement imposed by order, or

(d) an obligation assumed by way of undertaking. (“exigence établie en vertu de la présente loi”) 2012, c. 8, Sched. 23, s. 75; 2021, c. 8, Sched. 5, s. 6.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 75](http://www.ontario.ca/laws/statute/S12008" \l "sched23s75) - 01/01/2013

[2021, c. 8, Sched. 5, s. 6](http://www.ontario.ca/laws/statute/S21008" \l "sched5s6) - 01/04/2022

Administrative penalties

**441.2**(1)  An administrative penalty may be imposed under section 441.3 or 441.4 for either of the following purposes:

1. To promote compliance with the requirements established under this Act.

2. To prevent a person from deriving, directly or indirectly, any economic benefit as a result of contravening or failing to comply with a requirement established under this Act. 2012, c. 8, Sched. 23, s. 75.

Same

(2)  An administrative penalty may be imposed alone or in conjunction with any other regulatory measure provided by this Act, including an order under section 441, or the suspension, revocation or cancellation of a licence. 2012, c. 8, Sched. 23, s. 75.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 75](http://www.ontario.ca/laws/statute/S12008" \l "sched23s75s1) - 01/01/2013

General administrative penalties

**441.3**(1)  If the Chief Executive Officer is satisfied that a person is contravening or not complying with or has contravened or failed to comply with any of the following, the Chief Executive Officer may, by order, impose an administrative penalty on the person in accordance with this section and the regulations:

1. A provision of this Act, the regulations or the Authority rules as may be prescribed.

2. A condition, requirement or obligation described in clause (b), (c) or (d) of the definition of “requirement established under this Act” in section 441.1. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22; 2021, c. 8, Sched. 5, s. 7.

Proposal to impose a penalty

(2)  If the Chief Executive Officer proposes to impose an administrative penalty under this section, the Chief Executive Officer shall give written notice of the proposal to the person, including the details of the contravention or failure to comply, the amount of the penalty and the payment requirements; the Chief Executive Officer shall also inform the person that he, she or it may request a hearing by the Tribunal about the proposal and shall advise the person about the process for requesting a hearing. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22.

Notice of combined proposals

(3)  A notice of proposal to impose an administrative penalty under this section may be combined with a notice of proposal authorized by any other section. 2012, c. 8, Sched. 23, s. 75.

Limitation

(4)  The Chief Executive Officer shall not give notice of a proposal more than two years after the day the Chief Executive Officer became aware of the contravention or failure to comply. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22.

Hearing requested

(5)  If the person requests a hearing in writing within 15 days after the notice under subsection (2) is given, the Tribunal shall hold a hearing. 2012, c. 8, Sched. 23, s. 75.

Order

(6)  Subject to the regulations, the Tribunal may, by order, direct the Chief Executive Officer to carry out the proposal, with or without changes, or substitute its opinion for that of the Chief Executive Officer. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22.

Hearing not requested

(7)  If the person does not request a hearing or does not make the request in accordance with subsection (5), the Chief Executive Officer may carry out the proposal. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22.

Effect of paying penalty

(8)  If the person pays the administrative penalty in accordance with the terms of the order or, if the order is varied, in accordance with the terms of the varied order, he, she or it cannot be charged with an offence under this Act in respect of the same contravention or failure to comply. 2012, c. 8, Sched. 23, s. 75.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 75](http://www.ontario.ca/laws/statute/S12008" \l "sched23s75s1) - 01/01/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2021, c. 8, Sched. 5, s. 7](http://www.ontario.ca/laws/statute/S21008" \l "sched5s7) - 01/04/2022

Summary administrative penalties

**441.4**(1)  If the Chief Executive Officer is satisfied that a person is contravening or not complying with or has contravened or failed to comply with a provision of this Act, the regulations or the Authority rules as may be prescribed, the Chief Executive Officer may, by order, impose an administrative penalty on the person in accordance with this section and the regulations. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22; 2021, c. 8, Sched. 5, s. 8.

Same

(2)  Before imposing a penalty, the Chief Executive Officer shall give the person a reasonable opportunity to make written submissions. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22.

