

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 CanWest Travel Company Inc.  
(the "Agency")

As represented by  
Joanne Walokoff, Designated Individual  
(the "DI")

**AGREED STATEMENT OF FACTS AND JOINT SUBMISSION**

WHEREAS the AIC undertook a review of the Agency's Errors and Omissions ("E&O") policy information that was disclosed on its 2017/18 renewal application, during which review information came to light that indicated that the E&O information provided by the Agency was invalid;

AND WHEREAS the review established that the Agency did not hold E&O coverage from February 18, 2017 to March 20, 2018;

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 DI and the Investigator agree as follows:

- 1.0 For the purposes of this Agreed Statement of Facts and Joint Submission, the Agency through the DI makes the following admissions and submissions:
  - 1.1.1 The Agency is the holder of a Certificate of Authority (3-18938) to transact business as a restricted insurance agency to sell travel insurance and has been licensed since at least January 30, 1997.
  - 1.1.2 On March 16, 2018, the AIC sent an email to the DI requesting that she provide the AIC with information regarding the Agency's E&O insurance policy. On March 26, 2018, the DI provided a copy of the Agency's 2018/19 policy which showed that coverage has been in place from March 20, 2018 to March 20, 2019.
  - 1.1.3 The DI stated that no E&O coverage was in place from February 18, 2017 to March 20, 2018. The DI advised the investigator that due to the DI's oversight the E&O coverage was not paid for and therefore, coverage lapsed. The DI did obtain E&O coverage as soon as the lack of coverage was discovered.

- 1.1.4 The DI is aware that any similar future occurrences may result in a potential fine as high as \$1000.00 per occurrence.
- 2.0 As a result of the facts set out in this Agreed Statement of Facts and Joint Submission, the Agency contravened section 465(1) of the Act, and consequently violated s. 480(1)(b) of the Act for failing to meet the E&O insurance requirements in the Act.
- 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 \$300.00 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 DI 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 its 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 23<sup>rd</sup> day of April, 2018.

ALBERTA INSURANCE COUNCIL

PER:

[Original signed by]

Trisha Lunt, Investigator

Dated at the City of Edmonton, in the Province of Alberta, this 1<sup>st</sup> day of May, 2018.

[Original signed by]

Joanne Walokoff, Designated Individual

**In the presence of:**

[Original signed by]

Signature of Witness

[R.R.]

Name of Witness (please print)

SCHEDULE 1

ALBERTA INSURANCE COUNCIL  
(the "AIC")  
In the Matter of the Insurance Act, R.S.A. 2000, Chapter I-3  
(the "Act")  
And  
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(the "Agency")

As represented by  
Joanne Walokoff, Designated Individual,  
(the "DI")

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 an errors and omissions review;

AND WHEREAS as a result of information received, the DI and the Investigator 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 THREE HUNDRED DOLLARS (\$300.00) in relation to the Agency failing to meet the E&O insurance requirements in the Act 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 THREE HUNDRED DOLLARS (\$300.00) 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: June 13, 2018

Original signed by  
Kenneth Doll, Chair  
Life Insurance Council