

CONSULTATION DRAFT
RESIDENTIAL TENANCY ACT

BILL NO.

2019

BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

PART 1 - INTERPRETATION

Division 1 - Definitions and Application

1. Definitions

In this Act,

- (a) **“approved form”** means a form approved by the Director;
- (b) **“Commission”** means the Island Regulatory and Appeals Commission established under the *Island Regulatory and Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11;
- (c) **“common area”** means any part of residential property the use of which is shared by tenants, or by a landlord and one or more tenants;
- (d) **“Director”** means the Director of Residential Tenancy appointed under section 7 and, in relation to a power, duty or function of the Director given to a person referred to in subsection 7(3) or delegated to a person retained under that section, includes that person;
- (e) **“family corporation”** means a corporation in which all the voting shares of the corporation are owned by
 - (i) one individual, or
 - (ii) one individual plus one or more of that individual’s spouse, parent, child or sibling;
- (f) **“fixed-term tenancy”** means a tenancy under a tenancy agreement that specifies the date on which the term ends;
- (g) **“landlord”**, in relation to a rental unit, includes
 - (i) the owner of the rental unit, the owner's agent or another person who, on behalf of the landlord,
 - (A) permits occupation of the rental unit under a tenancy agreement, or
 - (B) exercises powers and performs duties under this Act or a tenancy agreement,
 - (ii) the heirs, assigns, personal representatives and successors in title to a person referred to in subclause (i),
 - (iii) a person, other than a tenant occupying the rental unit, who
 - (A) is entitled to possession of the rental unit, and

- (B) exercises any of the rights of a landlord under a tenancy agreement or this Act in relation to the rental unit, and
 - (iv) a former landlord, as the context requires;
- (h) “**mobile home**” means a dwelling unit designed to be mobile and to be used, and that is used, as a permanent or temporary residence;
- (i) “**mobile home park**” means a parcel of land on which two or more mobile homes are located;
- (j) “**periodic tenancy**” means a tenancy on a weekly, monthly or other periodic basis under a tenancy agreement that continues until it is ended in accordance with this Act;
- (k) “**registered mail**” includes any method of mail delivery provided by Canada Post for which confirmation of delivery to a named person is available;
- (l) “**rent**” means money paid or agreed to be paid, or value or a right given or agreed to be given, by or on behalf of a tenant to a landlord in return for the right to possess a rental unit, for the use of common areas and for services or facilities, but does not include
 - (i) a security deposit, or
 - (ii) a fee prescribed under clause 111(1)(j);
- (m) “**rental unit**” means living accommodation rented or intended to be rented to a tenant;
- (n) “**residential property**” means
 - (i) a building, a part of a building or a related group of buildings in which one or more rental units are located,
 - (ii) the parcel or parcels of land on which the building, related group of buildings or common areas are located,
 - (iii) the rental unit and common areas,
 - (iv) any other structure located on the parcel or parcels including, but not limited to, a mobile home, or
 - (v) a mobile home park;
- (o) “**security deposit**” means money paid, or value or a right given, by or on behalf of a tenant to a landlord that is to be held as security for any liability or obligation of the tenant respecting the residential property, but does not include
 - (i) post-dated cheques for rent, or
 - (ii) a fee described in subsection 21(2);
- (p) “**service animal**” means an animal that is specifically trained or being trained as a working animal for the purpose of providing assistance to a person with a disability, and includes a retired service animal;
- (q) “**service or facility**” means any service or facility that is provided or agreed to be provided by the landlord to the tenant of a rental unit, including
 - (i) appliances and furnishings,
 - (ii) utilities and related services,
 - (iii) cleaning and maintenance services,
 - (iv) parking spaces and related facilities,
 - (v) cable or satellite television facilities,
 - (vi) internet facilities,
 - (vii) laundry facilities,

- (viii) storage facilities,
 - (ix) elevator,
 - (x) common recreational facilities,
 - (xi) intercom systems,
 - (xii) garbage facilities and related services,
 - (xiii) heating facilities or services,
 - (xiv) housekeeping services, and
 - (xv) snow removal and related services;
- (r) “**spouse**” includes a common-law partner;
- (s) “**standard terms**” mean the standard terms of a tenancy agreement set out in Division 4 of Part 2;
- (t) “**subtenant**” means the person to whom a tenant gives the right under section 31 to occupy a rental unit;
- (u) “**tenancy**” means a tenant’s right to possession of a rental unit under a tenancy agreement;
- (v) “**tenancy agreement**” means an agreement, whether written or oral, express or implied, between a landlord and a tenant respecting possession of a rental unit, use of common areas and the provision of services and facilities;
- (w) “**tenant**” includes
- (i) a person who is entitled to use or occupy a rental unit under a tenancy agreement,
 - (ii) the assigns and personal representative of a person referred to in subclause (i), and
 - (iii) when the context requires, a former or prospective tenant.

2. What this Act applies to

- (1) Despite any other enactment but subject to section 4, this Act applies to tenancy agreements, rental units and other residential property.

Application date

- (2) Except as otherwise provided in this Act, this Act applies to a tenancy agreement entered into before or after the date this Act comes into force.

3. Act applies to tenancy agreement with a minor

A person who has not reached 18 years of age may enter into a tenancy agreement, and the agreement and this Act and the regulations are enforceable by and against the person.

4. What this Act does not apply to

This Act does not apply to

- (a) living accommodation licensed under the *Tourism Industry Act* R.S.P.E.I. 1988, Cap. T-3.3, except when the licensed accommodation under that Act is provided as accommodation for a guest for a continuous period of two months or more;
- (b) living accommodation occupied by a person for penal, correctional, rehabilitative or therapeutic purposes;

- (c) except as otherwise prescribed by regulation, living accommodation where the tenant is required to share a bathroom or kitchen facility with the owner of that accommodation;
- (d) living accommodation provided to temporarily shelter persons in need;
- (e) living accommodation provided in a hospital, nursing home or other facility established to provide personal care for the aged;
- (f) living accommodation owned or operated by an educational institution and provided by that institution to its students;
- (g) living accommodation provided to children under the *Family and Child Services Act* R.S.P.E.I. 1988, Cap. F-2;
- (h) living accommodation provided as a group home under the *Social Assistance Act* R.S.P.E.I. 1988, Cap. S-4.3;
- (i) living accommodation provided on a transient basis by a religious, charitable or non-profit organization for the purpose for which it is established;
- (j) living accommodation provided by a co-operative housing corporation to its members or shareholders; or
- (k) tenancy agreements, rental units or residential properties prescribed by the regulations.

5. This Act cannot be avoided

Landlords and tenants shall not avoid or contract out of this Act or the regulations, and any attempt to avoid or contract out of this Act or the regulations is of no effect.

6. Crown bound

- (1) The Crown is bound by this Act.

Non-application of subsection (1)

- (2) Despite subsection (1), where a rental unit is owned or administered by or for the Government of Canada, the province, a municipality or an agency of one of them and rent for the rental unit is directly subsidized by the Government of Canada, the province or a municipality, as the case may be, this Act does not apply to the
- (a) setting of rent based on the tenant's income;
 - (b) subletting of the rental unit;
 - (c) allocation of the rental unit based on household size; and
 - (d) setting of a security deposit under section 14.

Division 2 - Administration

7. Appointment of Director

- (1) The Commission may appoint a person who is a member in good standing of the Law Society of Prince Edward Island as the Director of Residential Tenancy.

Responsibilities of Director

- (2) The Director is responsible for
- (a) the general administration and management of all matters arising and persons retained under this Act;

- (b) exercising the powers and performing the duties of the Director under this Act;
- (c) providing information to landlords, tenants and other persons respecting rights and obligations under this Act;
- (d) advising landlords and tenants with respect to matters relating to tenancy agreements;
- (e) establishing and publishing rules of procedure for the conduct of proceedings under Part 5 and Part 6;
- (f) publishing, or otherwise making available to the public,
 - (i) notices, decisions, orders or agreements made under Part 5 and Part 6 or summaries of them, and
 - (ii) the status of penalties required to be paid under this Act;
- (g) approving forms for the purposes of this Act; and
- (h) assigning or delegating any of the Director's powers and duties, including mediation, investigation and adjudication, to a person that the Director considers appropriate.

Director may retain staff

- (3) The Director may retain other persons to assist the Director with the administration of this Act, including
 - (a) exercising the powers and performing the duties of the Director under this Act; and
 - (b) providing information to landlords, tenants and other persons respecting rights and obligations under this Act.

Prohibited delegation

- (4) Despite clause 7(2)(h), the Director shall not assign or delegate to the same person both the function of conducting investigations under section 93 into a matter and the power to impose penalties under section 97 in relation to that matter.

Evidence of delegation to be produced

- (5) A person who claims to be carrying out a power, duty or function delegated by the Director under this section shall produce, on request, evidence of the delegation.

8. Director and staff not compellable in civil proceedings

- (1) The Director and persons employed, engaged or retained under subsection 7(3) shall not be compelled in civil proceedings arising out of a dispute under this Act
 - (a) to give evidence in respect of matters that come to their knowledge in the course of their employment, engagement or retainer; or
 - (b) to produce records that are in the possession or control of the Director because of the Director's powers or duties under this Act.

Exception

- (2) Despite subsection (1), the Commission may require the Director to produce the record of a proceeding that is the subject of an appeal under section 92.

9. Protection from personal liability

No proceeding for damages shall be commenced against the Director or any person employed, engaged or otherwise retained to assist the Director for any act done in good faith in the performance or intended performance of any duty or in the exercise or intended exercise of any power under this Act, or for any neglect or default in the performance or exercise in good faith of the duty or power.

PART 2 - RESIDENTIAL TENANCIES - RIGHTS AND OBLIGATIONS

Division 1 - Creating a Tenancy Agreement

10. Tenancy agreement includes provisions in this Part

- (1) A tenancy agreement is deemed to include the standard terms set out in Division 4 of this Part, and any provision in the tenancy agreement that is inconsistent with the standard terms has no effect.

Amendments prohibited

- (2) A tenancy agreement shall not be amended to change or remove any of the standard terms set out in Division 4.

Amendments permitted

- (3) A tenancy agreement may be amended to add, remove or change a term, other than a standard term, only if both the landlord and tenant agree to the amendment.

Exception to requirement

- (4) The requirement for agreement under subsection (3) does not apply to
- (a) a rent increase in accordance with Part 3 of the Act;
 - (b) a withdrawal of, or a restriction on, a service or facility in accordance with subsection 22(2); or
 - (c) a term in respect of which a landlord or tenant has obtained an order of the Director that the agreement of the other is not required.

Application of section

- (5) This section applies
- (a) whether the tenancy agreement was entered into before on or after the date this Act comes into force; and
 - (b) whether or not the tenancy agreement is in writing.

11. Tenancy agreement in writing

- (1) A landlord shall prepare in writing every tenancy agreement entered into on or after the date this Act comes into force.

Formal requirements

- (2) A landlord shall ensure that the tenancy agreement complies with all the requirements of this Act and the regulations and includes
- (a) the standard terms set out in Division 4;
 - (b) the correct legal names of the landlord and tenant;
 - (c) the address of the rental unit;
 - (d) the date the tenancy agreement is entered into;
 - (e) the address for service and telephone number of the landlord, or the landlord's agent, and the tenant;
 - (f) the services and facilities included in the rent;
 - (g) the amount of rent that was charged, and the services and facilities that were provided, to the previous tenant of the rental unit; and

- (h) the agreed terms in respect of
 - (i) the date on which the tenancy starts,
 - (ii) if the tenancy is a periodic tenancy, whether it is on a weekly, monthly or other periodic basis,
 - (iii) if the tenancy is a fixed term tenancy, the date on which the term ends,
 - (iv) the amount of rent payable for a specified period and, if the rent varies with the number of occupants, the amount by which it varies,
 - (v) the day on which the rent is due and the frequency of payment, and
 - (vi) the amount of any security deposit and the date the security deposit was or is required to be paid.

Provision of additional documentation

- (3) Within 10 days after a landlord and tenant enter into a tenancy agreement, the landlord shall give the tenant
 - (a) a copy of the tenancy agreement;
 - (b) a copy of this Act; and
 - (c) a copy of the regulations.

Obligation to pay suspended

- (4) Despite the terms of a tenancy agreement, where a landlord has not complied with subsection (3), the tenant's obligation to pay rent is suspended and the landlord shall not require the tenant to pay rent until the landlord complies with subsection (3).

Repayment of withheld rent

- (5) Once the landlord has complied with subsection (3), the tenant shall pay all rent withheld from the landlord under subsection (4).

Rent may be retained

- (6) Rent paid by the tenant to the landlord while the tenant's obligation to pay rent is suspended under subsection (4) may be retained by the landlord.

New landlord

- (7) Where a landlord is replaced by a new landlord, the new landlord shall immediately provide the tenant with a written notice
 - (a) containing the information set out in clauses (2)(b) and (e); and
 - (b) stating the amount of the security deposit held under section 14 and the interest credited under subsection 14(9) to the date when the new landlord replaced the previous landlord.

Change in information

- (8) A landlord shall immediately notify the tenant in writing of a change to the information required to be provided under clauses (2)(b) and (e).

Cost

- (9) The information provided by the landlord to the tenant in this section shall be provided without cost to the tenant.

12. Fees prohibited

- (1) A landlord shall not charge a person a fee for

- (a) accepting an application for a tenancy;
- (b) processing the application;
- (c) investigating the applicant's suitability as a tenant; or
- (d) accepting the person as a tenant.

Deposit

- (2) A landlord shall not accept any deposit except as permitted under section 14.

13. Start of rights and obligations under tenancy agreement

The rights and obligations of a landlord and tenant under a tenancy agreement take effect from the date the tenancy agreement is entered into, whether or not the tenant ever occupies the rental unit.

Division 2 - At Beginning of Tenancy Agreement

14. Landlord may require security deposit

- (1) A landlord may, in accordance with this Act and the regulations, require a tenant to pay a security deposit as a condition of entering into a tenancy agreement or as a term of a tenancy agreement.

Security deposit kept in trust

- (2) A security deposit is not an asset of the landlord but is held by the landlord in trust and shall be used, retained or disbursed only as provided in this section.

Limits on amount of security deposit

- (3) A landlord shall not require or accept a security deposit that is greater than
 - (a) in the case of a tenancy agreement where the rent is paid weekly, the equivalent of the rent per week; and
 - (b) in any other case, the equivalent of the rent per month.

Tenant may deduct overpayment of security deposit

- (4) Where a landlord accepts a security deposit that is greater than the amount permitted under subsection (3), the tenant may deduct the overpayment from rent or recover the overpayment by making an application to the Director under section 78.

Overpayment of rent deemed security deposit

- (5) Where a landlord receives from a tenant money or other value that is more than the amount of rent payable in respect of the rental unit, the money or value shall be considered to be a security deposit.

Receipt

- (6) Upon receipt of a security deposit, the landlord shall give the tenant a written receipt stating the amount of the security deposit, the date of receipt, and the rental unit and residential property to which it applies.

Interest-bearing account

- (7) Within two banking days of receipt of a security deposit, the landlord shall deposit it in an interest-bearing account located in the province at a financial institution authorized to accept deposits.

Same

- (8) Where a landlord has 40 or more rental units, the interest-bearing account referred to in subsection (7) shall be a trust account used exclusively for security deposits.

Interest rate

- (9) A landlord shall credit interest to the tenant on the full amount or value of the security deposit, at the rate prescribed by the regulations, during the time the security deposit is held by the landlord.

15. Prohibitions respecting security deposits

A landlord shall not

- (a) require a security deposit at any time other than when the landlord and tenant enter into the tenancy agreement;
- (b) require or accept more than one security deposit in respect of a tenancy agreement; or
- (c) require, or include as a term of a tenancy agreement, that the landlord automatically keeps all or part of the security deposit at the end of the tenancy agreement.

