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## CASE SUMMARY: ARBITRATOR'S DECISION FINDING ONTARIO INSURER REQUIRED TO PAY ONTARIO BENEFITS UNDER ITS NUNAVUT POLICY UPHELD BY ONSC

Insurer of vehicle involved in motor vehicle accident in Nunavut required to pay Ontario statutory accident benefits to occupant of vehicle insured in Ontario.

**Insurance law – Automobile insurance – Appeals – Priority coverage – Interprovincial issues – Statutory obligations – Arbitration**

*Travelers Insurance Co. v. CAA Insurance Co.*, [2018] O.J. No. 4681, 2018 ONSC 3911, Ontario Superior Court of Justice, September 13, 2018., A. Pollak J.

Travelers appealed a decision of a private arbitrator who determined that Travelers was the priority insurer for benefits flowing from a motor vehicle accident in Nunavut.

The insured had applied to the insurer of her motor vehicle, CAA Insurance, for Ontario statutory accident benefits for the injuries she sustained in the accident, which did not involve her vehicle. CAA had been paying Ontario accident benefits to the insured since the accident. CAA claimed that Travelers ought to pay the insured's Ontario accident benefits and initiated the arbitration.

The dispute between the insurers was determined by section 268 of the *Insurance Act*, which addresses the priority for payment of benefits. The arbitrator held that because Travelers was an Ontario insurer, had filed a power of attorney and undertaking (PAU) in Ontario and was the insurer of the car involved in the accident, it was bound by the priority laws in the *Insurance Act* and required to pay Ontario benefits under its Nunavut policy.

The court found the arbitrator's decision was reasonable based on its interpretation of the PAU and the *Insurance Act* and dismissed the appeal.

This case was digested by [Cameron B. Elder](#), and first published in the LexisNexis® Harper Grey Insurance Law Netletter and the Harper Grey Insurance Law Newsletter. If you would like to discuss this case further, please contact Cameron B. Elder at [celder@harpergrey.com](mailto:celder@harpergrey.com).