Limitation

(3)  The Chief Executive Officer shall not make an order under this section more than two years after the day the Chief Executive Officer became aware of the contravention or failure to comply. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22.

Appeal

(4)  The person may appeal the Chief Executive Officer’s order to the Tribunal in writing within 15 days after the order in subsection (1) is given to the person. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 23.

Same

(5)  An appeal commenced in accordance with subsection (4) operates as a stay of the order until the matter is finally disposed of. 2012, c. 8, Sched. 23, s. 75.

Same

(6)  The Tribunal may confirm, revoke or vary the order within the limits, if any, established by the regulations. 2012, c. 8, Sched. 23, s. 75.

Effect of paying penalty

(7)  If the person pays the administrative penalty in accordance with the terms of the order or, if the order is varied, in accordance with the terms of the varied order, he, she or it cannot be charged with an offence under this Act in respect of the same contravention or failure to comply. 2012, c. 8, Sched. 23, s. 75.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 75](http://www.ontario.ca/laws/statute/S12008" \l "sched23s75s1) - 01/01/2013

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2021, c. 8, Sched. 5, s. 8](http://www.ontario.ca/laws/statute/S21008" \l "sched5s8) - 01/04/2022

Maximum administrative penalties

**441.5**(1)  An administrative penalty imposed under section 441.3 shall not exceed the following amounts:

1. For a contravention or failure to comply by a person, other than an individual, $200,000 or such lesser amount as may be prescribed for a prescribed requirement established under this Act.

2. For a contravention or failure to comply by an individual, $100,000 or such lesser amount as may be prescribed for a prescribed requirement established under this Act. 2012, c. 8, Sched. 23, s. 75.

Same

(2)  An administrative penalty imposed under section 441.4 shall not exceed $25,000 or such lesser amount as may be prescribed for a prescribed requirement established under this Act. 2012, c. 8, Sched. 23, s. 75.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 75](http://www.ontario.ca/laws/statute/S12008" \l "sched23s75s1) - 01/01/2013

Enforcement of administrative penalties

**441.6**(1)  If a person fails to pay an administrative penalty imposed under section 441.3 or 441.4 in accordance with the terms of the order imposing the penalty, the Chief Executive Officer may file the order with the Superior Court of Justice and the order may be enforced as if it were an order of the court. 2012, c. 8, Sched. 23, s. 75; 2018, c. 8, Sched. 13, s. 22.

Same

(2)  For the purposes of section 129 of the Courts of Justice Act, the date on which the order is filed with the court is deemed to be the date of the order. 2012, c. 8, Sched. 23, s. 75.

Same

(3)  An administrative penalty that is not paid in accordance with the terms of the order imposing the penalty is a debt due to the Crown and is also enforceable as such. 2012, c. 8, Sched. 23, s. 75.

**Section Amendments with date in force (d/m/y)**

[2012, c. 8, Sched. 23, s. 75](http://www.ontario.ca/laws/statute/S12008" \l "sched23s75s1) - 01/01/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

PART XIX  
EXAMINATION AND ENFORCEMENT

Interpretation, Part XIX

**442** (1)  In this Part,

“person” has the same meaning as in section 438; (“personne”)

“unfair or deceptive act or practice” has the same meaning as in section 438. (“acte ou pratique malhonnêtes ou mensongers”) 2013, c. 2, Sched. 8, s. 30.

Same, “examination”

(2)  In sections 443 and 444 and in subsection 446.1 (2), a reference to an examination includes an appraisal, audit or inspection under this Act. 2013, c. 2, Sched. 8, s. 30.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 30](http://www.ontario.ca/laws/statute/S13002" \l "sched8s30) - 16/08/2013

Inquiries

To insurers, etc.

