

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 Andrea Gilchrist
(the "Former Agent")

DECISION
OF
The Life Insurance Council
(the "Council")

This case involves an allegation pursuant to s. 481(2) of the Act. Specifically, it is alleged that the Former Agent failed or refused to provide information requested by the Minister, through the AIC, by way of a formal demand for information (the "Demand"). In so doing, it is alleged that the Former Agent subsequently violated s. 480(1)(b) of the Act.

Facts and Evidence

This matter proceeded by way of a written Report to Council dated August 1, 2025 (the "Report"). The Report was forwarded to the Former Agent for review, and to allow the former Agent an opportunity to provide the Council with any further evidence or submissions by way of addendum.

This matter arose due to the Former Agent's failure to respond to a Demand issued in the course of an investigation into a complaint made against the Former Agent.

The Former Agent was the holder of an Accident & Sickness certificate of authority from July 9, 2024, to November 13, 2024, when the certificate was terminated by the sponsor for cause.

The Former Agent also held an Auto Dealership (Equipment Warranty) certificate of authority from July 15, 2024, to June 30, 2025, when it was not renewed.

On April 16, 2025, the AIC investigator sent a request for information in an *Investigation Notice* document to the Former Agent, via email, with a response deadline of May 5, 2025.

On May 7, 2025, the AIC investigator sent to the Former Agent, via email and regular mail, the request for information initially sent on April 16, 2025, and the Demand, with a response deadline of May 23, 2025.

The Agent has not provided a response to the Demand or the Report.

Discussion

The President of Treasury Board and Minister of Finance has delegated their authority to the AIC to investigate complaints against holders, and former holders, of certificates of authority, pursuant to Ministerial Directive 01/2011. Section 481(1) of the Act states that “[t]he Minister may direct the holder or former holder of a certificate of authority to provide to the Minister within a reasonable period of time specified in the direction any information specified by the Minister relating to the matters in s. 480(1).” Section 481(2) states that “[a] person served with a direction...who has the information must provide the information in accordance with the direction.”

The ability to issue the Demand itself is derived from s. 481 of the Act:

Demand for information

481(1) The Minister may direct the holder or former holder of a certificate of authority to provide to the Minister within a reasonable period of time specified in the direction any information specified by the Minister relating to the matters in section 480(1).

(2) A person served with a direction under subsection (1) who has the information must provide the information in accordance with the direction.

[Emphasis added in original document]

Section 480 of the Act provides, in part:

Sanctions affecting certificates

480(1) If the Minister is satisfied that the holder or a former holder of a certificate of authority

[...]

(b) has contravened any provision of this Act or the regulations or similar legislation in another jurisdiction or legislation that is a predecessor of this Act or the regulations,

[...]

the Minister may revoke, suspend or refuse to renew or reinstate one or more of the certificates of authority held by the holder, impose terms and conditions provided for in the regulations on one or more of the certificates of authority held by the holder and impose a penalty on the holder or former holder.

[...]

[Emphasis added in original document]

In this regard, the act of failing to provide information in accordance with s. 481(2) of the Act, and the potential violation of s. 481(2) of the Act regarding the Demand, prompted the AIC to commence an investigation.

Regulatory offences such as these are strict liability offences. As such, the AIC has the onus to prove that the Demand was properly made upon the Former Agent, and that the Former Agent did not comply in accordance with the Demand. Once this has been established, the responsibility then shifts to the Former Agent to establish that due diligence was

exercised in meeting the statutory requirement to respond. To substantiate this due diligence defence, the Former Agent must prove that all reasonable means were taken to avoid making the offence. There is nothing that requires the AIC to prove that the Former Agent's failure to respond was intentional.

In reviewing the evidence before it, the Council took note that the AIC had communicated with the Former Agent using the information on the Former Agent's personal profile with the AIC, with the contact information provided to the AIC from the Former Agent, including the email address and mailing address on file. It is the responsibility of the individual to ensure that their contact information is up to date with the AIC. The Council also took note of the fact that the Demand was related to an investigation involving allegations of a serious nature and was sent to the Former Agent using both email and mail, with the Demand being sent only after a previous request for information was sent to the Former Agent and no response was received. To date, no response has been received by the Former Agent.

