



REGARDING the *Automobile Insurance Rate Stabilization Act, 2003*, S.O. 2003, c. 9, as amended (the “**AIRSA**”), and in particular sections 11.1, 11.2 and 11.3

AND REGARDING the *Insurance Act*, R.S.O. 1990, c. I.8, as amended (the “**Insurance Act**”), and in particular section 441.3

AND REGARDING Security National Insurance Company (“**SNIC**”)

ORDER TO IMPOSE AN ADMINISTRATIVE PENALTY

SNIC is licensed by the Superintendent of Financial Services (the “**Superintendent**”) as an accident and sickness, automobile, liability and property insurer (license #397).

The Superintendent issued a Notice of Proposal to Impose Administrative Monetary Penalties against SNIC on January 14, 2019 in respect of charging rates other than the authorized rates for the Personal Vehicles – Private Passenger Automobile category of automobile insurance, contrary to section 8 of the *AIRSA*. SNIC requested a hearing before the Financial Services Tribunal in respect of the Notice of Proposal.

The Superintendent and SNIC wish to resolve the issues arising from the Notice of Proposal and the Request for Hearing and have entered into a settlement agreement.

SNIC has consented to the Superintendent issuing administrative penalties on SNIC in the cumulative amount of \$1,400,000. The Superintendent has determined that SNIC contravened section 8 of the *AIRSA* by charging rates other than the authorized rates for the Personal Vehicles – Private Passenger Automobile category of automobile insurance.

SNIC has withdrawn its Request for Hearing.

Subsection 441.3(7) of the *Insurance Act* provides that the Superintendent may carry out the proposal to impose an administrative monetary penalty when no hearing has been requested.

ORDER

Pursuant to section 11.3 of the *AIRSA*, administrative penalties in the cumulative amount of \$1,400,000 are imposed on SNIC.

TAKE NOTICE THAT SNIC will be receiving shortly an invoice from Ontario Shared Services, a part of the Ministry of Government and Consumer Services, with information as to where and how to make the payment. SNIC must pay the administrative penalties no later than 30 days after the date of the invoice.