16. Terms respecting service animals

A tenancy agreement shall not include a term that prohibits the presence of service animals in or around the residential property.

17. Acceleration term prohibited

A tenancy agreement shall not include a term that all or part of the rent payable for the remainder of the period of the tenancy agreement becomes due and payable if a term of the tenancy agreement is breached.

18. Cannabis

- (1) In this section,

- (a) “**cannabis**” has the same meaning as in the *Cannabis Control Act* R.S.P.E.I. 1988, Cap. C-1.2;
- (b) “**cannabis control date**” means October 17, 2018, the date on which the *Cannabis Control Act* was proclaimed in force;
- (c) “**cannabis plant**” has the same meaning as in the *Cannabis Control Act*;
- (d) “**cultivation**” includes propagation and harvesting;
- (e) “**medical use cannabis**” has the same meaning as in the *Cannabis Control Act*.

Tenancy agreement deemed to prohibit smoking cannabis

- (2) Where a tenancy agreement entered into before the cannabis control date
- (a) includes a term that prohibits or limits smoking tobacco; and
 - (b) does not include a term that expressly permits smoking cannabis,
- the tenancy agreement is deemed to include a term that prohibits or limits smoking cannabis in the same manner as smoking tobacco is prohibited or limited.

Vaporizing

- (3) For greater certainty and despite the *Smoke-free Places Act* R.S.P.E.I. 1988, Cap. S-4.2, vaporizing a substance containing cannabis is not smoking cannabis for the purpose of subsection (2).

Cultivation of cannabis

- (4) A tenancy agreement entered into before the cannabis control date is deemed to include a term that prohibits cultivation of cannabis plants in or on the residential property unless, on the day before the cannabis control date,
- (a) the tenant is cultivating in or on the residential property one or more cannabis plants that are medical use cannabis;
 - (b) cultivation of the plants is not contrary to a term of the tenancy agreement; and
 - (c) the tenant is authorized under applicable federal law to cultivate the plants in or on the residential property and the tenant is in compliance with the requirements under that law with respect to the medical use cannabis.

Division 3 - Start of Tenancy

19. Inspection at start of tenancy

- (1) The landlord and tenant, or their authorized agents, shall inspect the condition of the rental unit together on the day the tenant is entitled to possession of the rental unit or on another day agreed on by them.

Landlord shall provide two opportunities for inspection

- (2) The landlord shall offer the tenant at least two reasonable opportunities for the inspection.

Landlord shall complete inspection report

- (3) The landlord shall complete a written condition inspection report in the approved form in accordance with the regulations.

Signature

- (4) Both the landlord and tenant, or their authorized agents, shall sign the inspection report and the landlord shall give the tenant a copy of the report.

Exception

- (5) The landlord, or the landlord's authorized agent, shall make the inspection and complete and sign the report without the tenant if
- (a) the landlord has complied with subsection (2); and
 - (b) the tenant does not participate on either occasion.

Copy to tenant

- (6) A landlord who completes an inspection without the tenant in accordance with subsection (5) shall provide the tenant with a signed copy of the report.

Division 4 - Standard Terms during Tenancy**RENT AND FEES****20. Tenant shall pay rent when due**

- (1) A tenant shall pay rent when it is due under the tenancy agreement, whether or not the landlord complies with this Act, the regulations or the tenancy agreement, unless the tenant has an express right under this Act to deduct or withhold all or a portion of the rent.

Receipts

- (2) A landlord shall provide a tenant with a receipt for rent paid in cash.

Landlord shall not interfere with personal property of tenant

- (3) Whether or not a tenant pays rent in accordance with the tenancy agreement, a landlord shall not
- (a) seize any personal property of the tenant; or
 - (b) prevent or interfere with the tenant's access to the tenant's personal property.

Non-application of clause (3)(a)

- (4) Clause (3)(a) does not apply if
- (a) the landlord has a court order authorizing the action; or
 - (b) the tenant has abandoned the rental unit and the landlord complies with Division 6 of this Part.

21. Prohibited fees during tenancy

- (1) A landlord shall not charge
- (a) a guest fee, whether or not the guest stays overnight;
 - (b) a fee for replacement keys or other access devices if the replacement is required because the landlord changed the locks or other means of access;
 - (c) a fee in relation to any cost incurred by the landlord to repay a security deposit; or
 - (d) a fee for a service prescribed in the regulations.

Non-refundable fees charged by landlord

- (2) A landlord may charge a non-refundable fee for
- (a) the actual cost of replacing keys or other access devices;
 - (b) the actual cost of additional keys or other access devices requested by the tenant;
 - (c) a service fee charged by a financial institution to the landlord for the return of a tenant's cheque;
 - (d) an administration fee of not more than \$25 for the return of a tenant's cheque by a financial institution or for late payment of rent;
 - (e) a fee for services or facilities requested by the tenant, if those services or facilities are not required to be provided under the tenancy agreement; and
 - (f) a service prescribed in the regulations.

RESTRICTING SERVICES

22. Terminating or restricting services or facilities

- (1) A landlord shall not terminate or restrict a service or facility if
- (a) the service or facility is reasonably related to the tenant's use and enjoyment of the rental unit as living accommodation; or
 - (b) the service or facility is a term of the tenancy agreement.

Landlord may restrict certain services

- (2) A landlord may terminate or restrict a service or facility, other than one referred to in subsection (1), if the landlord
- (a) gives one month's written notice, in the approved form, of the termination or restriction; and
 - (b) reduces the rent in an amount that is equivalent to the reduction in the value of the tenancy agreement resulting from the termination or restriction of the service or facility.

PRIVACY AND QUIET ENJOYMENT

23. Tenant's right to quiet enjoyment

A tenant is entitled to quiet enjoyment of the rental unit including, but not limited to, the right to

- (a) reasonable privacy;
- (b) freedom from unreasonable disturbance;
- (c) exclusive possession of the rental unit, subject only to the landlord's right to enter the rental unit in accordance with section 24; and
- (d) use of common areas for reasonable and lawful purposes, free from significant interference.

24. Landlord's right to enter rental unit restricted

- (1) A landlord shall not enter a rental unit that is subject to a tenancy agreement for any purpose unless one of the following applies:
- (a) the tenant gives permission at the time of the entry or not more than 10 days before the entry;
 - (b) the landlord provides written notice to the tenant at least 24 hours before the time of entry and the purpose of the entry is to
 - (i) carry out a repair or replacement or do work in the rental unit,
 - (ii) allow a potential mortgagee or insurer of the residential property to view the rental unit, or
 - (iii) carry out an inspection of the rental unit, if
 - (A) the inspection is for the purpose of determining whether the rental unit is in a good state of repair and fit for habitation and complies with health, safety, housing and maintenance standards, consistent with the landlord's obligations under this Act, and

- (B) it is reasonable to carry out the inspection;
- (c) the landlord or, with the written authorization of the landlord, the landlord's agent, requires access to the rental unit to allow a potential purchaser to view the rental unit and the landlord has given written notice to the tenant at least 24 hours before the time of entry;
- (d) the landlord provides housekeeping or related services under the terms of a tenancy agreement and the entry is for that purpose and in accordance with those terms;
- (e) the landlord has an order of the Director or a government agency authorizing the entry;
- (f) the tenant has abandoned the rental unit;
- (g) an emergency exists and the entry is necessary to protect life or property; or
- (h) the landlord requires access to the rental unit to show the unit to a prospective tenant and
 - (i) the landlord and tenant have agreed that the tenancy will end or one of them has given notice of termination to the other,
 - (ii) the entry is between the hours of 9 a.m. and 8 p.m., and
 - (iii) before entering, the landlord informs or makes a reasonable effort to inform the tenant of the intention to do so.

Agent's qualifications

- (2) For the purpose of clause (1)(c), the landlord's agent shall be licensed under the *Real Estate Trading Act* R.S.P.E.I. 1988, Cap. R-2, as an agent or a salesperson, as those terms are defined in that Act.

25. Tenant's right of access protected

- (1) A landlord shall not unreasonably restrict access to residential property by
 - (a) the tenant of a rental unit that is part of the residential property; or
 - (b) a person permitted on the residential property by that tenant.

Access by others

- (2) A landlord shall not unreasonably restrict access to residential property by
 - (a) a candidate seeking election to Parliament, the Legislative Assembly or an office in an election under the *Municipal Government Act* R.S.P.E.I. 1988, Cap. M-12.1, or the *Education Act* R.S.P.E.I. 1988, Cap. E-0.2; or
 - (b) the authorized representative of a person referred to in clause (a) who is canvassing electors or distributing election material.

26. Tenant shall not interfere with quiet enjoyment of other tenants

The tenant and any person admitted to the residential property by the tenant shall not unreasonably interfere with the rights, quiet enjoyment and reasonable privacy of a landlord or other tenants in the residential property.

ACCESS AND DOORS

27. Prohibition - changes to locks and other access

- (1) A landlord shall not change locks or other means that give access to the residential property unless the landlord immediately provides each tenant with new keys or other means that give access to the residential property.

Tenant shall not change locks

- (2) A tenant shall not change any lock or other means that gives access to the rental unit or to common areas of the residential property unless the landlord agrees in writing to, or the Director has ordered, the change.

28. Safety devices

A landlord shall cause to be installed in the rental unit, including any door giving access to the exterior of the residential property, devices necessary to make the residential property reasonably secure from unauthorized entry.

REPAIR AND MAINTENANCE

29. Obligation to repair and maintain

- (1) A landlord shall provide and maintain residential property in a state of repair that
- (a) complies with the health, safety and housing standards required by law; and
 - (b) having regard to the age, character and location of the rental unit, makes it suitable for occupation by a tenant.

Tenant's knowledge of non-repair irrelevant

- (2) A landlord's obligations under subsection (1) apply even where a tenant had knowledge of a state of non-repair before the tenant entered into the tenancy agreement.

Tenant responsible for ordinary cleanliness

- (3) A tenant is responsible for ordinary cleanliness of the rental unit and all areas of the residential property used exclusively by the tenant, except to the extent that the tenancy agreement expressly requires the landlord to clean it.

Tenant responsible for undue damage

- (4) A tenant of a rental unit shall repair undue damage to the rental unit or common areas that is caused by the actions or neglect of the tenant or a person permitted on the residential property by the tenant.

Tenant not responsible for reasonable wear and tear

- (5) A tenant is not required to make repairs for reasonable wear and tear to the residential property.

30. Emergency repairs

- (1) In this section, “**emergency repairs**” means repairs that are
- (a) urgently required;

- (b) necessary for the health or safety of anyone or for the preservation or use of a residential property; and
- (c) made for the purpose of repairing
 - (i) leaks in pipes or the roof,
 - (ii) damaged or blocked water or sewer pipes or plumbing fixtures,
 - (iii) the primary heating system,
 - (iv) damaged or defective locks or devices that give access to a rental unit,
 - (v) the electrical system, or
 - (vi) in prescribed circumstances, a rental unit or residential property.

Landlord shall provide contact information for repair person

- (2) The landlord shall post and maintain in a conspicuous place on the residential property, or give to a tenant in writing, the name and telephone number of a person the tenant is to contact for emergency repairs.

Tenant may have emergency repairs made

- (3) A tenant may have emergency repairs made only when all of the following conditions are met:
 - (a) emergency repairs are needed;
 - (b) the tenant has made at least two attempts to telephone, at the number provided, the person identified by the landlord as the person to contact for emergency repairs; and
 - (c) following those attempts, the tenant has given the landlord reasonable time to make the repairs.

Landlord may take over repair

- (4) A landlord may take over completion of an emergency repair at any time.

Landlord shall reimburse tenant

- (5) A landlord shall reimburse a tenant for amounts paid for emergency repairs within seven days if the tenant
 - (a) claims reimbursement for those amounts from the landlord; and
 - (b) gives the landlord a written account of the emergency repairs accompanied by a receipt for each amount claimed.

Non-application of subsection (5)

- (6) Subsection (5) does not apply to amounts claimed by a tenant for repairs about which the Director, on application, finds that one or more of the following applies:
 - (a) the tenant made the repairs before one or more of the conditions in subsection (3) were met;
 - (b) the tenant has not provided the account and receipts for the repairs as required under clause (5)(b);
 - (c) the amounts represent more than a reasonable cost for the repairs;
 - (d) the emergency repairs are for damage caused primarily by the actions or neglect of the tenant or a person permitted on the residential property by the tenant.

Tenant may deduct expenses incurred from rent

- (7) Where a landlord does not reimburse a tenant as required under subsection (5), the tenant may deduct the amount from rent or recover the amount by making an application to the Director under section 78.

ASSIGNING OR SUBLETTING RENTAL UNIT

31. Tenant may sublet or assign rental unit with landlord's consent

- (1) A tenant may, with the written consent of the landlord, sublet or assign a rental unit to another person.

Landlord shall not unreasonably withhold consent

- (2) A landlord shall not arbitrarily or unreasonably withhold consent to a sublet or assignment of a rental unit.

Landlord shall not charge fee

- (3) A landlord shall not charge a fee in excess of expenses actually incurred by the landlord in relation to giving consent under subsection (1).

Consequences of assignment

- (4) Where a tenant has assigned a rental unit to another person, the tenancy agreement continues to apply on the same terms and conditions and
- (a) the new tenant is liable to the landlord for any breach of the new tenant's obligations and may enforce against the landlord any of the landlord's obligations under the tenancy agreement or this Act, if the breach or obligation relates to the period after the assignment, whether or not the breach or obligation also related to a period before the assignment;
 - (b) the former tenant is liable to the landlord for any breach of the former tenant's obligations and may enforce against the landlord any of the landlord's obligations under the tenancy agreement or this Act, if the breach or obligation relates to the period before the assignment; and
 - (c) if the former tenant has started a proceeding under this Act before the assignment and the benefits or obligations of the new tenant may be affected, the new tenant may join in or continue the proceeding.

Consequences of subletting

- (5) Where a tenant has sublet a rental unit to another person
- (a) the tenant remains entitled to the benefits, and is liable to the landlord for the breaches, of the tenant's obligations under the tenancy agreement or this Act during the subtenancy; and
 - (b) the subtenant is entitled to the benefits, and is liable to the tenant for the breaches, of the subtenant's obligations under the subletting agreement or this Act during the subtenancy.

Overholding subtenant

- (6) A subtenant has no right to occupy the rental unit after the end of the subtenancy.

Rent payable under a sublet

- (7) A tenant shall not charge a subtenant more rent than is payable under the tenancy agreement.

Application to the Director

- (8) A tenant may, within 10 days of the alleged conduct, make an application to the Director under section 78 for an order determining that the landlord has arbitrarily or unreasonably withheld consent to the assignment or sublet of a rental unit.

ADDITIONAL STANDARD TERMS FOR MOBILE HOMES

32. Interpretation

A reference in this section and in sections 33 to 38, 46, Part 4 and section 111, to a tenant's mobile home shall be interpreted as a reference to a mobile home owned by the tenant and situated within a mobile home park of the landlord with whom the tenant has a tenancy agreement.

33. Fees to cover expenses

The landlord of a mobile home park shall not charge a fee for the following matters, except to the extent of the landlord's reasonable out-of-pocket expenses incurred with regard to those matters:

- (a) the entry or exit of a mobile home into a mobile home park;
- (b) the installation of a mobile home in a mobile home park;
- (c) the removal of a mobile home from a mobile home park;
- (d) the testing of water or sewage in a mobile home park.

34. Tenant's right to sell or lease

- (1) A tenant has the right to sell or lease the tenant's mobile home without the landlord's consent.

Landlord may act as agent

- (2) A landlord may act as the agent of a tenant in negotiations to sell or lease a mobile home only in accordance with a written agency contract between the tenant and the landlord entered into for the purpose of beginning those negotiations.

