



**DIRECT COMPENSATION –
PROPERTY DAMAGE UNDERTAKING**
Section 254.1 of the *INSURANCE ACT*, R.S.N.B. 1973, c. I-12

FROM

Legal Name of Insurer (“The Insurer”)

Head office address

| | | |
|---------|------------------|-------------------------------|
| City | Province / State | Postal Code / Zip Code |
| Country | Phone | Jurisdiction of Incorporation |
| Email | Fax | |

TO

Financial and Consumer Services Commission
200 – 225, King Street
Fredericton, NB E3B 1E1

An owner’s motor vehicle liability policy insures against liability resulting from loss of or damage to property. Under section 254.1 of the *Insurance Act* 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 for 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 New Brunswick on or after _____ and arising from the ownership, operation or use of an automobile 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 254.1 of the *Insurance Act*.

DATE: _____

Signature of Authorized Officer: _____

Print Name: _____

Title: _____