



DECISION

**IN THE MATTER OF
THE GENERAL INSURANCE COUNCIL OF SASKATCHEWAN
("GICS")**

AND

**THE LIFE INSURANCE COUNCIL OF SASKATCHEWAN
("LICS")**

**MARKET PRACTICES COMMITTEES
("the Committees")**

RESPECTING

**SWG Holdings Ltd. o/a Gilbert Agencies
("the licensee")**

The Committees are authorized under the General Insurance Council Bylaw and the Life Insurance Council Bylaw 2, section 2-3, to investigate complaints and adjudicate or mediate disputes respecting alleged non-compliance with *The Insurance Act* (the "Act"), *The Insurance Regulations* (the "regulations") or the Bylaws, by applicants, licensees or persons who are required to be licensees pursuant to clause 5-31(3)(i) of the regulations, and to make decisions respecting penalties and other charges pursuant to clause 5-31(3)(k) of the regulations.

In response to a complaint received by the Compliance and Enforcement Branch from the Licensing Branch of the Insurance Councils of Saskatchewan ("Council") on March 13, 2020 regarding the failure of the licensee to maintain its Business Name with the Information Services Corporation ("ISC") the Committees issued a Notice of Proposed Action via a Consensual Agreement and Undertaking on November 3, 2020.

Pursuant to section 10-11(3)(b) of the Act the licensee made written representations through its Designated Representative ("DR") to the Committees respecting why the licensee felt the actions identified in the Agreement should not be taken.

The licensee in its written representations provided an explanation of events that led to the lapse in the registration of the Business Name used by the Corporation. The licensee also indicated a change in process regarding future renewals with the ISC.

On November 24, 2020, the Committees, in accordance with section 10-11(10)(a) of the Act, considered the licensee's representations regarding the misconduct identified hereunder:

MISCONDUCT AND BYLAW VIOLATIONS BY THE LICENSEE:

Bylaw 4-1 (2) (r) The licensee, through its DR, failed to follow sound business practices when it allowed its registration with the Corporate Registry of the ISC to lapse and did not reinstate it for a period of almost two (2) years, from December 31, 2017 to September 18, 2019.

Bylaw 7-4 (1) 1) b) The licensee, as a licensed agency, failed to maintain its registration with the Corporate Registry of the ISC for a period of almost two (2) years, from December 31, 2017 to September 18, 2019. A licensed agency is required to maintain its corporate registration for as long as it holds a licence.

The licensee through its DR acknowledged that the Business Name had lapsed but advised that the lapse was not intentional nor was it due to neglect.

REASONS FOR THE DECISION:

The Committees for the GICS and the LICS both agreed that the fine for violation of Bylaw 4-1 (2)(r), failure to follow sound business practices would be removed. The fine for violation of Bylaw 4-1(1)(c) will remain as the licensee failed to maintain its Business Name registration with the ISC for as long as the licensee holds an active licence, in violation of Bylaw 7-4(1)(1)(b).

Neither Committee made any change to the costs of investigation that the licensee is being charged.

THE COMMITTEES HEREBY ORDER THAT:

1. The licensee pay a fine for violation of **Bylaw 4-1(1)(c)** in the amount of **\$1,500.00**.
2. The licensee pay the costs of investigation of 3 hours at \$110.00 per hour **\$ 330.00**
Total: \$1,830.00
3. The licensee must pay the fine and costs of investigation within 30 days of his receipt of this Decision.
4. The licensee, as a result of previous disciplinary actions, will be subject to greater scrutiny during any future compliance reviews of its business practices and procedures.

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.

Dated at Regina, in the Province of Saskatchewan, this 16 day of December, 2020.

Originally signed by:

Anne Parker, Chair
Market Practices Committee
General Insurance Council of Saskatchewan

Originally signed by:

Grant Laube, Chair
Market Practices Committee
Life Insurance Council of Saskatchewan