**442.1**(1)  The Chief Executive Officer or a person designated by the Chief Executive Officer may direct an inquiry to any of the following persons about contracts, settlements or adjustments under contracts, the financial affairs of an insurer, the acts and practices of an insurer, agent or adjuster or such other matters as may be specified by the Chief Executive Officer:

1. An insurer who holds or held a licence under this Act.

2. An insurer who, in the opinion of the Chief Executive Officer, is or was required to hold a licence under this Act.

3. The chief agent of an insurer described in paragraph 1 or 2 that has its head office outside Ontario.

4. An agent or adjuster who holds or held a licence under this Act.

5. An agent or adjuster who, in the opinion of the Chief Executive Officer, is or was required to hold a licence under this Act.

6. A broker who is or was a registered insurance broker under the Registered Insurance Brokers Act. 2013, c. 2, Sched. 8, s. 31; 2018, c. 8, Sched. 13, s. 22.

To other licensees, etc.

(2)  The Chief Executive Officer or a person designated by the Chief Executive Officer may direct an inquiry to any person who holds or held a service provider’s licence under Part VI (Automobile Insurance) about matters relevant to the purposes of Part VI or Part XVIII (Unfair or Deceptive Acts or Practices). 2013, c. 2, Sched. 8, s. 31; 2018, c. 8, Sched. 13, s. 22.

Re unfair or deceptive acts or practices

(3)  The Chief Executive Officer or a person designated by the Chief Executive Officer may direct an inquiry to any other person who, in the opinion of the Chief Executive Officer, may have committed an unfair or deceptive act or practice. The inquiry may be about matters relevant to the purposes of Part XVIII (Unfair or Deceptive Acts or Practices). 2013, c. 2, Sched. 8, s. 31; 2018, c. 8, Sched. 13, s. 22.

To other prescribed persons

(4)  The Chief Executive Officer or a person designated by the Chief Executive Officer may direct an inquiry to any other prescribed person, in such circumstances as may be prescribed, about the prescribed matters. 2013, c. 2, Sched. 8, s. 31; 2018, c. 8, Sched. 13, s. 22.

Duty re inquiry

(5)  A person to whom an inquiry is directed shall answer promptly, explicitly and completely and shall do so in the manner and within the period specified by the Chief Executive Officer or the designate. 2013, c. 2, Sched. 8, s. 31; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 31](http://www.ontario.ca/laws/statute/S13002" \l "sched8s31) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Right of access to books, records, etc.

Of insurers, etc.

**442.2**(1)  The Chief Executive Officer or a person designated by the Chief Executive Officer may at any reasonable time examine the books, records, information, money, valuables and things of an insurer, agent, adjuster or broker that are related to the business of an insurer, agent, adjuster or broker. 2013, c. 2, Sched. 8, s. 32; 2018, c. 8, Sched. 13, s. 22.

Of other licensees, etc.

(2)  The Chief Executive Officer or a person designated by the Chief Executive Officer may at any reasonable time examine the books, records, information, money, valuables and things of a person who holds or held a service provider’s licence under Part VI (Automobile Insurance) about matters relevant to the purposes of Part VI or Part XVIII (Unfair or Deceptive Acts or Practices). 2013, c. 2, Sched. 8, s. 32; 2018, c. 8, Sched. 13, s. 22.

Interpretation

(3)  For greater certainty, the Chief Executive Officer or designate may examine any data storage, processing or retrieval device or system that is used in connection with the business or activities of the insurer, agent, adjuster, broker or person and may use it to produce information. 2013, c. 2, Sched. 8, s. 32; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 32](http://www.ontario.ca/laws/statute/S13002" \l "sched8s32) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Duty to provide information

**442.3**(1)  Upon the request of the Chief Executive Officer or a person designated by the Chief Executive Officer, a person to whom an inquiry may be directed under section 442.1 shall give the Chief Executive Officer or designate full information, and shall provide records, about the following matters:

1. A contract issued by an insurer.

2. A settlement or adjustment under a contract.

3. Activities related to the business of insurance.

4. Activities related to the business of a person who holds or held a licence under this Act.

5. Activities related to the business of any other person who, in the opinion of the Chief Executive Officer, is or was required to hold a licence under this Act.

6. Such other matters as may be prescribed.

7. Such other matters as may be specified by the Chief Executive Officer or the designate. 2013, c. 2, Sched. 8, s. 33; 2018, c. 8, Sched. 13, s. 22.