Void term

- (3) A provision in a tenancy agreement requiring a tenant who owns a mobile home to use the landlord as an agent for the sale of the mobile home is void.

35. Landlord's right of first refusal

- (1) This section applies where a tenancy agreement with respect to a mobile home contains a provision prohibiting the tenant from selling the mobile home without first offering to sell it to the landlord.

Offer to purchase

- (2) If a tenant receives an acceptable offer to purchase a mobile home, the landlord has a right of first refusal to purchase the mobile home at the price and subject to the terms and conditions in the offer.

Notice of offer

- (3) A tenant shall give a landlord at least 72 hours' notice of a person's offer to purchase a mobile home before accepting the person's offer.

Landlord's purchase at reduced price

- (4) If a provision described in subsection (1) permits a landlord to purchase a mobile home at a price that is less than the one contained in a prospective purchaser's offer to purchase, the landlord may exercise the option to purchase the mobile home, but the provision is void with respect to the landlord's right to purchase the mobile home at the lesser price.

36. Advertising a sale

A landlord shall not prevent a tenant who owns a mobile home from placing in a window of the mobile home a sign that the mobile home is for sale, unless

- (a) the prohibition applies to all tenants in the mobile home park;
- (b) the landlord provides a bulletin board for the purpose of placing for-sale advertisements;
- (c) the bulletin board is provided to all tenants in the mobile home park free of charge; and
- (d) the bulletin board is placed in a prominent place and is accessible to the public at all reasonable times.

37. Restraint of trade prohibited

- (1) A landlord shall not restrict the right of a tenant to purchase goods or services from a person of the tenant's choice, except as provided in subsection (2).

Standards

- (2) A landlord may set reasonable standards for mobile home equipment.

38. Landlord's responsibilities

In addition to a landlord's obligations under section 29, a landlord of a mobile home park is responsible for

- (a) removing or disposing of garbage or ensuring the availability of a means for removing or disposing of garbage in the mobile home park at reasonable intervals;
- (b) maintaining roads in the mobile home park in a good state of repair;
- (c) removing snow from roads in the mobile home park;
- (d) maintaining the water supply, sewage disposal, fuel, drainage and electrical systems in the mobile home park in a good state of repair;
- (e) maintaining the mobile home park grounds and all buildings, structures, enclosures and equipment intended for the common use of tenants in a good state of repair; and
- (f) repairing damage to a tenant's property, if the damage is caused by the wilful or negligent conduct of the landlord.

Division 5 - End of Tenancy**39. Inspection at end of tenancy**

- (1) The landlord and tenant, or their authorized agents, shall inspect the condition of the rental unit together before a new tenant begins to occupy the rental unit
 - (a) on or after the day the tenant ceases to occupy the rental unit; or
 - (b) on another day agreed upon by them.

Two opportunities for inspection

- (2) The landlord shall offer the tenant at least two reasonable opportunities for the inspection.

Landlord shall complete inspection report

- (3) The landlord shall complete a condition inspection report in the approved form in accordance with the regulations.

Signature

- (4) Both the landlord and tenant, or their authorized agents, shall sign the condition inspection report and the landlord shall give the tenant a copy of the report.

Exception

- (5) The landlord, or the landlord's authorized agent, may make the inspection and complete and sign the report without the tenant if
 - (a) the landlord has complied with subsection (2) and the tenant does not participate on either occasion; or
 - (b) the tenant has abandoned the rental unit.

Copy to tenant

- (6) Except where a tenant has abandoned the rental unit, a landlord who completes an inspection without the tenant in accordance with subsection (5) shall provide the tenant with a signed copy of the report.

40. Time to vacate

- (1) Unless a landlord and tenant otherwise agree, the tenant shall vacate the rental unit by 5 p.m. on the day the tenancy ends.

Obligations on vacating

- (2) When a tenant vacates a rental unit, the tenant shall
 - (a) leave the rental unit reasonably clean and undamaged, except for reasonable wear and tear; and
 - (b) give the landlord all the keys or other means of access that are in the possession or control of the tenant and that allow access to and within the residential property.

41. Return of security deposit

- (1) Except as provided in subsection (2) or (3), within 15 days after the later of
 - (a) the date the tenancy ends or is assigned; and
 - (b) the date the landlord receives the tenant's forwarding address in writing;the landlord shall either

- (c) repay, as provided in subsection (5), any security deposit to the tenant with interest calculated in accordance with the regulations; or
- (d) make an application to the Director under section 78 claiming against the security deposit.

Landlord may retain amount from security deposit

- (2) A landlord may retain from a security deposit an amount that
 - (a) the Director has previously ordered the tenant to pay to the landlord; and
 - (b) remains unpaid at the end of the tenancy.

Retention by landlord, other circumstances

- (3) A landlord may retain an amount from a security deposit if
 - (a) at the end of a tenancy, the tenant agrees in writing that the landlord may retain the amount to pay a liability or obligation of the tenant; or
 - (b) after the end of the tenancy, the Director orders that the landlord may retain the amount.

Consequences of non-compliance

- (4) Where a landlord does not comply with this section, the landlord
 - (a) shall not make a claim against the security deposit; and
 - (b) shall pay the tenant double the amount of the security deposit.

How to repay deposit

- (5) For the purposes of clause (1)(c), the landlord shall repay a deposit
 - (a) by sending a cheque by ordinary or registered mail to the tenant's forwarding address;
 - (b) by giving the deposit personally to the tenant; or
 - (c) by using any form of electronic payment or transfer to the tenant.

Presumption

- (6) Where an application to the Director has been made in accordance with clause 1(d), the Director may draw an adverse inference against the landlord or tenant for failing to comply with section 19 or 39.

42. Landlord may retain deposit if forwarding address not provided

Despite any other provision of this Act, if a tenant does not give a landlord a forwarding address within six months after the end of the tenancy

- (a) the landlord may keep the security deposit; and
- (b) the right of the tenant to the return of the deposit is extinguished.

Division 6 - Abandonment

43. Abandonment of rental unit by tenant

- (1) Where a tenant has abandoned the rental unit, the landlord may enter and take possession of the rental unit.

Interpretation

- (2) A tenant is considered to have abandoned a rental unit only where
- (a) the tenant has vacated the rental unit;
 - (b) the tenancy agreement is not terminated in accordance with this Act or the tenancy agreement; and
 - (c) rent is overdue.

Landlord shall post notice prior to entry

- (3) Not less than 24 hours before entering a rental unit for the purpose of taking possession under subsection (1), the landlord shall post a notice in a conspicuous place on the residential property stating
- (a) the landlord's belief that the tenant has abandoned the rental unit;
 - (b) the landlord's intention to enter the rental unit for the purpose of taking possession unless the tenant notifies the landlord, before the time set out in the notice, that the tenant has not abandoned the rental unit; and
 - (c) the day and hour when the landlord will enter the rental unit.

Notification by tenant

- (4) Where the tenant notifies the landlord under clause (3)(b) that the rental unit has not been abandoned, the landlord shall not enter the rental unit.

44. Abandoned personal property

- (1) Where a tenant abandons or vacates a rental unit and leaves personal property on the residential property, the landlord shall either
- (a) remove the personal property and immediately place it in safe storage; or
 - (b) store the personal property on the residential property in a safe manner.

Minimum storage period

- (2) The personal property required to be stored under subsection (1) shall be stored for not less than one month unless the tenant takes possession of the personal property before the one-month period has elapsed.

Landlord shall take inventory

- (3) A landlord who stores a tenant's personal property under subsection (1) shall, at the earliest reasonable opportunity
- (a) provide the Director with an inventory of the property; and
 - (b) provide the tenant with a copy of the inventory, if the landlord can locate the tenant.

Landlord may apply to dispose of personal property

- (4) The Director may, on application by a landlord under section 78, authorize the landlord to dispose of personal property referred to in subsection (1) where the Director believes on reasonable grounds that
- (a) the personal property has no monetary value;
 - (b) the cost of removing, storing or selling the personal property would be more than the proceeds of the sale; or
 - (c) the storage of the personal property would be unsanitary or unsafe.

Exception

- (5) This section does not apply where a landlord and a tenant have made an agreement in writing with respect to the storage of the tenant's personal property.

Tenant may take possession of personal property

- (6) The tenant or owner of the personal property may, within the one-month period referred to in subsection (2), claim and take possession of the personal property by paying the landlord the costs reasonably incurred by the landlord to remove and store the property.

Landlord to notify Director

- (7) Where a tenant or owner takes possession of personal property within the one-month period, the landlord shall notify the Director at the earliest reasonable opportunity.

Storage costs

- (8) Where a landlord stores personal property on the residential property in accordance with clause (1)(b), the storage costs referred to in subsection (6) shall be the lesser of the standard rate charged by public storage facilities or the rental rate of the rental unit.

Landlord may sell property after one month

- (9) Where a tenant or owner does not take possession of personal property within the one-month period specified in subsection (2), the landlord may sell the personal property subject to the terms and conditions set by the Director.

Landlord's rights and obligations after property sold

- (10) Where personal property is sold under subsection (9), the landlord
- (a) may keep from the proceeds of the sale the amount
 - (i) of the costs reasonably incurred by the landlord for the removal, storage and sale of the personal property, and
 - (ii) necessary to satisfy an order of the Director for compensation payable to the landlord by the tenant; and
 - (b) shall, at the earliest reasonable opportunity, deliver to the Director
 - (i) the proceeds of the sale, less the amount kept under clause (a), and
 - (ii) a written statement of account regarding the sale and distribution of the proceeds.

Director's duty

- (11) The Director shall hold the proceeds delivered by the landlord under subclause (10)(b)(i) in trust for the tenant or owner of the personal property in an interest bearing trust account in a financial institution located in the province authorized to accept deposits.

Unclaimed proceeds

- (12) Where proceeds held in trust by the Director are not claimed under subsection (11) within one year after the sale, the Director shall remit the proceeds, together with interest earned, to the Operating Fund.

Claim against proceeds

- (13) Where a tenant or other person claims to be the owner of personal property sold under subsection (9), the Director under subsection (11) or the Minister of Finance under subsection (12) shall, upon satisfactory proof of the claim, pay the proceeds to that tenant or person.

No liability

- (14) Subject to subsection (10), a landlord is not liable to any person for selling, retaining or otherwise disposing of a tenant's personal property in accordance with this section.

45. Seizure of personal property prohibited

A landlord shall not take a tenant's personal property to compensate for a contravention of an obligation of the tenant, including a failure to pay rent.

46. Abandoned mobile home

- (1) This section applies where
- (a) a tenant has vacated a mobile home in accordance with
 - (i) a notice of termination given by the landlord or the tenant,
 - (ii) an agreement between the landlord and tenant to end the tenancy,
 - (iii) an order of the Director terminating the tenancy or evicting the tenant; or
 - (b) a landlord has applied for an order under clause 88(1)(o) and the Director has made an order terminating the tenancy.

Notice to tenant

- (2) A landlord shall not dispose of a mobile home without first notifying the tenant in writing of the landlord's intention to do so
- (a) by registered mail sent to the tenant's last known mailing address;
 - (b) by sending a notice electronically where
 - (i) the notice is provided in the same or substantially the same form as the written notice,
 - (ii) the tenant has provided an electronic address for receipt of documents, and
 - (iii) it is sent to that electronic address; or
 - (c) by causing a notice to be published in a newspaper having general circulation in the community in which the mobile home park is located.

Landlord may sell or retain mobile home

- (3) The landlord may sell, retain for the landlord's own use or dispose of a mobile home in the circumstances described in subsection (1) beginning two months after the notices referred to in subsection (2) have been given, if the tenant has not made a claim with respect to the landlord's intended disposal.

Proceeds of sale

- (4) If, within six months after the day the notice has been given under subsection (2), the tenant makes a claim for a mobile home which the landlord has already sold, the landlord shall pay to the tenant the amount by which the proceeds of sale exceed the sum of
- (a) the landlord's reasonable out-of-pocket expenses incurred with respect to the mobile home; and
 - (b) any arrears of rent of the tenant.

Landlord shall return mobile home

- (5) If, within six months after the day the notice has been given under subsection (2), the tenant makes a claim for a mobile home which the landlord has retained for the landlord's own use, the landlord shall return the mobile home to the tenant.

Tenant to pay rent arrears

- (6) Before returning a mobile home to a tenant who claims it within the two-month period referred to in subsection (3) or the six-month period referred to in subsection (5), the landlord may require the tenant to pay the landlord arrears of rent and reimburse any reasonable expenses incurred by the landlord with respect to the mobile home.

No liability

- (7) Subject to subsection (4) or (5), a landlord is not liable to any person for selling, retaining or otherwise disposing of a tenant's mobile home in accordance with this section.

47. Mitigation of damages

Where a tenant abandons the rental unit, the landlord shall mitigate damages that may be caused by the abandonment to the extent that a party to a contract is required by law to mitigate damages.

PART 3 - WHAT RENT INCREASES ARE ALLOWED

48. Rent increases

- (1) A landlord shall not increase rent except in accordance with this Part.

Interpretation

- (2) In this Part, “**rent increase**” does not include an increase in rent that is authorized under the tenancy agreement by a term referred to in subclause 11(2)(h)(iv).

Obligations tied to rental unit

- (3) The obligations of a landlord under this Part run with the rental unit and not the tenant.

49. Timing of rent increases

- (1) A landlord shall not impose a rent increase for at least 12 months after whichever of the following applies:
- (a) if the rent for the rental unit has previously been increased, the effective date of the last rent increase made in accordance with this Act; or
 - (b) if the rent for the rental unit has not previously been increased, the date on which rent was first payable.

Notice of increase

- (2) Where a landlord increases the amount of rent payable, the landlord shall give the tenant written notice of the increase
- (a) at least three weeks before the effective date of the increase where the rental unit is rented from week to week; or
 - (b) at least three months before the effective date of the increase where the rental unit is rented from month to month or for a fixed term.

Notice shall be in approved form

- (3) A notice of a rent increase shall

- (a) be in the approved form;
- (b) be signed by the landlord;
- (c) state the effective date of the increase;
- (d) state the amount of the increase;
- (e) state the amount of rent payable when the increase becomes effective; and
- (f) be served on the tenant in a manner set out in section 104.

Tenant may treat rent increase as notice of termination

- (4) Where a tenant receives a notice of a rent increase, the tenant
 - (a) may elect to treat the notice as a notice of termination effective on the day immediately preceding the day on which the rent increase becomes effective; and
 - (b) if the tenant makes the election referred to in clause (a), shall inform the landlord in writing of the tenant's intent to treat the notice as a notice of termination.

Obligation of landlord

- (5) Where a landlord has given a tenant notice of a rent increase and the tenant ends the tenancy agreement, the landlord shall
 - (a) give a new tenant a copy of the notice before the parties agree to a tenancy agreement; and
 - (b) rent the rental unit at the rent stated in the notice.

50. Amount of rent increase

- (1) No landlord shall increase the rent charged for a rental unit by more than the guideline, except in accordance with section 51.

Calculation of guideline

- (2) The Director shall determine the guideline in effect for each calendar year as follows:
 - (a) subject to the limitation set out in clause (b), the guideline for a calendar year is the percentage change from year to year in the All-Items Consumer Price Index for Prince Edward Island as reported monthly by Statistics Canada, averaged over the 12-month period that ends at the end of June of the previous calendar year, rounded to the first decimal point;
 - (b) the guideline for a calendar year shall be not more than 2.5 per cent.

51. Requests for additional increase

- (1) A landlord may request the Director's approval of a rent increase in an amount that is greater than the amount calculated under subsection 50(2) by making an application to the Director under section 78.

