



PRINCE EDWARD ISLAND  
ÎLE-DU-PRINCE-ÉDOUARD

# **INSURANCE ACT PROHIBITED UNDERWRITING PRACTICES REGULATIONS**

## PLEASE NOTE

This document, prepared by the *Legislative Counsel Office*, is an office consolidation of this regulation, current to April 1, 2004. It is intended for information and reference purposes only.

This document is *not* the official version of these regulations. The regulations and the amendments printed in the *Royal Gazette* should be consulted on the Prince Edward Island Government web site to determine the authoritative text of these regulations.

For more information concerning the history of these regulations, please see the *Table of Regulations* on the Prince Edward Island Government web site ([www.princeedwardisland.ca](http://www.princeedwardisland.ca)).

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**INSURANCE ACT**  
**Chapter I-4**

**PROHIBITED UNDERWRITING PRACTICES REGULATIONS**

Pursuant to section 219.2 of the *Insurance Act* R.S.P.E.I. 1988, Cap. I-4, Council made the following regulations:

**1. Definitions**

In these regulations

- (a) “**antique vehicle**” means a motor vehicle that
  - (i) is at least thirty years old or is a recognized classic, and
  - (ii) has been restored to its original condition;
- (b) “**reconstructed vehicle**” means a reconstructed vehicle as defined in the *Highway Traffic Act*. (EC697/03)

**2. Application**

This regulation applies to contracts of insurance in the form approved by the Superintendent under subsection 216(9) of the Act. (EC697/03)

**3. Prohibited grounds for declining to issue, refusing to renew or terminating a contract, or for refusing coverage or endorsement**

The prohibited grounds prescribed for the purposes of section 219.1 of the Act are the following:

- (a) the age of the applicant or another person who would be an insured person under the contract;
- (b) the age of the vehicle that would be insured by the contract, unless the vehicle:
  - (i) is an antique vehicle,
  - (ii) is a reconstructed vehicle, or
  - (iii) has been modified for enhanced performance;
- (c) whether the applicant or another person who would be an insured person under the contract is or has been insured by the Facility Association;
- (d) whether the applicant or another person who would be an insured person under the contract was declined insurance or refused a renewal of insurance by an insurer;

- (e) whether the applicant or another person who would be an insured person under the contract has claimed in the past under a policy of automobile insurance, as a result of accidents for which the applicant or that person was not at fault;
- (f) whether the applicant or another person who would be an insured person under the contract has failed to make one payment to an insurer, other than the first payment of a periodic payment plan, if the missed payment is the only payment missed under a policy of automobile insurance in the past 24 months, and if the missed payment was made within 30 days of the date on which it was originally due;
- (g) whether the applicant or another person who would be an insured person under the contract has a lapse in coverage under a contract of automobile insurance, for a period of no more than 12 months, unless that lapse resulted, directly or indirectly, from
  - (i) the termination of a policy of automobile insurance, as a result of a failure to pay premiums due under the contract, or
  - (ii) the suspension of the person's driver's licence for an offence related to the use or operation of an automobile. (EC697/03)

