



DIRECT COMPENSATION - PROPERTY DAMAGE UNDERTAKING

Section 254.3 of the *Insurance Act*, R.S.P.E.I. 1988, Cap. I-4

FROM:

Legal Name of Insurer ("The Insurer")			
Head Office Address			
Town/City	Province/State	Postal Code/Zip Code	Country
Area Code ()	Telephone Number	Area Code ()	Fax Number
Jurisdiction of Incorporation			

TO:

<p>Department of Justice and Public Safety Consumer, Labour and Financial Services Division Office of the Superintendent of Insurance 95 Rochford Street, 4th Floor, P.O. Box 2000 Charlottetown, PE C1A 7N8</p>

An owner's motor vehicle liability policy insures against liability resulting from loss or damage to property. Under section 254.3 an insured is entitled to recover, based on the degree of fault of the insured, for the damages to his or her automobile and its contents and loss of use, from his or her own insurer as though the insured were a third party. The insured's right of action would be against his or her own insurer.

THE INSURER UNDERTAKES that any property damage occurring in Prince Edward Island on or after _____ and arising from the ownership, operation or use of an automobile

(Date)

insured under a motor vehicle liability policy issued by the Insurer in any province or territory of Canada or a jurisdiction in the United States of America shall be settled in accordance with section 254.3 of the *Insurance Act*.

Date: _____

Signature of Authorized Officer: _____

Print Name: _____

Title: _____