Factors

- (2) The Director shall consider the following factors in deciding whether to approve an application for a rent increase under subsection (1):
 - (a) the rent payable for similar rental units in the residential property immediately before the proposed increase is intended to come into effect;
 - (b) the rent history for the affected rental unit in the three years preceding the date of the application;

- (c) a change in a service or facility that the landlord has provided for the residential property in which the rental unit is located in the 12 months preceding the date of the application;
- (d) a change in operating expenses and capital expenditures in the three years preceding the date of the application that the Director considers relevant and reasonable;
- (e) the relationship between the change described in clause (d) and the rent increase applied for;
- (f) a relevant submission from an affected tenant;
- (g) a finding by the Director that the landlord has contravened section 29 of this Act;
- (h) whether, and to what extent, an increase in costs with respect to repair or maintenance of the residential property results from inadequate repair or maintenance in a previous year;
- (i) a rent increase or a portion of a rent increase previously approved under this section that is reasonably attributable to the cost of performing a landlord's obligation that has not been fulfilled;
- (j) whether the Director has set aside a notice of termination within the six months preceding the date of the application;
- (k) the expectation of the landlord to have a reasonable return on the landlord's capital investment;
- (l) whether the Director has found, in an application under this section, that the landlord has
 - (i) submitted false or misleading evidence, or
 - (ii) failed to comply with an order of the Director for the disclosure of documents;
- (m) any other factor prescribed in the regulations.

Director's powers

- (3) In considering an application under this section, the Director may
 - (a) grant the application, in full or in part;
 - (b) refuse the application;
 - (c) order that the increase granted be phased in over a period of time; or
 - (d) order that the effective date of the increase granted is conditional upon the landlord's compliance with an order of the Director respecting the residential property.

Tenant may recover unlawful increase

- (4) If a landlord collects a rent increase that does not comply with this Part, the tenant may recover the increase by making an application to the Director under section 78.

PART 4 - ENDING A TENANCY

Division 1 - General Provisions

SECURITY OF TENURE

52. Termination only in accordance with Act

- (1) A tenancy shall be terminated only in accordance with this Act.

Termination by notice

- (2) Where a notice of termination is given in accordance with this Act and the tenant vacates the rental unit in accordance with the notice, the tenancy ends on the termination date set out in the notice.

Termination by agreement

- (3) A landlord and tenant may agree in writing to end a tenancy.

Landlord's right to possession restricted

- (4) A landlord shall not regain possession of a rental unit unless
- (a) the tenant has vacated or abandoned the rental unit in accordance with section 43; or
 - (b) the Director has made an order directing the tenant to vacate the rental unit and the order has been sent to the sheriff for enforcement.

53. Deemed renewal where no notice

- (1) Where a tenancy agreement ends on a specific date and has not been renewed or terminated in accordance with this Act, the landlord and tenant are deemed to renew the tenancy agreement on that date as a monthly tenancy with the same rights and obligations as existed under the former tenancy agreement, subject to any rent increase that complies with this Act.

Exception

- (2) Subsection (1) does not apply
- (a) where the landlord and tenant have entered into a written agreement in accordance with subsection 52(3);
 - (b) where the tenancy has been terminated in accordance with this Act; or
 - (c) to a rental unit provided by an employer to an employee as a benefit of employment.

NOTICE REQUIREMENTS

54. Form and content of notice of termination

In order to be effective, a notice of termination shall be in writing and shall

- (a) be signed and dated by the landlord or tenant giving the notice;
- (b) give the address of the rental unit;
- (c) state the effective date of the notice;
- (d) except for a notice of termination under section 61, state the grounds for ending the tenancy;

- (e) be given to the other party in accordance with section 104; and
- (f) when given by a landlord, be in the approved form.

55. Incorrect effective dates automatically changed

- (1) Where a landlord or tenant gives a notice of termination effective on a date that does not comply with this Part, the notice is deemed to be changed in accordance with subsection (2) or (3), as applicable.

Effective date too early

- (2) If the effective date stated in the notice of termination is earlier than the earliest date permitted under this Act, the effective date is deemed to be the earliest date that complies with the applicable section of this Act.

Effective date for notice of termination

- (3) In the case of a notice of termination, other than a notice of termination under section 57, 58, 59, 63 or 72, if the effective date stated in the notice of termination is any day other than the day before the day that rent is payable under the tenancy agreement, the effective date of the termination is deemed to be the day
- (a) before the day that rent is payable; and
 - (b) that complies with the minimum notice period applicable under this Act.

Division 2 - Tenant's Notice

56. Notice for weekly tenancy

- (1) A tenant may end a week-to-week periodic tenancy by giving the landlord a notice of termination effective on a date that
- (a) is not earlier than seven days after the date the landlord receives the notice; and
 - (b) is the day before the day that rent is payable under the tenancy agreement.

Notice for monthly or other periodic tenancy

- (2) A tenant may end a month-to-month or other periodic tenancy by giving the landlord a notice of termination effective on a date that
- (a) is not earlier than one month after the date the landlord receives the notice; and
 - (b) is the day before the day that rent is payable under the tenancy agreement.

Notice for fixed-term tenancy

- (3) A tenant may end a fixed-term tenancy by giving the landlord a notice of termination effective on a date that
- (a) is not earlier than one month after the date the landlord receives the notice;
 - (b) is not earlier than the date specified in the tenancy agreement as the end of the tenancy; and
 - (c) is the day before the day that rent is payable under the tenancy agreement.

Requirements of notice

- (4) In giving a notice of termination under this section, a tenant shall comply with the requirements of section 54.

57. Early notice for lack of quiet enjoyment

- (1) Where a landlord contravenes the obligations set out in section 23, 24, 25 or 27, the tenant may, within seven days of the contravention, give the landlord a notice of termination effective on a date that is not less than seven days, but not more than 14 days, after the landlord receives the notice.

Requirements of notice

- (2) In giving a notice of termination under this section, a tenant shall comply with the requirements of section 54.

58. Early notice for uninhabitable unit

- (1) Where a landlord contravenes the obligations set out in section 29, the tenant may give the landlord a notice of termination effective immediately.

Requirements of notice

- (2) In giving a notice of termination under this section, a tenant shall comply with the requirements of section 54.

59. Early notice for failure to comply with material term

- (1) Where a landlord has failed to comply with any other material term of the tenancy agreement or any other statutory condition specified in Part 2 and has not corrected the situation within a reasonable period after the tenant gives written notice of the failure, the tenant may give the landlord a notice of termination effective on a date that is after the date the landlord receives the notice of termination.

Requirements of notice

- (2) In giving a notice of termination under this section, a tenant shall comply with the requirements of section 54.

60. Tenant's notice due to illness or long-term care

- (1) A tenant may end a tenancy agreement by giving a notice of termination to the landlord under the following circumstances:
- (a) the tenant's income is reduced as a result of ill health, and the notice to the landlord is accompanied by evidence of the tenant's reduction in income;
 - (b) the income of a person who has been providing financial assistance towards the payment of the tenant's rent is no longer able to provide financial assistance due to ill health, and the notice to the landlord is accompanied by evidence of the ill health of the person who has been providing financial assistance;
 - (c) the tenant is required to reside with a family member because of the ill health of the family member, and the notice to the landlord is accompanied by evidence of the ill health of the family member;
 - (d) the tenant is admitted permanently into a facility that provides care for the aged or those in ill health, and the notice to the landlord is accompanied by evidence of the tenant's admission into the facility;
 - (e) the tenant dies and the notice to the landlord is accompanied by evidence of the tenant's death;
 - (f) the residential property or rental unit is no longer accessible to the tenant or the tenant's dependent because of a change in health of the tenant or the dependent..

Period of notice for fixed term tenancy

- (2) A tenant may end a fixed term tenancy under this section by giving the landlord a notice of termination effective on a date that
- (a) is not earlier than one month after the date the landlord receives the notice; and
 - (b) is the day before the day that rent is payable under the tenancy agreement.

Requirements of notice

- (3) In giving a notice of termination under this section, a tenant shall comply with the requirements of section 54.

61. Tenant's notice - family violence

- (1) In this section,
- (a) “**family violence**” has the same meaning as in the *Victims of Family Violence Act* R.S.P.E.I. 1988, Cap. V-3.2; and
 - (b) “**dependent**” means a child of the tenant or any other person who is dependent on the tenant for maintenance and support.

Tenant may give notice of termination for family violence or abuse

- (2) A tenant may end a tenancy agreement by giving a notice of termination to the landlord in accordance with this section if
- (a) the tenant is deemed under subsection (5) to have experienced family violence or another form of abuse; or
 - (b) a dependent residing with the tenant is deemed under subsection (5) to have experienced family violence or another form of abuse.

Period of notice

- (3) A tenant under this section may end a tenancy by giving the landlord a notice of termination effective on a date that
- (a) is not earlier than one month after the date the landlord receives the notice; and
 - (b) is the day before the day that rent is payable under the tenancy agreement.

Requirements of notice

- (4) In giving a notice of termination under subsection (1), a tenant shall comply with the requirements of section 54 and shall also provide either
- (a) a copy of an order specified in clause (5)(a) or (b); or
 - (b) a copy of a statement described in clause (5)(c).

Tenant deemed to have experienced family violence or abuse

- (5) For the purpose of subsection (2), a tenant or a dependent residing with the tenant is deemed to have experienced family violence or another form of abuse if
- (a) an emergency protection order under the *Victims of Family Violence Act* is in place to prevent a person, who is alleged to have committed family violence against the tenant or a dependent residing with the tenant, from contacting or communicating with the tenant or the dependent, or from attending the residential property;
 - (b) a recognizance, peace bond or other court order is in place to prevent a person, who is alleged to have committed family violence against the tenant or a dependent residing with the tenant, from contacting or communicating with the tenant or the dependent, or from attending the residential property; or

- (c) the tenant alleges an act or omission committed by a person against the tenant or a dependent residing with the tenant constituted abuse, and the statement from the tenant complies with the requirements prescribed in the regulations.

Persons against whom order or allegation made

- (6) For the purposes of this section, the person against whom an order or statement referred to in subsection (5) was made shall be
 - (a) a spouse or former spouse of the tenant or the tenant's dependent;
 - (b) a person who is or has been in a sexual relationship with the tenant or the tenant's dependent, whether or not they are in the relationship at the time the tenant gives notice;
 - (c) a person who is or has been in a dating relationship with the tenant or the tenant's dependent, whether or not they are in the relationship at the time the tenant gives notice; or
 - (d) a person who resides in the rental unit.

Confidentiality

- (7) A landlord shall ensure that any information received in connection with a notice provided under this section is kept confidential unless the landlord is required or permitted to disclose that information
 - (a) under this Act or any other Act or regulations; or
 - (b) for the purpose of complying with a subpoena, warrant or order issued or made by a court, person or body with jurisdiction to compel the production of information.

Entry to show unit to prospective tenants

- (8) A landlord to whom a notice is given with respect to a rental unit under subsection (2) may enter the rental unit to show the unit to prospective tenants only after the tenant or all the joint tenants, as applicable, have vacated the unit in accordance with the notice.

Advertising rental unit

- (9) A landlord to whom a notice is given with respect to a rental unit under subsection (2) shall not advertise the unit for rent
 - (a) during the notice period, unless the rental unit is not specified in the advertisement and cannot otherwise be identified from the advertisement;
 - (b) until the tenant or all the joint tenants, as applicable, have vacated the rental unit in accordance with the notice; or
 - (c) if the tenant or joint tenants, as applicable, do not vacate the rental unit in accordance with the notice, until the tenancy has otherwise been terminated.

62. Termination by one of a group of tenants

Where a fixed-term tenancy is terminated under section 60 or 61 by one of two or more tenants who are subject to the same tenancy agreement, the remaining tenant or tenants shall also vacate the rental unit, unless the remaining tenant or tenants enter into a new tenancy agreement with the landlord.

Division 3 - Landlord's Notice

63. Landlord's notice for non-payment of rent

- (1) A landlord may end a tenancy if rent is unpaid after the day it is due, by giving a notice of termination effective on a date that is not earlier than 14 days after the date the tenant receives the notice.

Form of notice

- (2) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 54.

Non-application of section

- (3) A notice of termination under this section has no effect if the amount of rent that is unpaid is an amount the tenant is permitted under this Act to deduct from the rent.

Tenant may dispute notice or pay unpaid rent

- (4) Within seven days after receiving a notice of termination under this section, the tenant may
- (a) pay the overdue rent, in which case the notice of termination has no effect; or
 - (b) dispute the notice of termination by making an application to the Director under section 78.

Tenant presumed to accept notice

- (5) Where a tenant who has received a notice of termination under this section does not pay the rent or make an application to the Director in accordance with subsection (4), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

Unpaid utilities

- (6) A landlord may treat unpaid utility charges as unpaid rent and may give a notice of termination under this section where
- (a) a tenancy agreement requires the tenant to pay utility charges to the landlord; and
 - (b) the utility charges are unpaid more than one month after the tenant is given a written demand for payment of them.

64. Landlord's notice for cause

- (1) A landlord may end a tenancy by giving a notice of termination if one or more of the following applies:
- (a) the tenant does not pay the security deposit within 10 days of the date it is required to be paid under the tenancy agreement;
 - (b) the tenant is repeatedly late in paying rent;
 - (c) there are an unreasonable number of occupants in the tenant's rental unit;
 - (d) the tenant or a person permitted on the residential property by the tenant has
 - (i) significantly interfered with or unreasonably disturbed another occupant or the landlord of the residential property,
 - (ii) seriously jeopardized the health or safety or a lawful right or interest of the landlord or another occupant, or

- (iii) put the landlord's property at significant risk;
- (e) the tenant or a person permitted on the residential property by the tenant has engaged in illegal activity that
 - (i) has caused or is likely to cause damage to the landlord's property,
 - (ii) has adversely affected or is likely to adversely affect the quiet enjoyment, security, safety or physical well-being of another occupant of the residential property, or
 - (iii) has jeopardized or is likely to jeopardize a lawful right or interest of the landlord or another occupant;
- (f) the tenant or a person permitted on the residential property by the tenant has caused unreasonable damage to a rental unit or the residential property;
- (g) the tenant does not repair damage to the rental unit or residential property, as required under section 29, within a reasonable time;
- (h) the tenant
 - (i) has failed to comply with a material term of the tenancy agreement, and
 - (ii) has not corrected the situation within a reasonable time after the landlord has given written notice to do so;
- (i) the tenant purports to assign or sublet the rental unit without first obtaining the landlord's written consent as required by section 31;
- (j) the tenant knowingly gives false information about the residential property to a prospective tenant, a purchaser viewing the residential property or another person;
- (k) the rental unit is required to be vacated to comply with an order of a federal, Prince Edward Island or municipal government authority;
- (l) the tenant has not complied with an order of the Director within 10 days of the later of
 - (i) the date the tenant receives the order, or
 - (ii) the date specified in the order for the tenant to comply with the order.

Exception for family violence

- (2) Subsection (1) does not apply if
 - (a) the conduct complained of relates to an act specified in clause (1)(d), (e) or (f);
 - (b) the act specified in clause (1)(d), (e) or (f) occurred in connection with the commission of family violence as defined in section 61; and
 - (c) an order specified in clause 61(5)(a) or (b) is in effect against the person who committed the act.

Period of notice

- (3) A notice of termination under this section shall end the tenancy effective on a date that is
 - (a) not earlier than one month after the date the notice is received; and
 - (b) the day before the day that rent is payable under the tenancy agreement.

Form of notice

- (4) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 54.

Tenant may dispute notice

- (5) A tenant may dispute a notice of termination under this section by making an application to the Director under section 78 within 10 days after the date the tenant receives the notice.

Tenant presumed to accept notice

- (6) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (4), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

Landlord may request earlier termination date

- (7) Despite subsection (3), a landlord who wishes to give notice of termination under subsection (1) may make an application to the Director to request an order
- (a) ending a tenancy on a date that is earlier than the tenancy would end if the notice of termination were given under subsection (1); and
 - (b) granting the landlord an order of possession in respect of the rental unit.