Same, insured persons

(2)  Upon the request of the Chief Executive Officer or a person designated by the Chief Executive Officer, an insured person shall give the Chief Executive Officer or designate full information about the following matters:

1. A contract issued to the insured person.

2. A settlement or adjustment under a contract, if the settlement or adjustment relates to the insured person.

3. The acts or practices of a person who holds or held a licence under this Act that are relevant to the purposes of this Act.

4. The acts or practices of any other person who, in the opinion of the Chief Executive Officer, is or was required to hold a licence under this Act that are relevant to the purposes of this Act.

5. The acts or practices of a person who, in the opinion of the Chief Executive Officer, may have committed an unfair or deceptive act or practice.

6. Such other matters as may be prescribed. 2013, c. 2, Sched. 8, s. 33; 2018, c. 8, Sched. 13, s. 22.

Performance of duty

(3)  A person to whom a request is directed under this section shall answer promptly, explicitly and completely and shall do so in the manner and within the period specified by the Chief Executive Officer or the designate. 2013, c. 2, Sched. 8, s. 33; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 33](http://www.ontario.ca/laws/statute/S13002" \l "sched8s33) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Annual, etc., examination of insurers

**442.4**(1)  Once each year or more frequently as the Chief Executive Officer may consider appropriate for all insurers or for a particular insurer, the Chief Executive Officer or a person appointed by the Chief Executive Officer,

(a) shall examine an insurer’s statement made under section 102;

(b) may make such inquiries as are necessary to ascertain the insurer’s condition and ability to meet its obligations as and when they become due; and

(c) may make such inquiries as are necessary to ascertain whether the insurer has complied with the requirements of this Act, the regulations and the Authority rules applicable to its transactions. 2013, c. 2, Sched. 8, s. 34; 2018, c. 8, Sched. 13, s. 22; 2021, c. 8, Sched. 5, s. 9.

Exception

(2)  Subsection (1) does not apply so as to require an examination of an insurer in respect of which the Chief Executive Officer adopts an examination by another government. 2013, c. 2, Sched. 8, s. 34; 2018, c. 8, Sched. 13, s. 22.

Preparation of abstracts, valuation

(3)  The Chief Executive Officer may cause abstracts to be prepared of the books and vouchers and a valuation to be made of the assets and liabilities of an insurer and the insurer shall pay the Minister of Finance for the cost of the preparation of the abstracts or the valuation upon receiving a certificate of the Chief Executive Officer stating the amount payable. 2013, c. 2, Sched. 8, s. 34; 2018, c. 8, Sched. 13, s. 22.

Expenses of examination

(4)  Where the office of an insurer at which an examination is made under this section is outside Ontario, the insurer shall pay the Minister of Finance for the cost of the examination upon receiving a certificate of the Chief Executive Officer stating the amount payable. 2013, c. 2, Sched. 8, s. 34; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 34](http://www.ontario.ca/laws/statute/S13002" \l "sched8s34) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2021, c. 8, Sched. 5, s. 9](http://www.ontario.ca/laws/statute/S21008" \l "sched5s9) - 01/04/2022

Examinations, general

**443** (1)  It is a condition of the licensing of a person that the person facilitate examinations. R.S.O. 1990, c. I.8, s. 443 (1).

Material to be furnished

(2)  For the purpose of an examination of any of the following persons, the person shall prepare and submit to the person conducting the examinationsuch statements or returns with respect to the person’s business, finances or other affairs (in addition to the statements or returns mentioned in this Act) as the Chief Executive Officer may require, and shall do so in the manner and within the period specified by the Chief Executive Officer or by the person conducting the examination:

1. A person who holds or held a licence under this Act.

2. Any other person who, in the opinion of the Chief Executive Officer, is or was required to hold a licence under this Act. 2013, c. 2, Sched. 8, s. 35; 2018, c. 8, Sched. 13, s. 22.

Duty of officers, etc.

