
Notices

Notice

Automobile Insurance Act
(R.S.Q., c. A-25)

Groupement des assureurs automobiles — Direct compensation Agreement for the settlement of automobile claims

WHEREAS under section 173 of the Automobile Insurance Act (R.S.Q., c. A-25) the Groupement des assureurs automobiles is required to establish a Direct Compensation Agreement for the settlement of automobile claims;

WHEREAS said Agreement came into force on May 1, 1978 and was subsequently amended on September 1, 1980, June 1, 1984, July 1, 1986, October 1, 1987, January 1, 1990, May, 7 1990, December 1, 1991, June 25, 1994, June 2, 2001 and June 2, 2007;

WHEREAS amendments having been necessary, they were approved as required on March 27, 2008, by authorized insurers in accordance with section 174 of the Automobile Act Insurance;

NOW THEREFORE, notice is hereby given that the Direct Compensation Agreement is amended as shown in the text of amendments published in this issue of the *Gazette Officielle du Québec* and will come into force on June 2, 2008 in accordance with the relevant provisions of the Automobile Insurance Act, namely thirty (30) days following publication of this notice.

FRANCINE PELLETIER,
Secretary

Direct Compensation Agreement for the Settlement of Automobile Claims*

Automobile Insurance Act
(R.S.Q., c. A-25, s. 116 and 173)
(12th edition)

INTRODUCTION

As provided in section 173 of the Automobile Insurance Act, the Groupement des assureurs automobiles must establish a Direct Compensation Agreement. Section 116 also provides that:

“The recourse of the owner of an automobile by reason of property damage sustained in an automobile accident shall not be exercised except against the insurer with whom he subscribed his automobile liability insurance, to the extent that the Direct Compensation Agreement contemplated in section 173 applies.

However, the owner may, if he is not satisfied with the settlement made in accordance with the Agreement, exercise such recourse against the insurer in accordance with the ordinary rules of law to the extent that sections 108 to 114 do not derogate therefrom.”

SECTION V ARBITRATION

12. Any dispute between the parties bound by this Agreement and resulting from its application shall be determined by the Arbitration Board of the Groupement des assureurs automobiles.

* Direct Compensation Agreement updated as of June 2, 2008 as published and modified in the following regulations: (1978) 110 *G.O.* 2; (1980) 112 *G.O.* 2; (1981) 113 *G.O.* 2 (Erratum); (1984) 116 *G.O.* 2; (1986) 118 *G.O.* 2; (1986) 118 *G.O.* 2 (Erratum); (1987) 119 *G.O.* 2; (1990) 122 *G.O.* 2; (1990) 122 *G.O.* 2; (1991) 123 *G.O.* 2; (1994) 126 *G.O.* 2; (1994) 126 *G.O.* 2 (Erratum); (2001) 133 *G.O.* 2; (2001) 133 *G.O.* 2 (Erratum); (2007) 139 *G.O.* 2; (2008) 140 *G.O.* 2 in accordance with the Automobile Insurance Act (R.S.Q., c. A-25, s.116 and 173).

The Arbitration Board shall comprise at least seven members appointed every year by the Board of Directors of the Groupement des assureurs automobiles. The Board of Directors shall designate the chairman and the two vice-chairmen of the Arbitration Board. The Arbitration Board shall meet within sixty days after receipt of the allegations of the parties by the Groupement des assureurs automobiles.

A majority of the serving members of the Arbitration Board shall constitute a quorum, including the chairman or one vice-chairman, said chairman or vice-chairman having a casting vote in case of a tie.

Decisions rendered by the Arbitration Board are final.

SECTION VI **EFFECTIVE DATE**

13. This Agreement shall come into force on June 2, 2008 and shall apply to all accidents occurring on or after that date.

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