Requirements for earlier period of notice

- (8) The Director shall grant an application under subsection (7) only if the Director is satisfied that
- (a) the tenant or a person permitted on the residential property by the tenant has
 - (i) significantly interfered with or unreasonably disturbed another occupant or the landlord of the residential property,
 - (ii) seriously jeopardized the health or safety or a lawful right or interest of the landlord or another occupant,
 - (iii) put the landlord's property at significant risk,
 - (iv) engaged in illegal activity that
 - (A) has caused or is likely to cause damage to the landlord's property,
 - (B) has adversely affected or is likely to adversely affect the quiet enjoyment, security, safety or physical well-being of another occupant of the residential property, or
 - (C) has jeopardized or is likely to jeopardize a lawful right or interest of another occupant or the landlord,
 - (v) caused unreasonable damage to the residential property, or
 - (vi) frustrated the tenancy agreement; and
 - (b) it would be unreasonable, or unfair to the landlord or other occupants of the residential property, to wait for a notice of termination under subsection (2) to take effect.

Landlord not required to provide notice

- (9) Where the Director makes an order under subsection (7), it is unnecessary for the landlord to give the tenant a notice of termination.

65. Landlord's notice for landlord's use of property

- (1) Subject to subsection (7), a landlord who is an individual may end a tenancy by giving a notice of termination if the landlord in good faith requires possession of the rental unit for the purpose of residential occupation for a period of at least one year by
- (a) the landlord;
 - (b) the landlord's spouse;
 - (c) a child, parent or a dependent of the landlord or the landlord's spouse; or
 - (d) a person who provides or will provide care services to the landlord, the landlord's spouse, or a child, parent or dependent of the landlord or the landlord's spouse, if the person receiving the care services resides or will reside in the residential property or mobile home park in which the rental unit is located.

Family corporation

- (2) Subject to subsection (7), a landlord that is a family corporation may end a tenancy by giving a notice of termination if the landlord in good faith requires possession of the rental unit for the purpose of residential occupation for a period of at least one year by
- (a) a person who owns voting shares in the corporation;
 - (b) the spouse of a person who owns voting shares in the corporation;
 - (c) a child, parent or a dependent of a person who owns voting shares in the corporation;
 - (d) a child, parent or a dependent of the spouse of a person who owns voting shares in the corporation; or
 - (e) a person who provides or will provide care services to
 - (i) a person who owns voting shares in the corporation,
 - (ii) the spouse of the person who owns voting shares in the corporation,
 - (iii) a child, parent or dependent of the person who owns shares in the corporation, or
 - (iv) a child, parent or a dependent of the spouse of person who owns voting shares in the corporation,if the person receiving the care services resides or will reside in the residential property or mobile home park in which the rental unit is located.

Period of notice

- (3) The date for termination specified in the notice of termination shall be at least two months after the notice is given and shall be the day a period of the tenancy ends or, where the tenancy is for a fixed term, the end of the term.

Form of notice

- (4) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 54.

Tenant may dispute notice

- (5) A tenant may dispute a notice of termination given under subsection (1) or (2) by making an application to the Director under section 78 within one month after the date the tenant receives the notice.

Tenant presumed to accept notice

- (6) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (5), the tenant

- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
- (b) shall vacate the rental unit by that date.

Exception, school year

- (7) A landlord may not give notice under subsection (1) or (2) that requires a tenant to vacate a rental unit during a school year if
 - (a) the tenant is a school-aged child and attends a school; or
 - (b) the tenant resides with a school-aged child who attends a school.

Tenancy agreement remains in effect

- (8) The terms of a tenancy agreement of a tenant referred to in subsection (7) continue to apply during the school year, with the exception of any rental increase that complies with Part 3.

66. Landlord's notice when purchaser personally requires unit

- (1) Subject to subsection (8), a landlord of a residential property that contains fewer than three rental units who has entered into an agreement of purchase and sale of the residential property may, on behalf of the purchaser, give the tenant of a rental unit in the residential property a notice of termination if the purchaser in good faith requires possession of the residential property or the rental unit for the purpose of residential occupation by
 - (a) the purchaser;
 - (b) the purchaser's spouse;
 - (c) a child, parent or a dependent of the purchaser or the purchaser's spouse; or
 - (d) a person who provides or will provide care services to the purchaser, the purchaser's spouse, or a child, parent or dependent of the purchaser or the purchaser's spouse, if the person receiving the care services resides or will reside in the residential property or mobile home park in which the rental unit is located.

Condominium

- (2) Subject to subsection (8), where a landlord who is an owner of a unit, as those terms are defined in the *Condominium Act* R.S.P.E.I. 1988, Cap. C-16, that is a rental unit, has entered into an agreement of purchase and sale of the unit, the landlord may, on behalf of the purchaser, give the tenant of the rental unit a notice of termination if the purchaser in good faith requires possession of the rental unit for the purpose of residential occupation by
 - (a) the purchaser;
 - (b) the purchaser's spouse;
 - (c) a child, parent or a dependent of the purchaser or the purchaser's spouse; or
 - (d) a person who provides or will provide care services to the purchaser, the purchaser's spouse, or a child, parent or dependent of the purchaser or the purchaser's spouse, if the person receiving the care services resides or will reside in the residential property in which the rental unit is located.

Affidavit required

- (3) A notice of termination under subsection (1) or (2) is valid only if the tenant has been provided with a sworn affidavit certifying that the purchaser in good faith requires possession of the rental unit for a purpose set out in subsection (1) or (2).

Period of notice

- (4) The date for termination specified in a notice of termination given under subsection (1) or (2) shall be at least two months after the notice is given and shall be the day a period of the tenancy ends or, where the tenancy is for a fixed term, the end of the term.

Form of notice

- (5) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 54.

Tenant may dispute notice

- (6) A tenant may dispute a notice of termination given under subsection (1) by making an application to the Director under section 78 within one month after the date the tenant receives the notice.

Tenant presumed to accept notice

- (7) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (5), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

Exception, school year

- (8) A landlord may not give notice under subsection (1) or (2) that requires a tenant to vacate a rental unit during a school year if
- (a) the tenant is a school-aged child and attends a school; or
 - (b) the tenant resides with a school-aged child who attends a school.

Tenancy agreement remains in effect

- (9) The terms of a tenancy agreement of a tenant referred to in subsection (8) continue to apply during the school year, with the exception of any rental increase that complies with Part 3.

67. Landlord's notice for demolition, conversion or repairs

- (1) Subject to subsection (7), a landlord may give a notice of termination if the landlord, after obtaining all necessary permits and approvals as required by law, requires possession of the rental unit in order to
- (a) demolish the rental unit;
 - (b) convert the rental unit to a non-residential use; or
 - (c) do repairs or renovations to the rental unit that are so extensive that they require a building permit and vacant possession of the rental unit.

Period of notice

- (2) The date for termination specified in the notice of termination shall be at least six months after the notice is given and shall be the day a period of the tenancy ends or, where the tenancy is for a fixed term, the end of the term.

Period of notice for mobile home

- (3) Where a notice of termination is given under this section with respect to a tenancy agreement between the landlord and a tenant who owns a mobile home, the date for termination specified in the notice of termination shall, despite subsection (2), be at least 12 months after

the date the notice is given and shall be the day a period of the tenancy ends or, where the tenancy is for a fixed term, the end of the term.

Form of notice

- (4) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 54.

Tenant may dispute notice

- (5) A tenant may dispute a notice of termination given under subsection (1) by making an application to the Director under section 78 within one month after the date the tenant receives the notice.

Tenant presumed to accept notice

- (6) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (5), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

Exception, school year

- (7) A landlord may not give notice under subsection (1) or (2) that requires a tenant to vacate a rental unit during a school year if
- (a) the tenant is a school-aged child and attends a school; or
 - (b) the tenant resides with a school-aged child who attends a school.

Tenancy agreement remains in effect

- (8) The terms of a tenancy agreement of a tenant referred to in subsection (7) continue to apply during the school year, with the exception of any rental increase that complies with Part 3.

68. Notice given in bad faith

- (1) A former tenant may make an application to the Director under section 78 to determine whether a landlord gave a notice of termination under sections 65, 66 or 67 in bad faith.

Time limitation

- (2) No application may be made under subsection (1) more than one year after the former tenant vacated the rental unit.

Previous determination of good faith

- (3) In determining an application under subsection (1), the Director may find that the landlord gave a notice of termination in bad faith despite a previous finding to the contrary.

Presumption

- (4) For the purposes of an application under subsection (1), it is presumed, unless the contrary is proven on a balance of probabilities, that a landlord gave a notice of termination under section 65 in bad faith if, at any time during the period described in subsection (5), the landlord
- (a) advertises the rental unit for rent;
 - (b) enters into a tenancy agreement in respect of the rental unit with someone other than the former tenant;

- (c) advertises the rental unit, or the residential property that contains the rental unit, for sale;
- (d) demolishes the rental unit or the residential property containing the rental unit; or
- (e) takes any step to convert the rental unit, or the residential property containing the rental unit, to a non-residential use.

Period

- (5) The period referred to in subsection (4) is the period that
- (a) begins on the day the landlord gives the notice of termination under section 65; and
 - (b) ends one year after the former tenant vacates the rental unit.

Order when notice brought in bad faith

- (6) Where the Director determines that a landlord gave notice of termination in bad faith, the Director may issue one or more of the following orders:
- (a) an order that the landlord pay a specified sum to the former tenant for
 - (i) all or any portion of any increased rent that the former tenant has incurred or will incur for a one-year period after vacating the rental unit, and
 - (ii) reasonable out-of-pocket moving, storage and other similar expenses that the former tenant has incurred or will incur;
 - (b) an order for an abatement of rent;
 - (c) an order that the landlord pay to the Director an administrative penalty not exceeding the amount of \$10,000; or
 - (d) any other order that the Director considers appropriate.

69. Landlord's notice for end of employment

- (1) A landlord may end the tenancy of a person employed as a caretaker, manager or superintendent of the residential property of which the rental unit is a part by giving a notice of termination of the tenancy where
- (a) the rental unit was rented or provided to the tenant for the term of the tenant's employment;
 - (b) the tenant's employment as a caretaker, manager or superintendent is ended; and
 - (c) the landlord intends in good faith to rent or provide the rental unit to a new caretaker, manager or superintendent.

Employer's notice for end of employment

- (2) An employer may end the tenancy of an employee in respect of a rental unit rented or provided by the employer to the employee to occupy during the term of employment by giving a notice of termination of the tenancy where the employment is ended.

Period of notice

- (3) A notice of termination under this section shall end the tenancy effective on a date that is
- (a) not earlier than one month after the date the tenant receives the notice;
 - (b) not earlier than the last day the tenant is employed by the landlord; and
 - (c) the day before the day that rent is payable under the tenancy agreement.

Form of notice

- (4) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 54.

Tenant may dispute notice

- (5) A tenant may dispute a notice of termination under this section by making an application to the Director under section 78 within 10 days after the date the tenant receives the notice.

Tenant presumed to accept notice

- (6) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (5), the tenant
- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
 - (b) shall vacate the rental unit by that date.

70. Landlord's notice when tenant ceases to qualify for rental unit

- (1) In this section,
- (a) “**public housing body**” means a person or organization prescribed by the regulations;
 - (b) “**subsidized rental unit**” means a rental unit that is
 - (i) operated by, or on behalf of, a public housing body, and
 - (ii) occupied by a tenant who was required to demonstrate that the tenant, or another occupant, met eligibility criteria related to income, number of occupants, health or other similar criteria before entering into the tenancy agreement in relation to the rental unit.

Landlord may give notice

- (2) Where provided for in the tenancy agreement, a landlord may end the tenancy of a subsidized rental unit by giving a notice of termination if the tenant or other occupant, as applicable, ceases to qualify for the rental unit.

Period of notice

- (3) Unless the tenant agrees in writing to an earlier date, a notice of termination under this section shall end the tenancy on a date that is
- (a) not earlier than two months after the date the notice is received;
 - (b) the day before the day that rent is payable under the tenancy agreement; and
 - (c) if the tenancy agreement is a fixed term tenancy agreement, not earlier than the date specified as the end of the tenancy.

Form of notice

- (4) In giving a notice of termination under this section, a landlord shall comply with the requirements of section 54.

Tenant may dispute notice

- (5) A tenant may dispute a notice of termination under this section by making an application to the Director under section 78 within one month after the date the tenant receives the notice.

Tenant presumed to accept notice

- (6) Where a tenant who has received a notice of termination under this section does not make an application to the Director in accordance with subsection (5), the tenant

- (a) is deemed to have accepted that the tenancy ends on the effective date of the notice of termination; and
- (b) shall vacate the rental unit by that date.

Division 4 - Tenant's Rights on Landlord's Notice

RIGHT OF FIRST REFUSAL

71. Tenant's right of first refusal for repairs or renovation

- (1) A tenant who receives notice of termination of a tenancy under clause 67(1)(c) may, in accordance with this section, have a right of first refusal to occupy the rental unit as a tenant when the repairs or renovations are completed.

Tenant shall give notice

- (2) A tenant who wishes to have a right of first refusal shall give the landlord notice in writing before vacating the rental unit.

Change of address

- (3) It is a condition of the tenant's right of first refusal that the tenant shall inform the landlord in writing of any change of address.

Tenant's compensation

- (4) Subject to subsection (5), where a tenant has given notice under subsection (2), a landlord who fails to comply with subsection (1) shall pay the tenant compensation in an amount equal to three months' rent under the previous tenancy agreement,

Extenuating circumstances

- (5) The Director may excuse a landlord who has failed to comply with subsection (1) from the requirement to pay the tenant the compensation required under subsection (4) where, in the Director's opinion, extenuating circumstances prevented the landlord from complying with subsection (1).

RIGHT TO PROVIDE EARLY NOTICE

72. Tenant may end tenancy early following notice

- (1) Where a landlord gives a tenant a notice of termination of a tenancy under section 65, 66, 67, 69 or 70, the tenant may end the tenancy early by
 - (a) giving the landlord at least 10 days written notice of termination on a date that is earlier than the effective date of the landlord's notice; and
 - (b) paying the landlord, on the date the tenant's notice is given, the proportion of the rent due to the effective date of the tenant's notice, unless subsection (2) applies.

Landlord shall refund rent

- (2) Where the tenant paid rent before giving a notice of termination under subsection (1), on receiving the tenant's notice, the landlord shall refund any rent paid for a period after the effective date of the tenant's notice.

Right to compensation

- (3) A notice of termination under this section does not affect the tenant's right to compensation under section 75.

RIGHT TO COMPENSATION

73. Compensation for repairs and renovations

- (1) A landlord shall compensate a tenant who receives notice of termination of a tenancy under section 67 for the purpose of repairs or renovations in an amount equal to one month's rent, or shall offer the tenant another rental unit acceptable to the tenant, where
- (a) the tenant does not give the landlord notice under subsection 71(1) with respect to the rental unit;
 - (b) the residential property in which the rental unit is located contains at least 20 rental units; and
 - (c) the repair or renovation was not ordered to be carried out under the authority of this or any other Act.

Compensation where tenant gives notice of first refusal

- (2) A landlord shall compensate a tenant who receives a notice of termination of a tenancy under section 67 for the purpose of repairs or renovations in an amount equal to the rent for the lesser of one month and the period the unit is under repair or renovation where
- (a) the tenant gives the landlord notice under subsection 71(1) with respect to the rental unit;
 - (b) the residential property in which the rental unit is located contains at least 20 rental units; and
 - (c) the repair or renovation was not ordered to be carried out under the authority of this or any other Act.

Mobile home

- (3) Where a notice of termination of a tenancy is given under section 67 with respect to a tenancy agreement between the landlord and a tenant who owns a mobile home and the tenant is entitled to compensation under subsection (1) or (2), the amount of the compensation shall be equal to the lesser of
- (a) one year's rent; and
 - (b) \$3,000.