(3)  The officers, agents and employees of a person described in subsection (2) shall facilitate an examination under this Act so far as it is in their power. For greater certainty, this includes opening the books for inspection, providing records, providing access to information, using any data storage, processing or retrieval device or system that is used in connection with the business or activities of the person described in subsection (2), providing assistance and answering questions about anything that may be relevant to the examination. 2013, c. 2, Sched. 8, s. 35.

Same

(3.1)  An officer, agent or employee shall perform the duties described in subsection (3) in the manner and within the period specified by the Chief Executive Officer. 2013, c. 2, Sched. 8, s. 35; 2018, c. 8, Sched. 13, s. 22.

Production of books, etc.

(4)  In order to facilitate an examination of the books and records of a person described in subsection (2), the Chief Executive Officer or a person designated by the Chief Executive Officer may require the person to do the following things at the person’s principal place of business in Ontario or at such other convenient place as the Chief Executive Officer may direct:

1. To produce the books and records.

2. To provide access to information.

3. To use devices and systems that relate to the storage, processing or retrieval of data.

4. To provide assistance and to answer questions about anything that may be relevant to the examination. 2013, c. 2, Sched. 8, s. 35; 2018, c. 8, Sched. 13, s. 22.

Expense of further examination

(5)  On the direction of the Chief Executive Officer or a person designated by the Chief Executive Officer, if an examination of an insurer is made at an office situate outside Ontario, the insurer shall pay the costs and expenses of the examination. R.S.O. 1990, c. I.8, s. 443 (5); 1997, c. 28, s. 145; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 145 - 01/07/1998

[2013, c. 2, Sched. 8, s. 35](http://www.ontario.ca/laws/statute/S13002" \l "sched8s35) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Powers of examination, etc.

**444** (1)  A person conducting an examination, for the purpose of carrying out that person’s duties,

(a) may enter any place at any reasonable time;

(b) may require the production for inspection of all books, records, information, money, valuables or things that may be relevant to the carrying out of the duties;

(b.1) may, in order to produce information, use any data storage, processing or retrieval device or system that is used in connection with the business of the person being examined;

(c) may, upon giving a receipt therefor, remove anything produced for inspection under clause (b) for the purpose of examining it or making copies of it, including removing a data storage, processing or retrieval device in order to produce information, and shall return it within a reasonable time to the person who produced it; and

(d) may question a person on matters that are or may be relevant to the carrying out of the examination. R.S.O. 1990, c. I.8, s. 444 (1); 2013, c. 2, Sched. 8, s. 36 (1).

Entry to dwellings

(2)  No person may exercise a power of entry conferred by this Act to enter a place that is being used as a dwelling without the consent of the occupier except under the authority of a warrant issued under this section. R.S.O. 1990, c. I.8, s. 444 (2).

Warrant for search

(3)  Where a justice of the peace is satisfied on information upon oath that there is, in a place, books, records, information, money, valuables or things that there are reasonable grounds to believe will afford evidence related to the carrying out of an examination under this Act, the justice of the peace may issue a warrant authorizing the person named in the warrant to search the place and to exercise any of the powers described in subsection (1). 2013, c. 2, Sched. 8, s. 36 (2).

Warrant for entry

(4)  Where a justice of the peace is satisfied on information upon oath that there are reasonable grounds to believe it is necessary that a place being used as a dwelling or to which entry has been denied be entered so that a person may carry out an examination, the justice of the peace may issue a warrant authorizing such entry by the person named in the warrant. R.S.O. 1990, c. I.8, s. 444 (4).

Execution and expiry of warrant

(5)  A warrant issued under subsection (3) or (4),

(a) shall specify the hours and days during which it may be executed; and

(b) shall name a date on which it expires, which date shall not be later than fifteen days after its issue. R.S.O. 1990, c. I.8, s. 444 (5).

Expert help

(5.1)  A warrant issued under subsection (3) or (4) may authorize persons who have special, expert or professional knowledge to accompany and assist the person named in the warrant. 2013, c. 2, Sched. 8, s. 36 (3).

