



CONSENSUAL AGREEMENT AND UNDERTAKING

("Agreement")

Between

THE MARKET PRACTICES COMMITTEE

("Committee")

of

THE GENERAL INSURANCE COUNCIL OF SASKATCHEWAN

("Council")

And

Cover Genius Canada Inc. a/o/a Rentalcover.com

("Cover Genius")

Cover Genius acknowledges and agrees that it received Notice regarding a proposed action pursuant to Section 10-11 of *The Insurance Act* (the "Act"), and the reasons therefore, from Council, dated September 24, 2020.

Cover Genius acknowledges and agrees that it is guilty of misconduct by violating Council Bylaws between April 2018 and May 2019 as follows:

Bylaw 4-1(1) For the purposes of the Act, the regulations and these bylaws, professional misconduct is a question of fact but includes any matter, conduct or thing, whether or not disgraceful or dishonorable that:

(c) is a breach of the Act, the regulations or these bylaws.

The Act:

s. 5-4(1) No business shall act or offer to act as an insurance agent with respect to a class of insurance unless the business holds a valid insurance agent's licence for that class of insurance.



Consensual Agreement and Undertaking Cover Genius Canada Inc. a/o/a Rentalcover.com

s. 5-10 Except where permitted in the regulations, no insurer and no insurance intermediary shall appoint, permit or authorize any person to do any of the things for which an insurance intermediary's licence is required by this Part unless the person is the holder of a valid insurance intermediary's licence.

Bylaw 4-1(2) Without limiting the generality of subsection 4-1(1), a licensee may be guilty of misconduct if the licensee:

- (r) fails to follow sound business practices or maintain proper records;
- (t) fails to exercise reasonable and prudent oversight and review when acting in supervisory capacity

Cover Genius acknowledges and agrees that:

- a. Its right to make a written submission to, or appear before the Committee at an oral hearing, as to why this action should not be taken, has been explained to them and that it fully understands its rights and/or obligations.
- b. It waives its right to make a written submission to the Committee or to appear before the Committee at an oral hearing and chooses to resolve this matter by way of this Agreement and accordingly waives any right of appeal with respect to this action.
- c. This Agreement does not preclude Council from pursuing any other investigation and/or sanctions against it for activities not identified in this Agreement that may be in violation of the Act, *The Insurance Regulations* ("the regulations") or Council Bylaws.
- d. It has been advised that it is in its best interest to obtain independent legal advice before entering into this Agreement, and it has either:
 - i. obtained such independent legal advice prior to executing this Agreement; or,
 - ii. has willingly chosen not to obtain such advice prior to executing this Agreement.
- e. It hereby affirms that it has read and understands the terms of this Agreement and is signing it voluntarily and of its own free will.



Cover Genius having waived its rights, accepts and undertakes to fulfill the sanctions imposed by the Committee as follows:

1. Pay the following:
 - a. a fine in the amount of \$7,100 and
 - b. costs of investigation (10 hours x \$1,100) in the amount of \$1,100.
2. To pay the fine and costs of \$7,100 within 30 days from the date of this Agreement.

The Committee's Agreement:

1. Upon fulfillment of the sanctions imposed, the Committee agrees this to be the full and final resolution of the violations of Council's Bylaws by Cover Genius as outlined in this Consensual Agreement and Undertaking

Originally Signed by _____
Cover Genius

October 6, 2020
Date

Anne Parker for _____
THE MARKET PRACTICES COMMITTEE
General Insurance Council of Saskatchewan

October 7, 2020
Date

Penalties affecting insurance intermediary's licence

5-39(3)

If a penalty imposed against a holder of an insurance intermediary's licence pursuant to subsection (2) is not paid within 30 days after the holder is served with the written notice of the penalty and the decision of the Superintendent is not appealed, the licence is automatically suspended immediately following the last date for paying the penalty or appealing the decision, whichever is later, and remains suspended until the penalty is paid or the licence expires.