About Dispute Resolution Services

Decisions

Publications & Resources

Rules & Legislation

Related Information

Archives

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For Settlements Made Before March 1, 2002. Excerpt From R.R.O. 1990, Reg. 664, as amended

SETTLEMENTS - STATUTORY ACCIDENT BENEFITS

9.1

1. In this section, "settlement" means an agreement between an insurer and an insured person that finally disposes of a claim or dispute in respect of the insured perso's entitlement to one or more benefits under the *Statutory Accident Benefits Schedule.*

2. Before a settlement is entered into between an insurer and an insured person, the insurer shall give the insured person a written notice that contains the following:

    1. A description of the benefits that may be available to the insured person under the Statutory Accident Benefits Schedule and any other benefits that may be available to the insured person under a contract of automobile insurance.
    2. A description of the impact of the settlement on the benefits described under paragraph 1, including a statement of the restrictions contained in the settlement on the insured person's right to mediate, litigate, arbitrate, appeal or apply to vary an order as provided in sections 280 to 284 of the Act.
    3. A statement that the insured person may rescind the settlement within two business days after the settlement is entered into by delivering a written notice to the insurer.
    4. A statement that the tax implications of the settlement may be different from the tax implications of the benefits described under paragraph 1.
    5. If the settlement provides for the payment of a lump sum in an amount offered by the insurer and, with respect to a benefit under the Statutory Accident Benefits Schedule that is not a lump sum benefit, the settlement contains a restriction on the insured person's right to mediate, litigate, arbitrate, appeal or apply to vary an order as provided in sections 280 to 284 of the Act, a statement of the insurer's estimate of the commuted value of the benefit and an explanation of how the insurer determined the commuted value.
    6. A statement advising the insured person to consider seeking independent legal, financial and medical advice before entering into the settlement.

3. A settlement may be rescinded by the insured person, within two business days after the settlement is entered into, by delivering a written notice to the insurer

4. If the insurer did not comply with subsection (2), the insured person may rescind the settlement after the period mentioned in subsection (3) by delivering a written notice to the insurer.

5. A restriction on an insured person's right to mediate, litigate, arbitrate, appeal or apply to vary an order as provided in sections 280 to 284 of the Act is not void under subsection 279(2) of the Act if,

    (a) the restriction is contained in a settlement; and

    (b) the insurer complied with subsection (2).