Identification

(5.2)  Upon request, the Chief Executive Officer shall produce evidence of his or her office and the Chief Executive Officer’s designate shall produce evidence of his or her designation. 2013, c. 2, Sched. 8, s. 36 (3); 2018, c. 8, Sched. 13, s. 22, 23.

Obstruction

(6)  No person shall hinder, obstruct or interfere with a person in the execution of a warrant or otherwise impede a person carrying out an examination. R.S.O. 1990, c. I.8, s. 444 (6).

Same

(7)  Subsection (6) is not contravened where a person refuses to produce books, records, information, money, valuables or things unless a warrant has been issued under subsection (3). 2013, c. 2, Sched. 8, s. 36 (4).

Admissibility of copies

(8)  A copy of, or an extract from, books, a record, information or a thing removed from a place under this Act and certified by the person who made the copy or extract as a true copy of, or extract from the original is admissible in evidence to the same extent as, and has the same evidentiary value as, the books, record, information or thing of which it is a copy or an extract. 2013, c. 2, Sched. 8, s. 36 (5).

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 36](http://www.ontario.ca/laws/statute/S13002" \l "sched8s36s1) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22, 23](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Power to summon persons, etc.

**444.1**  (1)  The Chief Executive Officer may issue a summons where he or she believes that,

(a) it is necessary in order to determine whether a person is complying with this Act or a requirement imposed under this Act; and

(b) it is, in the circumstances, in the public interest. 2013, c. 2, Sched. 8, s. 37; 2018, c. 8, Sched. 13, s. 22.

Same

(2)  A summons issued under subsection (1) may require a person to produce such records, information and things as are specified by the Chief Executive Officer and to give such information on oath as the Chief Executive Officer considers relevant to determining whether a person is complying with this Act or a requirement imposed under this Act. 2013, c. 2, Sched. 8, s. 37; 2018, c. 8, Sched. 13, s. 22.

Identification

(3)  Upon request, the Chief Executive Officer shall produce evidence of his or her office. 2013, c. 2, Sched. 8, s. 37; 2018, c. 8, Sched. 13, s. 22.

Administering oath

(4)  The Chief Executive Officer or a person designated by him or her may administer an oath required under this section. 2013, c. 2, Sched. 8, s. 37; 2018, c. 8, Sched. 13, s. 22.

Right to counsel

(5)  A person may be represented by counsel when giving information on oath and may claim any privilege to which the person is entitled. 2013, c. 2, Sched. 8, s. 37.

Stated case

(6)  If the person does not comply with the summons, the Chief Executive Officer may state a case to the Divisional Court setting out the facts and, after hearing any witnesses who may be produced against or on behalf of that person and after hearing any statement that may be offered in defence, the court may punish the person in the same manner as if the person had been guilty of contempt of the court. 2013, c. 2, Sched. 8, s. 37; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 37](http://www.ontario.ca/laws/statute/S13002" \l "sched8s37) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Reports

Auditor

**445** (1)  An auditor shall promptly report to the insurer and to the Chief Executive Officer any breach of this Act or of a requirement established under this Act of which the auditor is aware or is made aware under subsection (2) and, if the insurer does not act to rectify the breach within thirty days, the auditor shall promptly report the failure to rectify to the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 445 (1); 2018, c. 8, Sched. 13, s. 22; 2021, c. 8, Sched. 5, s. 10 (1).

Others

(2)  Any person undertaking professional services for an insurer who, in providing the professional services, becomes aware of a breach of this Act or of a requirement established under this Act shall promptly report the breach to the insurer and the auditor of the insurer or, if there is no auditor, to the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 445 (2); 2018, c. 8, Sched. 13, s. 22; 2021, c. 8, Sched. 5, s. 10 (1).

Solicitor-client privilege

(3)  Nothing in this section abrogates any privilege that may exist between a solicitor and the solicitor’s client. R.S.O. 1990, c. I.8, s. 445 (3).

Definition

(4)  In this section,

“requirement established under this Act” means,

(a) a requirement imposed by a provision of this Act, a regulation or an Authority rule;

(b) a requirement of an order or direction made under this Act;

(c) a written undertaking given to the Tribunal or the Chief Executive Officer; or

(d) a term, condition or restriction imposed by a licence. 2021, c. 8, Sched. 5, s. 10 (2).

