



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-SIXTH LEGISLATURE

Bill 13

(2001, chapter 57)

An Act to amend the Act respecting off-highway vehicles

Introduced 15 May 2001

Passage in principle 7 June 2001

Passage 19 December 2001

Assented to 20 December 2001

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EXPLANATORY NOTES

This bill amends the Act respecting off-highway vehicles as regards liability insurance. It establishes that a liability insurance contract must provide coverage not only to the vehicle owner but to any person who drives the vehicle, except in case of theft, against liability for bodily injury or property damage caused by the vehicle.

The bill also states that coverage may be provided under a master policy applicable to a group of persons and establishes certain rules applicable to such a policy, in particular, as regards the accompanying information document.

Lastly, the bill amends the Act respecting insurance to provide that the information document must be submitted to the Inspector General of Financial Institutions for approval.

LEGISLATION AMENDED BY THIS BILL :

- Act respecting insurance (R.S.Q., chapter A-32);
- Act respecting off-highway vehicles (R.S.Q., chapter V-1.2).

Bill 13

AN ACT TO AMEND THE ACT RESPECTING OFF-HIGHWAY VEHICLES

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Section 19 of the Act respecting off-highway vehicles (R.S.Q., chapter V-1.2) is amended by adding “while operated in Québec” after “vehicle” at the end.

2. The said Act is amended by inserting the following sections after section 19:

“19.1. The liability insurance contract must insure the owner of the off-highway vehicle and any person who drives the vehicle, except a person having obtained the vehicle through theft, against the monetary consequences of any civil liability incurred for bodily injury or property damage caused by the vehicle.

“19.2. The liability insurance contract may be subscribed, for a maximum term of three years, after a call for public tenders, by a policy-holder other than the owner of the off-highway vehicle in order to cover the members of a specified group under a master policy. In such a case, the owner of the vehicle is exempted from the obligation imposed by section 19.

The policy-holder under the liability insurance contract may in no case be a legal person constituted solely for the purposes of subscribing that contract.

A person who, on behalf of a group, extends insurance coverage under a master policy to a member of the group is not subject to the provisions of the Act respecting the distribution of financial products and services (chapter D-9.2).

Any member of the group has the right to consult and make a copy of the policy at the establishment of the policy-holder and, in the event of a discrepancy between the policy and the insurance certificate, may invoke whichever is in the member’s best interests.

“19.3. For the purposes of section 19.2, the insurer shall issue the insurance policy to the policy-holder and shall deliver the information document and the insurance certificates to the policy-holder to be completed and distributed to the members of the group by the policy-holder.

The information document shall describe the product offered, specify the cost of the insurance to the member and the nature of the coverage, and state clearly coverage exclusions.

The information document shall specify the way in which eventual claims are to be presented, and the time for presenting them. The document shall also indicate the time allotted to the insurer to pay the amounts owed, and the steps to be taken by the insured, within the time specified in the document, if the insurer fails to allow a claim.

The information document shall also mention that the coverage of \$500,000 may be increased at an additional cost and shall mention, where applicable, any other insurance product offering such additional coverage which, to the insurer's knowledge, is available on the market.

“19.4. The policy-holder shall report annually to the Minister, in the form and according to the requirements the Minister determines, on the carrying out of sections 19.2 and 19.3.”

3. Section 422 of the Act respecting insurance (R.S.Q., chapter A-32) is amended by adding, at the end, the following paragraph :

“The information document referred to in section 19.3 of the Act respecting off-highway vehicles (chapter V-1.2) must also be approved by the Inspector General.”

4. This Act comes into force on the date or dates to be fixed by the Government.