In consideration of the evidence before it, and the appropriateness of the request to provide information under the Act, the Council is satisfied that the Demand met the requirements of s. 481(2) of the Act. The Council is in agreement that the Former Agent was provided with a reasonable opportunity to respond to the Demand and that the Former Agent failed to respond within the prescribed timeline, and therefore the Former Agent has not met the burden of proof to establish a due diligence defence. As such, the Council finds the Former Agent guilty of violating s. 481(2) of the Act, as alleged, and therefore also finds that the Former Agent has subsequently violated s. 480(1)(b) of the Act.

In terms of the applicable sanction, the public relies on the AIC to investigate complaints, and the Act requires that all holders and former holders of certificates of authority provide the regulator with information when called upon. The Council is of the view that the public is not well served when insurance agents do not respond to requests for information from the regulator, especially when it relates to an investigation involving serious allegations. Pursuant to s. 36.1(1)(b) of the *Insurance Agents and Adjusters Regulation*, A.R. 122/2001, the Council has the discretion to levy a civil penalty in an amount up to \$1,000.00. Given the facts in their entirety, the Council is of the view that a significant penalty is warranted in the circumstances, and the Council orders that a civil penalty in the amount of \$1,000.00 be levied against the Former Agent.

The civil penalty of \$1,000.00 must be paid within thirty (30) days of the mailing of this Decision. In the event that the civil penalty is not paid within thirty (30) days, interest will begin to accrue at the prescribed rate. If the Former Agent has active certificates of authority at the time that the civil penalty becomes due, and that civil penalty has not been duly satisfied, the Former Agent's active certificates of authority will be suspended in accordance with s. 480(4) of the Act. Pursuant to s. 482 of the Act (excerpt enclosed), the Former Agent has thirty (30) days in which to appeal this Decision by filing a notice of appeal with the Office of the Superintendent of Insurance.

This Decision was made by way of a motion 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: October 27, 2025

[Original signed by]
Andy Freeman, Chair
Life Insurance Council

Extract from the *Insurance Act, R.S.A. 2000, Chapter I-3***Appeal**

482 A decision of the Minister under this Part to refuse to issue, renew or reinstate a certificate of authority, to impose terms and conditions on a certificate of authority, to revoke or suspend a certificate of authority or to impose a penalty on the holder or former holder of a certificate of authority may be appealed in accordance with the regulations.

Extract from the *Insurance Councils Regulation, Alberta Regulation 126/2001***Notice of appeal**

16(1) A person who is adversely affected by a decision of a council may appeal the decision by submitting a notice of appeal to the Superintendent within 30 days after the council has mailed the written notice of the decision to the person.

(2) The notice of appeal must contain the following:

- a) a copy of the written notice of the decision being appealed;
- b) a description of the relief requested by the appellant;
- c) the signature of the appellant or the appellant's lawyer;
- d) an address for service in Alberta for the appellant;
- e) an appeal fee of \$200 payable to the Provincial Treasurer.

(3) The Superintendent must notify the Minister and provide a copy of the notice of appeal to the council whose decision is being appealed when a notice of appeal has been submitted.

(4) If the appeal involves a suspension or revocation of a certificate of authority or a levy of a penalty, the council's decision is suspended until after the disposition of the appeal by a panel of the Appeal Board.

Contact Information and Useful Links for Appeal:

Email: tbf.insurance@gov.ab.ca

Phone: 780-643-2237

Fax: 780-420-0752

Toll-free in Alberta: Dial 310-0000, then the number

Mailing Address: 402 Terrace Building, 9515 – 107 Street Edmonton, AB T5K 2C3

Link: [Bulletins, notices, enforcement activities | Alberta.ca](#) – *Interpretation Bulletin 02-2021 – Submitting Notices of Appeal of Insurance Council Decisions*