74. Compensation for demolition or conversion

- A landlord shall compensate a tenant in an amount equal to one month's rent or offer the tenant another rental unit acceptable to the tenant where
- (a) the tenant receives notice of termination of a tenancy under section 67 for the purposes of demolition or conversion to non-residential use;
 - (b) the residential property in which the rental unit is located contains at least 20 residential units; and

- (c) in the case of a demolition, it was not ordered to be carried out under the authority of any other Act.

75. Compensation for personal use

A landlord shall compensate a tenant who receives a notice of termination of a tenancy under section 65 in an amount equal to one month's rent or offer the tenant another rental unit acceptable to the tenant.

76. Timing of compensation

Where the landlord is required to compensate a tenant under section 73, 74 or 75, the landlord shall compensate the tenant no later than the termination date specified in the notice of termination of the tenancy given by the landlord.

Division 5 - Overholding Tenants

77. Landlord entitled to compensation

- (1) A landlord is entitled to compensation for a former tenant's use and occupation of the rental unit after the tenancy has been terminated.

Acceptance of rent

- (2) The acceptance by a landlord of arrears of rent or compensation for use or occupation of the rental unit, after notice of termination of tenancy has been given, does not operate as a waiver of the notice or as reinstatement of the tenancy or as the creation of a new tenancy unless the parties so agree in writing.

Burden of proof

- (3) The burden of proof that a notice of termination has been waived or the tenancy has been reinstated or a new tenancy created is on the person so claiming.

PART 5 - RESOLVING DISPUTES

Division 1 - Starting a Proceeding

78. Application to determine disputes

- (1) Except as otherwise provided in this Act, a person may, during or within six months after termination of the tenancy agreement, make an application to the Director to determine
- (a) a question arising under this Act or the regulations;
 - (b) whether a provision of a tenancy agreement has been contravened; or
 - (c) whether a provision of this Act or the regulations has been contravened.

Determining disputes, family violence

- (2) In any proceeding under this Act where one of the issues to be determined by the Director is whether a person is deemed under section 61 to have experienced family violence, the Director may only inquire into and make a determination as to whether the documentation

accompanying the notice is genuine and is a copy of an order specified in clause 61(5)(a) or (b) or a statement referred to in clause 61(5)(c).

79. Starting proceedings

- (1) An application to the Director for a hearing shall
- (a) be in the approved form; and
 - (b) include full particulars of the dispute that is to be the subject of the hearing.

Service

- (2) A person who makes an application to the Director shall give a copy of the application to the other party in accordance with section 104 within five days of making the application.

Failure to effect service

- (3) If, at any time, the Director is of the opinion that a party has not been provided notice in accordance with section 104, the Director may order that the party be given notice and an opportunity to be heard.

Notice - change of hearing date

- (4) Where the date, time or place of the hearing of the application under this section is changed, the Director shall notify the parties of the change by a method set out in subsection 104(1).

Exception

- (5) Despite subsection (4), where the matter involves more than 40 tenants who live in the same residential property, the notice that the date, time or place of the hearing of the application under this section is changed may be placed in the mailbox of each tenant and posted in a conspicuous place in the residential property.

80. Director's powers when application received

Where an application is submitted to the Director under section 78, the Director may

- (a) refuse to accept the application or dismiss the application where
 - (i) in the Director's opinion, the application does not disclose a dispute that may be determined under this Part,
 - (ii) in the Director's opinion, the application is trivial, vexatious, an abuse of process, or has not been initiated in good faith,
 - (iii) the applicant owes outstanding fees or administrative penalties under this Act, or
 - (iv) the application does not comply with subsection 79(1);
- (b) attempt to mediate a settlement of the matter in accordance with section 82;
- (c) require a hearing of the application to be conducted in accordance with section 83; or
- (d) issue an order under section 89 without a hearing.

81. Withdrawal of application

An applicant may, by request in writing, withdraw an application submitted under section 78 before an order is issued.

Division 2 - Review and Mediation

82. Mediation

- (1) The Director shall review an application submitted under section 78 and, where the application is not refused or dismissed under clause 80(1)(a), may attempt to mediate a settlement of a matter where the Director is of the opinion that the matter may be settled by mediation.

Settlements

- (2) A settlement of a matter under subsection (1)
 - (a) shall be in writing and signed by the parties;
 - (b) is not subject to appeal to the Commission; and
 - (c) is not subject to judicial review.

Non-compliance with settlement

- (3) Where the parties agree to a settlement of a matter under subsection (1) and one or more of the parties does not comply with the settlement, the Director may, without holding a hearing, issue an order under section 88.

Director may order hearing

- (4) The Director may immediately order that a hearing be held to determine the matter where, in the Director's opinion, the parties are unlikely to settle the matter by mediation within seven days after mediation begins.

Director may conduct hearing

- (5) The Director is not prohibited from conducting a hearing and making an order by reason of having attempted to mediate the matter.

Division 3 - Hearing

83. Hearing procedure

- (1) The Director may require a hearing of an application under this Act to be conducted
 - (a) orally, including by telephone, teleconference or other electronic means which enables the parties to participate in the hearing instantaneously and simultaneously;
 - (b) in writing; or
 - (c) partly orally and partly in writing.

Decision shall be made on merits

- (2) The Director shall make every decision based on the merits of the case as disclosed by the evidence admitted and is not bound to follow other decisions made under this Part.

Director's powers of procedure

- (3) The Director may
 - (a) decide any procedural issue that arises;
 - (b) prescribe rules of procedure and evidence for a hearing;

- (c) receive or accept evidence and information on oath, affirmation, affidavit or otherwise, whether or not that evidence or information is admissible as evidence in a court;
- (d) examine and cross-examine a witness and bring forward evidence in response and reply;
- (e) make interim or temporary orders; and
- (f) amend an application or permit an application to be amended.

Powers of a commissioner

- (4) The Director, including any person authorized by the Director, has the powers, privileges and immunities that are or may be conferred on a commissioner under the *Public Inquiries Act* R.S.P.E.I. 1988, Cap. P-31.

Oaths, affirmations

- (5) The Director may administer oaths and affirmations for the purposes of this Act.

Parties' right to representation

- (6) A party at a hearing may be represented by an agent or a lawyer.

84. Director may add parties

Where, in the Director's opinion, another person will be or is likely to be materially affected by the determination of a proceeding, the Director may

- (a) order that the other person be given notice of the proceeding; and
- (b) provide the other person with an opportunity to be heard in the proceeding.

85. Director may hear disputes together

- (1) Where two or more applications are accepted in respect of related disputes with the same landlord, the Director may decide to hear the disputes at the same time.

Same

- (2) Where two or more applications are accepted in respect of disputes between the same landlord and tenant, the Director may decide to hear the disputes together.

Division 4 - Director's Decisions and Orders

86. Exclusive jurisdiction of Director

- (1) The Director has exclusive jurisdiction to inquire into, hear and determine all those matters and questions of fact, law and discretion arising or required to be determined in an application under this Act and to make any decision or order permitted to be made.

Final decision

- (2) Except as otherwise provided in this Part, a decision or order of the Director under this Part is final and binding on the parties.

87. Order

- (1) An order of the Director under this Part shall
 - (a) be in writing;

- (b) be signed and dated by the Director;
- (c) include the reasons for the decision in the proceeding; and
- (d) be given promptly and, in any event, within 90 days after the application has been submitted to the Director.

No consequences for late decision

- (2) The Director does not lose authority, nor is the validity of an order affected, where an order is made after the 90-day period specified in clause (1)(d).

88. Powers of the Director

- (1) After hearing an application, the Director may make an order
 - (a) determining the rights and obligations of a landlord and tenant;
 - (b) directing the payment or repayment of money from a landlord to a tenant or from a tenant to a landlord;
 - (c) requiring a landlord or tenant who has contravened an obligation of a tenancy agreement to comply with or perform the obligation;
 - (d) requiring a landlord to compensate a tenant or a tenant to compensate a landlord for loss suffered or expense incurred as a result of a contravention of this Act or the tenancy agreement;
 - (e) directing that past or future rent shall be reduced by an amount that is equivalent to a reduction in the value of a tenancy agreement;
 - (f) directing a tenant to vacate the rental unit on a specified date;
 - (g) directing a landlord to deliver to a tenant possession of personal property taken in contravention of this Act or the tenancy agreement or to compensate a tenant for the value of the personal property taken;
 - (h) directing a tenant to deliver to a landlord possession of personal property taken in contravention of this Act or the tenancy agreement or to compensate a landlord for the value of the personal property taken;
 - (i) directing a landlord to pay to a tenant an amount as compensation for inconvenience as a result of a contravention of this Act or the tenancy agreement, and authorizing the tenant to offset that amount against future rent;
 - (j) determining the disposition of a security deposit, including
 - (i) authorizing a tenant to offset, in the manner specified in the order, money a landlord owes to the tenant against money the tenant owes to the landlord, and
 - (ii) authorizing a landlord to offset, in the manner specified in the order, money a tenant owes to the landlord against money the landlord owes to the tenant, other than a security deposit where the landlord has not made an application under clause 41(1)(d);
 - (k) directing a tenant to pay rent or a specified amount of rent to the Director;
 - (l) determining the validity of a notice of termination and setting aside or amending a notice given under this Act that does not comply with this Act;
 - (m) in the context of a joint tenancy, amending the notice of termination so that the tenancy agreement may continue for one or more of the tenants;
 - (n) extending or reducing any notice period under in this Act;
 - (o) terminating a tenancy agreement;

- (p) imposing terms and conditions the Director considers appropriate, including terms and conditions to ensure compliance with this Act, the regulations and the tenancy agreement;
- (q) requiring an unsuccessful party to an application to pay costs to a successful party to the application; or
- (r) issuing an administrative penalty in accordance with section 97.

Filing of order

- (2) Unless an appeal has been taken in accordance with subsection 92(3), the landlord or tenant may file the order in the Supreme Court of Prince Edward Island.

Enforcement of order

- (3) An order under subsection (2) may be enforced as, or in the same manner as, a judgment of the Supreme Court of Prince Edward Island.

Sheriff shall enforce certain orders

- (4) An order under clauses (1)(f), (g) and (h) shall be sent to the sheriff for enforcement.

Condition on enforcement

- (5) The sheriff shall not enforce an order under clause (1)(f), (g) or (h) until the time period for an appeal to the Commission under subsection 92(4) or (5) has expired.

89. Order without hearing

Despite subsection 79(3), the Director may, without service on or notice to the other party, without attempting to mediate the matter and without holding a hearing, make an order under subsection 88(1) where

- (a) the matter is urgent and involves the safety or security of a landlord or a tenant;
- (b) the tenant or a person permitted on the residential property by the tenant has put the landlord's property at significant risk; or
- (c) the landlord has not made an application in accordance with clause 41(1)(d) and has not returned the security deposit to the tenant in accordance with clause 41(1)(c).

90. Copy of order

- (1) The Director shall provide the landlord and tenant with a copy of an order by
 - (a) giving it personally to the landlord or tenant;
 - (b) sending it by registered mail to an address provided by the landlord or tenant;
 - (c) sending it electronically where
 - (i) it is provided in the same or substantially the same form as the written order,
 - (ii) the landlord or tenant has provided an electronic address for receipt of documents, and
 - (iii) it is sent to that electronic address;
 - (d) sending it by courier service to an address provided by the landlord or tenant; or
 - (e) another method determined by the Director.

Service where landlord is a corporation

- (2) Where the landlord is a corporation, a copy of the order may be provided by giving it personally to a director, manager or other officer of that corporation or by leaving it at, or

sending it to, the registered office of that corporation by a method set out in clauses (1)(b) to (e).

Date of service for registered mail

- (3) For the purpose of this section, where a copy of the order is sent by registered mail, it shall be considered to have been provided on the fifth day after mailing, and the provision of the copy of the order may be proved by providing evidence that the copy of the order was prepaid, properly addressed, and sent by registered mail.

Date of service for electronic service

- (4) For the purpose of this section, where a copy of the order is sent electronically, it shall be considered to have been provided
- (a) on the day it is sent, if the document is sent before 5 p.m.; or
 - (b) if the document is sent after 5 p.m., on the next day that is not a holiday.

Service of 40 or more tenants

- (5) Despite subsection (1), where the matter involves more than 40 tenants who live in the residential property, copies of the order may be placed in the mailbox of each tenant and a copy of the order posted in a conspicuous place in the residential property.

91. Correction or clarification of decisions or orders

- (1) Subject to subsection (2), the Director may, with or without a hearing
- (a) correct typographic, grammatical, arithmetic or other similar errors in a decision or order;
 - (b) clarify a decision or order; and
 - (c) deal with an obvious error or inadvertent omission in a decision or order.

Initiating correction or clarification

- (2) The Director may take the steps described in subsection (1)
- (a) on the Director's own initiative; or
 - (b) at the request of a party.

Party's request

- (3) The request of a party for the purpose of clauses (1)(b) or (c) shall be made in writing within 15 days after the decision or order is received by the party.

Notice

- (4) A request referred to in clause (2)(b) may be made without notice to another party, but the Director may order that another party be given notice of the request.

Requirements

- (5) The Director shall not act under this section unless the Director considers it just, reasonable and fair to do so in all the circumstances.

Division 5 - Appeals of Orders

92. Appeals

- (1) Subject to subsection (2), an appeal lies to the Commission from an order of the Director.

Order directing payment of money

- (2) No appeal lies to the Commission from an order directing the payment or repayment of money when the amount ordered by the Director is less than the minimum amount prescribed by the regulations.

Commission to receive notice

- (3) An appeal under subsection (1) shall be made by serving a notice of appeal, in the approved form, on the Commission and any party to the Director's order.

Timing of notice

- (4) A notice of appeal shall be served on the Commission within 30 days after a copy of the Director's order is provided to the person commencing the appeal.

Timing of notice for order directing tenant to vacate

- (5) Despite subsection (4), an appeal from an order directing a tenant to vacate the rental unit for non-payment of rent under section 63 or for cause under section 64 shall be served on the Commission within seven days after a copy of the Director's order is given to the tenant.

Effect of Service

- (6) The service of a notice of appeal on the Commission automatically stays the Director's order.

Timing of hearing

- (7) An appeal made to the Commission shall be heard by the Commission within 30 days of receipt of the appeal.

Procedure on appeal

- (8) An appeal to the Commission shall be by way of a re-hearing, and the Commission may receive and accept any evidence and information on oath or affidavit as the Commission in its discretion considers fit and make any decision or order that the Director is authorized to make under this Act.

Appeal to Supreme Court

- (9) A landlord or tenant may, within 30 days of the decision of the Commission, appeal to the Supreme Court of Prince Edward Island on a question of law only.

Rules for appeal

- (10) The rules of court governing appeals apply to an appeal under subsection (9).

Filing of order in Supreme Court

- (11) Where the Commission has confirmed, reversed or varied an order of the Director, the landlord or tenant may file the order in the Supreme Court.

Effect of filing

- (12) Where an order is filed under subsection (11), it may be enforced as if it were an order of the Supreme Court.

PART 6 - INVESTIGATIONS AND ADMINISTRATIVE PENALTIES

Division 1 - Investigations

93. Investigations

The Director may conduct investigations to ensure compliance with this Act and the regulations whether or not the Director has accepted an application for a hearing in relation to the matter.