**Section Amendments with date in force (d/m/y)**

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2021, c. 8, Sched. 5, s. 10 (1, 2)](http://www.ontario.ca/laws/statute/S21008" \l "sched5s10s1) - 01/04/2022

No liability

**446** A person who in good faith makes an oral or written statement or disclosure to the Tribunal, the Chief Executive Officer, an employee of the Authority or any other person acting under the authority of this Act that is relevant to the duties of the person to whom the statement or disclosure is made shall not be liable in any civil action arising out of the making of the statement or disclosure. R.S.O. 1990, c. I.8, s. 446; 1997, c. 28, s. 146; 2018, c. 8, Sched. 13, s. 22, 24.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 146 - 01/07/1998

[2018, c. 8, Sched. 13, s. 22, 24](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Prohibition re obstruction

**446.1**  (1)  No person or entity shall hinder or obstruct the Chief Executive Officer or a person designated by the Chief Executive Officer in the performance of his or her duties under this Act. 2013, c. 2, Sched. 8, s. 38; 2018, c. 8, Sched. 13, s. 22.

Same

(2)  No person or entity shall withhold from the Chief Executive Officer or a person designated by the Chief Executive Officer or conceal, alter or destroy anything relevant to an examination. 2013, c. 2, Sched. 8, s. 38; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

[2013, c. 2, Sched. 8, s. 38](http://www.ontario.ca/laws/statute/S13002" \l "sched8s38) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Offences, false information, etc.

**447** (1)  Repealed: 2013, c. 2, Sched. 8, s. 39.

Offences

(2)  Every person is guilty of an offence who,

(a) directly or indirectly furnishes false, misleading or incomplete information to the Authority whether the information is required under this Act or is volunteered;

(a.1) knowingly makes a false or misleading statement or representation to an insurer in connection with the person’s entitlement to a benefit under a contract of insurance;

(a.2) wilfully fails to inform an insurer of a material change in circumstances in connection with the person’s entitlement to a benefit under a contract of insurance within 14 days of the material change;

(a.3) knowingly makes a false or misleading statement or representation to an insurer in order to obtain payment for goods or services provided to an insured, whether or not the insured received the goods or services;

(b) fails to comply with any requirement, or any order or direction made, under this Act;

(c) fails to comply with any written undertaking given to the Tribunal or the Chief Executive Officer;

(d) contravenes this Act, the regulations or the Authority rules; or

(e) contravenes any term, condition or restriction imposed by a licence. R.S.O. 1990, c. I.8, s. 447 (2); 1994, c. 11, s. 347; 1996, c. 21, s. 49; 1997, c. 28, s. 146; 2018, c. 8, Sched. 13, s. 22, 24; 2019, c. 14, Sched. 9, s. 19; 2021, c. 8, Sched. 5, s. 11 (1, 2).

Penalty

(3)  On conviction for an offence under this Act, the person convicted is liable on a first conviction to a fine of not more than $250,000 and on each subsequent conviction to a fine of not more than $500,000. 2012, c. 8, Sched. 23, s. 76.

Derivative

(4)  Every director, officer and chief agent of a corporation and every person acting in a similar capacity or performing similar functions in an unincorporated association who,

(a) caused, authorized, permitted or participated in the corporation or unincorporated association committing an offence referred to in subsection (2); or

(b) failed to take reasonable care to prevent the corporation or unincorporated association from committing an offence referred to in subsection (2),

is guilty of an offence and is liable on a first conviction to a fine of not more than $100,000 and on each subsequent conviction to a fine of not more than $200,000, whether or not the corporation or unincorporated association has been prosecuted for or convicted of the offence. R.S.O. 1990, c. I.8, s. 447 (4).

Restitution

(5)  Where a person is convicted of an offence under this Act, the court making the conviction may, in addition to any other penalty, order the person convicted to make compensation or restitution in relation thereto. R.S.O. 1990, c. I.8, s. 447 (5).

