

**BULLETIN 02-2018**  
**Nova Scotia Superintendent of Insurance**  
**INNOCENT CO-INSURED**

**May 16, 2018**

On April 13, 2018, Bill 106, received Royal Assent. The Bill amends the *Insurance Act* to protect the financial interests of an innocent person when the person's property is damaged by another person with whom that person shares an insurance policy.

Below is an excerpt from Bill 106:

<https://nslegislature.ca/sites/default/files/legc/PDFs/annual%20statutes/2018%20Spring/c012.pdf>

**An Act to Amend Chapter 231  
of the Revised Statutes, 1989,  
the Insurance Act**

Be it enacted by the Governor and Assembly as follows:

1 Subsection 5(1) of Chapter 231 of the Revised Statutes, 1989, the Insurance Act, as amended by Chapter 1 of the Acts of 2003 (Second Session), is further amended by adding immediately after clause (l) the following clause:

(la) prescribing requirements for the purpose of clause (c) of subsection (3) of Section 13A;

2 Chapter 231 is further amended by adding immediately after Section 13 the following Section:

13A (1) Where a contract contains a term or condition excluding coverage for loss or damage to property caused by a criminal or intentional act or omission of an insured or any other person, the exclusion applies only to the claim of a person

(a) whose act or omission caused the loss or damage;

(b) who abetted or colluded in the act or omission;

(c) who

(i) consented to the act or omission, and

(ii) knew or ought to have known that the act or omission would cause the loss or damage; or

(d) who is not a natural person.

(2) Nothing in subsection (1) allows a person whose property is insured under the contract to recover more than the person's proportionate interest in the lost or damaged property.

(3) A person whose coverage would be excluded but for subsection (1) shall

(a) co-operate with the insurer in respect of the investigation of the loss, including submitting to an examination under oath if requested by the insurer;

(b) in addition to producing any documents required by the contract, produce for examination, at a reasonable place and time specified by the insurer, all documents in the person's possession or control that relate to the loss; and

(c) comply with any other requirement prescribed by the regulations.

Should you have any questions or concerns regarding this amendment, do not hesitate to contact the Office of the Superintendent of Insurance directly at 902-424-6331.

William Ngu,  
Superintendent of Insurance