94. Powers of Director

- (1) Subject to subsection (2), the Director may, at all reasonable times, for a purpose related to the administration or enforcement of this Act or the regulations, inspect or examine property, books, and records of a person that the Director may consider relevant for the purpose of determining compliance with this Act or the regulations, and the Director may, without a warrant,
- (a) enter any premises
 - (i) that is a residential property,
 - (ii) where any property, books or records are or may be kept, or
 - (iii) where anything is done, or is reasonably suspected by the Director of being done, in connection with a requirement of this Act or the regulations;
 - (b) make copies, extracts, photographs or videos the Director considers necessary;
 - (c) require the owner or person in charge of a residential property to give the Director all reasonable assistance, including the production of books and records as requested by the Director, and to answer all proper questions relating to the administration or enforcement of this Act or the regulations and, for that purpose, require the owner or person in charge to attend at the premises with the Director; and
 - (d) require the owner or person in charge to make available the means to generate and manipulate books and records that are in machine readable or electronic form and any other means or information necessary for the inspector to assess the books and records.

Entry into living accommodations

- (2) Despite subsection (1), the Director shall not enter any room or place being used as a living accommodation without the consent of the occupant except under the authority of a warrant issued under section 95 or 96.

95. Obtaining a warrant

- (1) Where, during the course of an investigation under section 93 or otherwise where the Director believes on reasonable grounds that a person has contravened this Act or the regulations, the Director may apply without notice to a judge of the Provincial Court of Prince Edward Island for a warrant.

Authority to search and seize

- (2) Where satisfied on information under oath or affirmation that there are reasonable grounds to believe that a person has contravened or is contravening this Act or the regulations, and that there is anything in or on any premises that may provide information or evidence relating to a

contravention under this Act or the regulations, a judge may issue a warrant authorizing the Director to enter the premises and to

- (a) search the premises;
- (b) examine the contents of the premises and exercise any of the powers specified in subsection 94(1); and
- (c) copy, extract, photograph, video, seize, and take away information or evidence from the premises for the purpose of investigating the alleged contravention.

Conditions

- (3) A warrant obtained under subsection (2) may contain conditions that the judge considers advisable to ensure that any search authorized by the warrant is reasonable in the circumstances.

No obstruction

- (4) No person shall obstruct or hinder the Director in the performance of an investigation under this Act.

96. Telewarrant

- (1) Where, in the opinion of the Director, it would not be practical to appear before a judge to apply for a warrant, the Director may make the application by telephone or other means of telecommunication.

Director shall provide copy

- (2) Where the Director acts under the authority of a warrant obtained under this section or section 95, the Director shall provide a copy of the warrant to the owner or person in charge of the premises who is present at the time the warrant is carried out.

Division 2 - Administrative Penalties

97. Director may order an administrative penalty

- (1) Subject to the regulations, the Director may order a person to pay an administrative penalty if the Director is satisfied on a balance of probabilities that the person has
 - (a) contravened a provision of this Act or the regulations; or
 - (b) failed to comply with a decision or order of the Director.

Requirements

- (2) Before the Director imposes an administrative penalty on a person, the Director shall
 - (a) give the person an opportunity to be heard; and
 - (b) consider
 - (i) whether previous enforcement actions have been imposed for contraventions of a similar nature by the person,
 - (ii) the gravity and magnitude of the contravention,
 - (iii) the extent of the harm to others resulting from the contravention,
 - (iv) whether the contravention was repeated or continuous,
 - (v) whether the contravention was deliberate,
 - (vi) any economic benefit derived by the person from the contravention, and

- (vii) the person's efforts to correct the contravention.

Time period

- (3) A penalty imposed under this section shall be paid within the time specified by the Director in the order.

Director may enter into agreement

- (4) Instead of enforcing a penalty under subsection (1), the Director may, subject to the regulations, enter into an agreement with the person who would otherwise be liable to the penalty.

Terms and conditions of agreement

- (5) An agreement under subsection (4) may provide, in accordance with the regulations, for the reduction or cancellation of the penalty subject to the terms and conditions the Director considers necessary or desirable in the circumstances.

Consequences for failure to perform

- (6) An agreement under subsection (4) shall specify the time for performing the terms and conditions and shall state that, if the person fails to perform those terms and conditions by the date specified, the penalty ordered under subsection (1) is due and payable on that date.

Non-application of section 78

- (7) Neither the Director's decision whether to enter into an agreement under subsection (4), nor the terms and conditions of the agreement, may be the subject of an application under section 78.

Vicarious liability

- (8) Where a corporation contravenes the Act or the regulations, or fails to comply with an order of the Director under subsection (1), every employee, officer, director or agent of the corporation who authorized, permitted or acquiesced in the contravention or failure is also liable under this section even though the corporation is liable for or pays a monetary penalty under this section.

98. Amount of penalty

- (1) An administrative penalty imposed under section 97 shall not exceed \$10,000.

Continuing breach

- (2) Where a contravention or failure referred to in section 97 occurs over more than one day or part of a day, or continues for more than one day or part of a day, separate penalties, each not exceeding the maximum under subsection (1), may be imposed for each day or part of a day on which the contravention or failure continues.

99. Notice of administrative penalty

Where the Director imposes an administrative penalty on a person, the Director shall give to the person a notice specifying

- (a) the contravention or failure to which the penalty relates;
- (b) the amount of the penalty;
- (c) the date by which the penalty shall be paid; and
- (d) the person's right to have the Director reconsider the decision imposing the penalty.

100. Director's order

- (1) An order of the Director under this Part shall
 - (a) be in writing;
 - (b) be signed and dated by the Director; and
 - (c) include the reasons for the order and penalty.

Director's order is final

- (2) Except as otherwise provided in this Part, an order of the Director under this Part is final and binding on the person subject to the order.

101. Correction or clarification of orders

- (1) The Director may, with or without a hearing,
 - (a) correct typographic, grammatical, arithmetic or other similar errors in the order;
 - (b) clarify the order; and
 - (c) deal with an obvious error or inadvertent omission in the order.

Initiating correction or clarification

- (2) The Director may take the steps described in subsection (1)
 - (a) on the Director's own initiative;
 - (b) at the request of the person subject to the order.

Party's request

- (3) The request of a person for the purpose of clauses (1)(b) and (c) shall be made in writing within 15 days after the decision or order is received by the party.

Requirements

- (4) The Director shall not act under this section unless the Director considers it just, reasonable and fair to do so in the circumstances.

102. Appeals

Section 92 applies to an order of the Director in respect of administrative penalties.

103. Recovery of administrative penalties

- (1) An administrative penalty imposed under this Part is a debt due to the Government of Prince Edward Island.

Failure to pay

- (2) Where a person fails to pay an administrative penalty as required by a notice under section 99 and the time for requesting an appeal under section 92 has expired, the Director may file the order in the Supreme Court of Prince Edward Island and, on filing, the order has the same force and effect as if it were a judgment of the Supreme Court of Prince Edward Island and may be enforced accordingly.

Requirements for order

- (3) An order filed under subsection (2) shall be signed by the Director and set out
 - (a) the name of the person who is liable for the administrative penalty;

- (b) the contravention or failure in relation to which the penalty is imposed; and
- (c) the amount of the penalty.

PART 7 - GENERAL MATTERS

Division 1 - Giving or Serving Documents

104. Service of documents

- (1) A document that is required or permitted under this Act to be given to or served on a person shall be given or served in one of the following ways:
 - (a) giving the document personally to the other party;
 - (b) if the person is a landlord, by leaving a copy with an agent of the landlord;
 - (c) sending the document by prepaid registered mail to the other party at an address provided by the other party;
 - (d) sending the document electronically where
 - (i) it is provided in the same or substantially the same form as the printed document,
 - (ii) the other party has provided an electronic address for receipt of documents, and
 - (iii) it is sent to that electronic address;
 - (e) sending the document by courier service to the other party at an address provided by the other party;
 - (f) where the other party is a corporation, by giving a copy of the document personally to a director, manager or other officer of the corporation or by leaving it at, or sending it to, the registered office of the corporation by a method set out in clauses (1)(c) to (e);
 - (g) posting the document in a conspicuous place on the entrance of the rental unit;
 - (h) by any other means of service prescribed in the regulations.

Application for substituted service

- (2) Despite subsection (1), a person may apply to the Director for, and the Director may issue, an order authorizing another method of service where, after making reasonable efforts, the person has been unable to effect service of a document under subsection (1).

Order deeming service

- (3) Despite subsection (1), the Director may order that a document not served in accordance with subsection (1) was sufficiently given or served for the purpose of providing notice to an affected person under this Act.

Date of service by registered mail

- (4) For the purpose of this section, where a document is sent by prepaid registered mail, it shall be considered to have been served on the fifth day after mailing, and service may be proved by providing evidence to the Director that the document was prepaid, properly addressed and sent by registered mail.

Date of service by electronic service

- (5) For the purpose of this section, where a copy of a document is sent electronically, it shall be considered to have been served
- (a) on the day it is sent, if the document is sent before 5 p.m.; or
 - (b) if the document is sent after 5 p.m., on the next day that is not a holiday.

Division 2 - Application of Other Law

105. Common law applies

Except as modified or varied under this Act, the common law respecting landlords and tenants applies in Prince Edward Island.

106. Common law of contract

The doctrine of frustration of contract, except as modified by this Act, applies to tenancy agreements.

107. Abolition of distress

The remedy of distress is abolished, and no landlord may distrain for default in the payment of rent.

108. Obligations pass with transfer or assignment of land

The obligations of a landlord under this Act with respect to a security deposit run with the land.

109. Court proceedings affecting tenants

Despite any other enactment, no order of a court in a proceeding involving a foreclosure, an estate or a matrimonial dispute or another proceeding that affects possession of a rental unit is enforceable against a tenant of the rental unit unless the tenant was a party to the proceeding.

Division 3 - Offences and Penalties

110. Offences

- (1) A person who contravenes this Act, the regulations or an order under this Act is guilty of an offence and is liable on summary conviction to a fine of not more than \$25,000.

Harassment

- (2) A person who coerces, threatens, intimidates or harasses a tenant or landlord
- (a) in order to deter the tenant or landlord from making an application under this Act; or
 - (b) in retaliation for seeking or obtaining a remedy under this Act,
- commits an offence and is liable on summary conviction to a fine of not more than \$25,000.

New and separate offence

- (3) Each contravention of this Act, the regulations, or an order under this Act constitutes a new and separate offence.

Continuing offence

- (4) Where an offence under this Act or the regulations is committed or continued, it is a separate offence for each day or part of a day on which the offence is committed or continued.

Division 4 - Power to Make Regulations**111. Regulations**

- (1) The Lieutenant Governor in Council may make regulations
- (a) generally to give effect to the purpose of this Act;
 - (b) exempting tenancy agreements, rental units or residential properties from all or part of this Act;
 - (c) prescribing the provisions of this Act that apply to a living accommodation where the tenant is required to share a bathroom or kitchen facility with the owner of the accommodation;
 - (d) defining a word or expression that is used but not defined in this Act;
 - (e) prescribing the rate of interest payable on security deposits;
 - (f) respecting tenancy agreements, including prescribing terms and formal requirements for tenancy agreements;
 - (g) respecting rights and obligations of landlords and tenants that are not inconsistent with this Act, and providing that those rights and obligations shall be terms of tenancy agreements;
 - (h) prescribing in respect of inspections required under section 19 and 39
 - (i) the procedures to be followed in conducting the inspection,
 - (ii) the content, completion requirements and use as evidence of a condition inspection report,
 - (iii) the scheduling, and notification to the tenant, of the inspection, and
 - (iv) the procedures to be followed in providing the condition inspection report to the tenant;
 - (i) respecting refundable and non-refundable fees that a landlord may or shall not impose on a tenant and limiting the amount of a fee that may be imposed;
 - (j) prescribing fees for anything done or any service provided under this Act;
 - (k) prescribing factors to be considered in determining an application for an additional rent increase under section 51;
 - (l) prescribing requirements for a statement pursuant to clause 61(5)(c);
 - (m) prescribing persons or organizations as a public housing body pursuant to section 70;
 - (n) prescribing a minimum sum of money that has been ordered to be paid or repaid by the Director that may be appealed to the Commission pursuant to subsection 92(2);
 - (o) respecting administrative penalties, including but not limited to
 - (i) establishing procedures for providing an opportunity to be heard for the purposes of clause 97(2)(a), which need not entail an oral hearing,
 - (ii) prescribing consequences for failing to appear or provide submissions, as applicable, on an opportunity prescribed under subclause (i), which may include, but are not limited to, proceeding in the absence of the person who fails to appear or make a submission, as applicable,
 - (iii) prescribing time limits for paying administrative penalties,

- (iv) the matters that shall be considered by the Director in establishing a penalty in a particular case,
- (v) prescribing a limitation period for imposing an administrative penalty and evidentiary matters in relation to that period,
- (vi) respecting agreements, including prescribing terms and conditions that shall be included in an agreement under subsection 97(4), and
- (vii) establishing consequences for failing to pay an administrative penalty which may include, but are not limited to, imposing additional penalties;
- (p) prescribing other means of giving or serving documents, including prescribing when documents given or served by those means are deemed to be received;
- (q) prescribing the circumstances in which the purchaser of abandoned personal property or an abandoned mobile home acquires a marketable title free of all encumbrances;
- (r) prescribing fees that shall not be charged by a landlord for the purpose of clause 21(1)(d);
- (s) for any other purpose for which regulations are contemplated by this Act.

Scope of regulations

- (2) In making regulations under this Act, the Lieutenant Governor in Council may make different regulations for different rental units, residential properties or tenancy agreements or for different classes of rental units, residential properties or tenancy agreements.

Division 5 - Transitional and Consequential Provisions

112. Meaning of "former Act"

In this Part, "former Act" means the *Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1.

113. Transitional - start of tenancy condition

Sections 19 and 39 of this Act do not apply to a landlord or tenant in respect of a tenancy that started before the date this Act comes into force.

114. Transitional - security deposits

If a landlord holds a security deposit in accordance with the former Act, the security deposit is deemed to be held in accordance with this Act and the provisions of this Act respecting security deposits apply.

115. Transitional - regulations

The Lieutenant Governor in Council may make regulations considered necessary or advisable to more effectively bring this Act into operation and to facilitate the transition from the operation of the former Act to the operation of this Act, including regulations prescribing the manner in which any transitional question or issue arising because of the repeal of the former Act is to be resolved.

116. Transitional - proceedings

- (1) Any hearing or proceeding that was started under the former Act, but not concluded before the coming into force of this Act, shall be concluded under the former Act as though that Act were still in force.

Transitional - application

- (2) Where the Director has received an application under the former Act, but has not concluded the matter before the coming into force of this Act, the former Act continues to apply to the determination of the matter as though that Act were still in force.

Transitional - contravention

- (3) A contravention of a provision of the former Act that occurred before the coming into force of this Act, but in respect of which no application, hearing or other proceeding was started before the coming into force of this Act, may be dealt with under the former Act as though that Act were still in force.

117. Transitional - Director

The person who held the appointment as Director of Residential Rental Property under the former Act immediately prior to the coming into force of this Act continues as the Director of Residential Tenancy under this Act according to the terms of the appointment.

118. Consequential amendment - Cannabis Control Act

- (1) **The *Cannabis Control Act* R.S.P.E.I. 1988, Cap. C-1.2, is amended by this section.**
- (2) **Clause 1(m) of the Act is amended by the deletion of the words “*Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1” and the substitution of the words “*Residential Tenancy Act* R.S.P.E.I. 1988, Cap. R-13.11”.**
- (3) **Clause 1(n) of the Act is amended by the deletion of the words “*Rental of Residential Property Act*” and the substitution of the words “*Residential Tenancy Act*”.**

119. Idem - Island Regulatory and Appeals Commission Act

- (1) **The *Island Regulatory and Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11, is amended by this section.**
- (2) **Subclause 5(c)(i) of the Act is amended by the deletion of the words “*Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1” and the substitution of the words “*Residential Tenancy Act* R.S.P.E.I. 1988, Cap. R-13.11”.**

PART 8 - REPEAL AND COMMENCEMENT**120. Repeal**

The *Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1, is repealed.

121. Commencement

This Act comes into force on a date that may be fixed by proclamation of the Lieutenant Governor in Council.