**Section Amendments with date in force (d/m/y)**

1994, c. 11, s. 347 - 01/02/1995; 1996, c. 21, s. 49 - 01/11/1996; 1997, c. 28, s. 146 - 01/07/1998; 1999, c. 12, Sched. I, s. 4 (62) - 01/01/2001

[2012, c. 8, Sched. 23, s. 76](http://www.ontario.ca/laws/statute/S12008" \l "sched23s76) - 01/01/2013

[2013, c. 2, Sched. 8, s. 39](http://www.ontario.ca/fr/lois/loi/S13002" \l "sched8s39) - 16/08/2013

[2018, c. 8, Sched. 13, s. 22, 24](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 19 (1, 2)](http://www.ontario.ca/laws/statute/S19014" \l "sched9s19s1) - 10/12/2019

[2021, c. 8, Sched. 5, s. 11 (1, 2)](http://www.ontario.ca/laws/statute/S21008" \l "sched5s11s1) - 01/04/2022

Order for compliance

**448** (1)  If it appears to the Chief Executive Officer that any person has failed to comply with or is not complying with,

(a) any provision of this Act, the regulations or the Authority rules;

(a.1) any order, decision, direction or inquiry made under this Act;

(b) any undertaking given; or

(c) any term, condition or restriction imposed on its licence, where applicable,

the Chief Executive Officer may, in addition to any other rights under this Act, apply to a judge of the Superior Court of Justice for an order directing the person to comply with or restraining the person from violating the provision, order, decision, direction, inquiry, undertaking, term, condition or restriction, and the judge may make such order as the judge considers appropriate. R.S.O. 1990, c. I.8, s. 448 (1); 1993, c. 10, s. 51; 2006, c. 19, Sched. C, s. 1 (1); 2018, c. 8, Sched. 13, s. 22; 2021, c. 8, Sched. 5, s. 12.

(1.1)  Repealed: 2019, c. 14, Sched. 9, s. 20.

Appeal

(2)  An appeal lies to the Divisional Court from an order made under subsection (1). R.S.O. 1990, c. I.8, s. 448 (2).

**Section Amendments with date in force (d/m/y)**

1993, c. 10, s. 51 - 01/01/1994; 1994, c. 11, s. 348 - 01/02/1995

[2006, c. 19, Sched. C, s. 1 (1)](http://www.ontario.ca/laws/statute/S06019" \l "schedcs1s1) - 22/06/2006

[2014, c. 9, Sched. 3, s. 21](http://www.ontario.ca/laws/statute/S14009" \l "sched3s21) - 01/01/2015

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

[2019, c. 14, Sched. 9, s. 20](http://www.ontario.ca/laws/statute/S19014" \l "sched9s20) - 10/12/2019

[2021, c. 8, Sched. 5, s. 12](http://www.ontario.ca/laws/statute/S21008" \l "sched5s12) - 01/04/2022

Limitation period

**449** No proceeding for an offence under this Act may be commenced more than two years after the date on which the facts upon which the proceedings are based first came to the knowledge of the Chief Executive Officer. R.S.O. 1990, c. I.8, s. 449; 1997, c. 28, s. 147; 2014, c. 7, Sched. 14, s. 7; 2018, c. 8, Sched. 13, s. 22.

**Section Amendments with date in force (d/m/y)**

1997, c. 28, s. 147 - 01/07/1998

[2014, c. 7, Sched. 14, s. 7](http://www.ontario.ca/laws/statute/S14007" \l "sched14s7) - 24/07/2014

[2018, c. 8, Sched. 13, s. 22](http://www.ontario.ca/laws/statute/S18008" \l "sched13s22) - 08/06/2019

Schedule a Repealed: 1999, c. 12, Sched. I, s. 4 (63).

**Section Amendments with date in force (d/m/y)**

1999, c. 12, Sched. I, s. 4 (63) - 22/12/1999

Schedule b Repealed: 1997, c. 19, s. 10 (47).

**Section Amendments with date in force (d/m/y)**

1997, c. 19, s. 10 (47) - 10/10/1997

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