

ALBERTA INSURANCE COUNCIL
(the "AIC")
In the Matter of the Insurance Act, R.S.A. 2000, Chapter I-3
(the "Act")
And
In the Matter of Calgary Tours & Transportation Ltd.
(the "Agency")
As represented by
Daphne Teng, Designated Individual
(the "DI")

AGREED STATEMENT OF FACTS AND JOINT SUBMISSION

WHEREAS the AIC undertook a review of the Agency's licensing records, during which review information came to light that indicated that the Agency had been acting as a restricted insurance agent while unlicensed;

AND WHEREAS the review established that the Agency had sold travel insurance policies during the period from May 28, 2016 to and including July 31, 2017, without a valid and subsisting Certificate of Authority and was compensated for acting as a restricted insurance agent;

AND WHEREAS the Agency is aware of the opportunity to retain and instruct legal counsel with respect to the matters referred to in this Agreed Statement of Facts and Joint Submission;

NOW THEREFORE the Agency, as represented by the DI, and the Investigator agree as follows:

- 1.0 For the purposes of this Agreed Statement of Facts and Joint Submission, the Agency through its DI makes the following admissions and submissions:
 - 1.1.1 The Agency is the holder of a Certificate of Authority (3-10938769) to transact business as a restricted insurance agent to sell travel related insurance and has been licensed since May 1, 2014. The Agency did not hold a license for the period from May 28, 2016 to and including July 31, 2017;
 - 1.1.2 During the period of time that the Agency did not hold a valid Certificate of Authority the Agency sold a total of 173 policies and received commission income in the amount of \$10,979.83 on behalf of the Co-operators;

- 2.0 As a result of the facts set out in this Agreed Statement of Facts and Joint Submission, the Agency contravened section 452(1) of the Act, and consequently violated section 480 (1) (b) of the Act for acting as a restricted insurance agent during a period of time the Agency was unlicensed.
- 3.0 The DI and the Investigator jointly recommend to the Life Insurance Council (“Council”) that the Council approve this Agreed Statement of Facts and Joint Submission and resolve, dispose of and finally conclude this matter involving the Agency by approving a decision in the form annexed hereto as Schedule 1, which provides for a civil penalty in the amount of \$1300.00 which represents a civil penalty of \$100.00 per month that the Agency was unlicensed in accordance with the penalties prescribed in section 13(1)(b) of the Certificate Expiry, Penalties and Fees Regulation, AR 125/2001.
- 4.0 The Agency recognizes that the acceptance of the decision set out in Schedule 1 shall be at the unfettered discretion of the Council.
- 5.0 The Agency is aware of and acknowledges that upon receiving notification of the Council’s decision, the civil penalty specified in Schedule 1 must be paid within the time frames set out in section 480(4) of the Act.
- 6.0 The Agency is also aware of and acknowledges that by entering into this Agreed Statement of Facts and Joint Submission, the Agency waives it’s right to appeal this decision as set out in section 482 of the Act.
- 7.0 The Agency waives any existing right it may have under the Act or otherwise to a hearing, review, judicial review or appeal of this matter.
- 8.0 The Agency acknowledges that this Agreed Statement of Facts and Joint Submission may be referred to in this or any other proceeding under the Act, and in regulatory proceedings in other jurisdictions.

9.0 The Agency recognizes that this Agreed Statement of Facts and Joint Submission resolves all issues involving the Agency in this matter only, as the matter is described above.

Dated at the City of Edmonton, in the Province of Alberta this 4th day of January, 2018.

ALBERTA INSURANCE COUNCIL

PER:

Original signed by

Trisha Lunt, Investigator

Dated at the City of Calgary, in the Province of Alberta, this 16th day of January, 2018.

Original signed by

Daphne Teng, Designated Individual

In the presence of:

Original signed by

Signature of Witness

[KY]

Name of Witness (please print)

SCHEDULE 1

ALBERTA INSURANCE COUNCIL
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DECISION OF
The Life Insurance Council
(the "Council")

WHEREAS the Investigator of the Alberta Insurance Council ("AIC") made a request for information in relation to an investigation being conducted by the AIC into the compensation of an unlicensed restricted insurance agency, from May 28, 2016 to and including July 31, 2017;

AND WHEREAS as a result of information received, the Investigator and the DI entered into an Agreed Statement of Facts and Joint Submission, a copy of which is attached hereto;

AND WHEREAS pursuant to the Agreed Statement of Facts and Joint Submission, the DI has agreed that the Agency will pay a civil penalty in the amount of ONE THOUSAND and THREE HUNDRED DOLLARS (\$1300.00) in relation to the Agency being compensated for acting as a restricted insurance agent during the period of time it was unlicensed and has acknowledged that the Council has the discretion to accept or reject that recommendation;

AND WHEREAS the Council considers that it would be in the public interest to approve the said Agreed Statement of Facts and Joint Submission;

IT IS ORDERED that:

1. The Agreed Statement of Facts and Joint Submission be accepted and is hereby approved; and
2. The Agency pay a fine of ONE THOUSAND and THREE HUNDRED DOLLARS (\$1300.00) in accordance with the terms and conditions set out in this Agreed Statement of Facts and Joint Submission.

The attached Agreed Statement of Facts and Joint Submission was reviewed by the Council and a motion to approve this decision was made and carried at a properly conducted meeting of the Life Insurance Council. The motion was duly recorded in the minutes of that meeting.

Date: February 9, 2018

Original signed by

Jim Brownlee
FOR: Kenneth Doll, Chair
Life Insurance Council