EXPLANATORY NOTES

SECTION 1 establishes definitions for the purposes of the Act.

SECTION 2 clarifies the general application of the Act.

SECTION 3 clarifies the application of the Act to a tenancy agreement with a minor.

SECTION 4 establishes types of living accommodation and other matters to which the Act does not apply.

SECTION 5 provides that landlords and tenants are not permitted to avoid or contract out of the Act or the regulations, and any attempt to do so is of no effect.

SECTION 6 provides that the Crown is bound by the Act except in the specified circumstances.

SECTION 7 provides for the appointment by the Commission of the Director of Residential Tenancy. The appointee is required to be a member in good standing of the Law Society of Prince Edward Island. The section also establishes the Director's responsibilities and authority, including the authority to delegate the Director's functions and powers to another person.

SECTION 8 provides that the Director and persons employed, engaged or retained by the Director shall not be compellable in a civil proceeding arising out of a dispute under this Act to give evidence or produce records, as specified, with the exception that the Commission may require the Director to produce the record of a proceeding that is the subject of an appeal under section 92.

SECTION 9 provides protection from personal liability as specified for the Director and persons employed, engaged or retained by the Director.

SECTION 10 provides that a tenancy agreement is deemed to include the standard terms set out in Division 4 of Part 2, and provision in an agreement that is inconsistent with the standard terms has no effect. The standard terms cannot be changed or removed. Amendments to other terms are permitted, with specified exceptions, if both the landlord and tenant agree to the amendment. The section applies to all tenancy agreements, whether entered into before, on or after the date the Act comes into force, and whether or not the agreement is in writing.

SECTION 11 requires landlords to ensure that tenancy agreements entered into on and after the date the Act comes into force are in writing and comply with the requirements of the Act and regulations. The section also requires the landlord to give the tenant a copy of the tenancy agreement, the Act and the regulations within 10 days after the agreement is entered into. If the landlord fails to comply, the tenant is permitted to withhold rent, as specified, until the landlord complies. The section also clarifies the obligations of a new landlord under the section.

SECTION 12 prohibits landlords from charging specified fees related to applications for rental units, and also from accepting a deposit except as permitted under section 14.

SECTION 13 provides that rights and obligations under a tenancy agreement take effect when the agreement is entered into.

SECTION 14 establishes rules for landlords and tenants respecting security deposits.

SECTION 15 prohibits landlords from imposing the specified requirements in respect of security deposits.

SECTION 16 provides that a tenancy agreement shall not include a term that prohibits service animals in or around a residential property.

SECTION 17 provides that a tenancy agreement shall not include a term that all or part of the rent payable for the period of the agreement becomes due if a term of the agreement is breached.

SECTION 18 establishes rules respecting smoking and cultivation of cannabis in or on the residential property.

SECTION 19 requires a landlord and tenant, or their agents, to inspect a rental unit at the start of the tenancy, and the landlord to complete an inspection report on the condition of the unit, to be signed by them as specified. The landlord must give the tenant a copy of the report. The section also establishes rules to be followed where the tenant does not participate in the inspection.

SECTION 20 establishes rules respecting payment of rent.

SECTION 21 establishes rules respecting prohibited and permitted fees during the tenancy.

SECTION 22 establishes rules respecting the termination or restriction of services by a landlord.

SECTION 23 provides that a tenant has the right to quiet enjoyment of the rental unit, and lists some aspects of that right.

SECTION 24 restricts the landlord's right to enter a rental unit that is subject to a tenancy agreement to the specified circumstances.

SECTION 25 protects the tenant's right of access to the residential property, and also provides that the landlord shall not unreasonably restrict access by candidates in an election campaign and their authorized representatives.

SECTION 26 prohibits the tenant and the tenant's guests from interfering with the quiet enjoyment of others in the residential property.

SECTION 27 prohibits a landlord from changing locks and other means of access unless the landlord immediately provides each tenant with the new keys or other means of access, and also prohibits a tenant from making those changes unless the landlord has agreed to them or the Director has ordered them.

SECTION 28 requires a landlord to install devices necessary to make the residential property reasonably secure from unauthorized entry.

SECTION 29 establishes the obligations of landlords and tenants for maintenance, repair, cleanliness, undue damage and wear and tear.

SECTION 30 establishes rules for landlords and tenants respecting emergency repairs.

SECTION 31 establishes rules for landlords and tenants respecting assigning or subletting a rental unit.

SECTION 32 clarifies that in sections 33 to 38 and 46, Part 4 and section 111, a reference to a mobile home means a mobile home owned by the tenant and situated in the mobile home park of the landlord with whom the tenant has a tenancy agreement.

SECTION 33 prohibits a landlord from charging fees for the specified matters except to cover out-of-pocket expenses for those matters.

SECTION 34 provides that a tenant has the right to sell or lease the tenant's mobile home without the landlord's consent. The section also provides that the tenant may, but is not required to, enter into an agency agreement with the landlord to represent the tenant in negotiations to see or lease the mobile home.

SECTION 35 establishes the rules relating to the sale of a mobile home where the tenancy agreement gives the landlord the right of first refusal.

SECTION 36 establishes the rules relating to a tenant advertising a mobile home for sale.

SECTION 37 prohibits a landlord from restricting a tenant's right to purchase goods and services of the tenant's choice, but permits the landlord to set reasonable standards for mobile home equipment.

SECTION 38 lists additional responsibilities of a landlord of a mobile home park.

SECTION 39 requires the landlord and tenant, or their agents, to inspect the condition of the rental unit at the end of the tenancy, and the landlord to complete an inspection report on the condition of the unit, to be signed by them as specified. The landlord must give the tenant a copy of the report. The section also establishes rules to be followed where the tenant does not participate in the inspection.

SECTION 40 establishes rules respecting when the tenant must vacate the rental unit.

SECTION 41 establishes rules respecting the return of the security deposit.

SECTION 42 provides for the landlord's right to retain the security deposit in the specified circumstances.

SECTION 43 establishes the rules that apply where a tenant has abandoned the rental unit.

SECTION 44 establishes the rules that apply where a tenant has abandoned personal property on the residential property.

SECTION 45 prohibits a landlord from seizing a tenant's personal property.

SECTION 46 establishes the rules that apply where a tenant has abandoned a mobile home.

SECTION 47 requires a landlord to mitigate damages resulting from a tenant's abandonment of a rental unit to the extent that a party to a contract is required by law to mitigate damages.

SECTION 48 prohibits a landlord from increasing rent except in accordance with Part 3 of the Act, and clarifies the meaning of "rent increase".

SECTION 49 establishes the rules to be followed by a landlord in relation to rent increases, including timing and notice, and a tenant's right to treat a rent increase as a notice of termination.

SECTION 50 establishes the guideline for the amount of a rent increase and requires a landlord to comply with it, except in accordance with section 51.

SECTION 51 permits a landlord to request the Director's approval of a rent increase in an amount greater than that established under section 50, and specifies the factors to be considered by the Director in deciding whether to approve the increase. The Director may grant the request, in whole or in part, refuse it, order that the increase be phased in, or order that the increase is conditional upon the landlord complying with an order of the Director respecting the residential property. A tenant may apply to the Director under section 78 to recover an increase that does not comply with the requirements.

SECTION 52 establishes rules respecting termination of a tenancy and prohibits terminations that are not in accordance with the provisions of the Act.

SECTION 53 provides that where a tenancy agreement ends on a specified date and has not been renewed or terminated in accordance with the Act, the landlord and tenant are deemed to have renewed the agreement on that date as a monthly tenancy with the same rights and obligations as existed under the agreement, subject to three specified exceptions.

SECTION 54 specifies the form and content of a notice of termination.

SECTION 55 establishes rules to deal with incorrect dates in a notice of termination.

SECTION 56 provides for a tenant's right to terminate various types of tenancy and the notice to the landlord required.

SECTION 57 provides for a tenant's right to early termination for a contravention by the landlord of section 23, 24, 25 or 27.

SECTION 58 provides for a tenant's right to early termination for a contravention by the landlord of section 29.

SECTION 59 provides for a tenant's right to early termination for a contravention by the landlord of a material term of the tenancy agreement or another statutory condition specified in Part 2.

SECTION 60 provides for a tenant's right to terminate the tenancy in the specified circumstances.

SECTION 61 provides for a tenant's right to terminate the tenancy in circumstances where there has been family violence or abuse, as specified.

SECTION 62 establishes that where a tenancy is terminated under section 60 or 61 by one of two or more tenants under the same tenancy agreement, the remaining tenant or tenants must also vacate the rental unit unless the tenant or tenants enter into a new tenancy agreement with the landlord.

SECTION 63 establishes a landlord's right to terminate a tenancy for non-payment of rent, as specified. A tenant may pay the rent or dispute the notice by making an application to the Director under section 78. Where the tenancy agreement requires the tenant to pay utility charges, the landlord may treat unpaid utility charges as unpaid rent in the specified circumstances.

SECTION 64 establishes a landlord's right to terminate a tenancy for cause in the specified circumstances.

SECTION 65 establishes a landlord's right to terminate a tenancy where the landlord in good faith requires the rental unit for occupation by one or more of the persons specified. The tenant may dispute a notice of termination under the section by making application to the Director under section 78.

SECTION 66 establishes the rules that apply where a landlord has sold a residential property and the purchaser, in good faith, requires possession for occupation by one or more of the specified persons. The purchaser's affidavit to that effect must be provided to the tenant. The tenant may dispute a notice of termination under the section by making application to the Director under section 78.

SECTION 67 establishes a landlord's right to terminate a tenancy where the landlord requires possession for demolition, conversion or extensive repairs. The tenant may dispute a notice of termination under the section by making application to the Director under section 78.

SECTION 68 establishes a former tenant's right to apply to the Director to determine whether a landlord gave a notice of termination under sections 65, 66 or 67 in bad faith, and establishes the rules that apply to the application and the orders that the Director is authorized to make.

SECTION 69 establishes a landlord's right to terminate a tenancy where the tenancy is related, as specified, to the tenant's employment. The tenant may dispute a notice of termination under the section by making application to the Director under section 78.

SECTION 70 establishes a landlord's right to terminate a tenancy where the tenant no longer qualifies for a subsidized rental unit, as specified. The tenant may dispute a notice of termination under the section by making application to the Director under section 78.

SECTION 71 establishes specified rights of a tenant who has received a notice of termination under clause 67(1)(c).

SECTION 72 permits a tenant who has received a notice of termination under section 65, 66, 67, 69 or 70 to end the tenancy early, as specified.

SECTIONS 73 and 74 require a landlord to compensate a tenant who has received a notice of termination under section 67 in the specified circumstances.

SECTION 75 requires a landlord to compensate a tenant who has received a notice of termination under section 65 in the specified circumstances.

SECTION 76 specifies the time by which a landlord is required to compensate a tenant under section 73, 74 or 75.

SECTION 77 provides that a landlord is entitled to compensation for a former tenant's use and occupation of a rental unit after the end of the tenancy. The section also provides that a landlord's

acceptance of arrears of rent or compensation does not waive a notice of termination that has been given and does not reinstate the tenancy or create a new tenancy unless the parties agree to it in writing.

SECTION 78 authorizes a person to make an application to the Director to determine a dispute arising under the Act or regulations, including whether a provision of a tenancy agreement or the Act or regulations has been contravened.

SECTION 79 sets out the process for making an application to the Director.

SECTION 80 establishes the Director's powers to deal with an application, including refusing to accept or dismissing the application in the specified circumstances, attempting to mediate a settlement of the matter, requiring a hearing of the application or issuing an order under section 89 without a hearing.

SECTION 81 permits an applicant to request, in writing, to withdraw an application before an order is issued.

SECTION 82 authorizes the Director to attempt to mediate a settlement of the matter, and sets out the rules that apply to the process.

SECTION 83 sets out the rules that apply to a hearing of an application and the powers of the Director to determine the process.

SECTION 84 authorizes the Director to add a party to a proceeding where in the Director's opinion the party will be or is likely to be materially affected by the outcome.

SECTION 85 authorizes the Director to hear related disputes together, as specified.

SECTION 86 establishes the Director's exclusive jurisdiction in applications under the Act and provides that, except as provided in Part 5, the decision of the Director is final and binding on the parties.

SECTION 87 provides that an order of the Director must be in writing, be signed and dated by the Director, include the reasons for the decision and be given no later than 90 days after the application was submitted to the Director.

SECTION 88 establishes the powers of the Director to make orders as specified. The section also provides that an order of the Director may be filed in the Supreme Court and, when filed, may be enforced as an order of the Court, as specified.

SECTION 89 authorizes the Director to make an order under section 88 without a hearing in the specified circumstances.

SECTION 90 requires the Director to provide a copy of the order to the landlord and tenant by the specified means.

SECTION 91 authorizes the Director to correct an error or rectify an obvious omission in or clarify a decision or order, with or without a hearing, and on request or the Director's own initiative.

SECTION 92 authorizes an appeal from an order of the Director to the Commission, and sets out the process for the appeal. A landlord or tenant who is dissatisfied with the decision of the Commission may appeal it to the Supreme Court on an issue of law only.

SECTION 93 authorizes the Director to conduct investigations to ensure compliance with the Act and regulations.

SECTION 94 sets out the powers of the Director for the purposes of an investigation.

SECTION 95 sets out the process for an application by the Director for a warrant for the purposes of an investigation.

SECTION 96 authorizes the Director to make an application for a warrant by telephone or other means of telecommunication in the specified circumstances.

SECTION 97 authorizes the Director to order an administrative penalty as specified.

SECTION 98 limits the amount of an administrative penalty to \$10,000, and provides that where a contravention or failure occurs over more than one day, a separate penalty, each not exceeding that amount, may be imposed for each day or part of a day on which the contravention or failure continues.

SECTION 99 specifies the notice the Director is required to give respecting an administrative penalty.

SECTION 100 specifies the form and content of an order of the Director and provides that it is final and binding except as provided in Part 5 of the Act.

SECTION 101 authorizes the Director to correct an error or rectify an obvious omission in or clarify an order, on request or the Director's own initiative.

SECTION 102 provides that a person may appeal an administrative penalty to the Commission in accordance with section 92.

SECTION 103 provides that an administrative penalty is a debt due to the Government. Where a person fails to pay an administrative penalty, the Director is authorized to file the order in the Supreme Court. On filing, the order has the same force and effect as if it were an order of the Court and may be enforced accordingly.

SECTION 104 specifies the rules that apply to service of documents under the Act.

SECTION 105 provides that the common law respecting landlords and tenants continues to apply, except as modified or varied by the Act.

SECTION 106 provides that the doctrine of frustration of contract continues to apply, except as modified by the Act.

SECTION 107 provides that the remedy of distress is abolished, and prohibits a landlord from distraining for default in the payment of rent.

SECTION 108 provides that a landlord's obligations run with the land.

SECTION 109 provides that despite any other enactment, no order of a court in the specified proceedings affecting possession of a rental unit is enforceable against the tenant of the rental unit unless the tenant was a party to the proceeding.

SECTION 110 specifies the penalties for contraventions of the Act, the regulations or an order, and also specifies that harassment and other actions against a tenant or landlord constitute an offence.

SECTION 111 authorizes the Lieutenant Governor in Council to make regulations as specified for the purposes of the Act.

SECTION 112 establishes the meaning of "former Act" for the purposes of sections 113 to 117.

SECTIONS 113 TO 117 provide rules respecting the transition from the former Act to the Act, including the continuation of the appointment of the Director and the conclusion of applications and hearings that were started under the former Act and not concluded on the coming into force of the Act.

SECTIONS 118 AND 119 make consequential amendments to other Acts, as specified.

SECTION 120 repeals the *Rental of Residential Property Act* R.S.P.E.I. 1988, Cap. R-13.1.

SECTION 121 provides for the commencement of the Act.