



Consensual Agreement and Undertaking

Between

**The Complaints and Investigation Committee of the
General Insurance Council of Saskatchewan
(Bylaw 7, Subsection 5(b))**

And

Royal Travel (Lloydminster) Ltd. dba Carlson Wagonlit Travel-Royal Travel

The Committee is authorized under Bylaw 7, Section 5, subsection 3, subparagraph (b), to enter into consensual resolutions of complaints.

The Committee is required under Bylaw 5, Section 1, subsection 1 to record on the register the existence of all disciplinary decisions or orders, court orders, alternative dispute resolution agreements, undertaking and mediation agreements in accordance with council policy. Disciplinary actions as described above are reported in the Insurance Councils of Saskatchewan website and the Canadian Insurance Regulators Disciplinary Actions (CIRDA) database.

Royal Travel (Lloydminster) Ltd. dba Carlson Wagonlit Travel-Royal Travel (Royal) acknowledges and agrees that:

1. Section 2(d)iii) of *The Saskatchewan Insurance Act* (the Act) defines agent or insurance agent as a person who for compensation, acts in the solicitation or negotiation of insurance.
2. Contrary to Bylaw 8, Section 2, subsection (g), it:
 - a. violated Section 444 of the Act by allowing the payment of any commission or other compensation or anything of value to any person for acting or attempting or assuming to act as an insurance agent in respect of insurance in Saskatchewan unless that person holds at the time a subsisting licence under this Act as an agent or a salesman.
3. Contrary to Bylaw 8 Section 1, subsection (a) it:
 - a. acted contrary to the best interests of the consumer by allowing the sale of travel insurance by an unlicensed salesperson who did not have valid errors and omissions insurance at the time of these sales.

- b. the use of unlicensed agents is not in the interest of consumers, licensed agents or insurers. Only through the licensing process can the General Insurance Council (Council) determine the suitability of a person to be licensed.
4. Its rights to appear before a Discipline Committee of the Council have been explained to it and it understands it's rights and obligations under the Council Bylaw 10.
5. It waives its rights to appear before a Discipline Committee of the Council and undertakes not to exercise any appeal rights it may have under Council's Bylaw 10, Section 3 or Section 466.1 (7.1) of *the Act* as it relates to matters set out in this Consensual Agreement and Undertaking (Agreement).
6. It has been advised by the Committee that it is in its interests to obtain independent legal advice before entering into this Agreement.
 - a. Royal has obtained such independent legal advice and is satisfied with the same, prior to executing this Agreement, or
 - b. Royal has willingly chosen not to obtain such advise prior to executing this Agreement.
7. This Agreement does not preclude the Committee from pursuing any other investigation against it for activities not identified in this Agreement that may be in violation of Council's Bylaws or the Act.

Royal, having waived its rights undertakes to:

Pay a fine for the outlined violations as well as pay the costs of the investigation:

- a. Pay a fine in the amount of \$5000.00 for its breach of Bylaw 8(1(a)).
- b. Pay a fine of \$5000.00 calculated using the number of policies sold for its breach of Bylaw 8(2(g)).
- c. Reimburse the Committee's investigation costs in the amount of \$1110.00. 10 hours @ \$110.00 per hour.

Total Fines \$5000.00 + \$5000.00 + investigation costs \$1110.00 = \$11110.00

The Committee agrees to accept as full and final resolution to the acknowledged violations of Council's Bylaws as set out in this Agreement, the following:

- a. the payment of a fine in the total amount of \$10000.00; and
- b. payment of the costs of the investigation of \$1110.00.

Dated at Lloydminster, in the Province of Alberta, this 26th day of October 2015.

Originally signed by

Gerry Duhaime for Royal Travel (Lloydminster) Ltd. dba Carlson Wagonlit Travel-Royal Travel

Dated at Regina, in the Province of Saskatchewan, this 29th day of October 2015.

Originally signed by

Darryl McKay, Chair

Complaints and Investigation Committee

General Insurance Council of Saskatchewan